




COUNTY OF LEHIGH
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER
17 SOUTH SEVENTH STREET
ALLENTOWN, PA 18101-2400
(610) 782-3082 FAX: (610) 820-3335

TO: Final Distribution
FROM: Thomas Slonaker, County Controller 
DATE: December 23, 2008
RE: Compliance Audit of the Conflict of Interest Policy

We have completed an audit of the conflict of interest policy administered by the Human Resources Department for calendar year 2007. Our report number 09-1 is attached.

The attached report outlines several issues:

- Employees in sensitive decision making positions do not file conflict of interest statements upon hire.
- Some employees with vendor invoice approval authority do not file conflict of interest statements.

Attachment

AUDITS/CONFLICT OF INTEREST POLICY

COUNTY OF LEHIGH, PENNSYLVANIA
CONFLICT OF INTEREST POLICY COMPLIANCE

*Audit of the Conflict of Interest Policy
For the Calendar Year 2007*

REPORT NO. 09-1

COUNTY OF LEHIGH, PENNSYLVANIA
CONFLICT OF INTEREST POLICY COMPLIANCE

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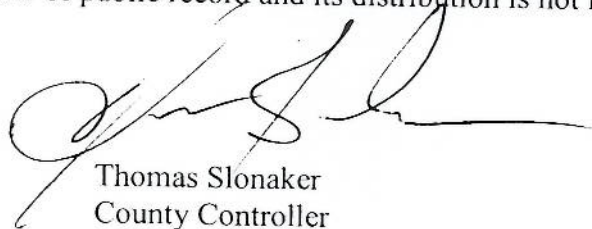
M. Judith Johnston, Human Resources Officer
Lehigh County Government Center
17 South Seventh Street
Allentown, PA 18101-2400

We have recently completed an audit of the conflict of interest policy administered by the Human Resources Department for calendar year 2007. Our objective was to measure compliance with annual disclosure requirements in County of Lehigh Resolution 78-6.

Our audit included examination of the accounting records, documentation, discussion with Human Resources and other county personnel, and such other auditing procedures we considered necessary in the circumstances.

Our testing revealed that the administration of the conflict of interest policy is performed well by the Human Resources Department. However, we noted some issues regarding employee (new and current) participation in the conflict of interest policy.

We wish to thank the Human Resources Officer and staff for their cooperation during the audit. This report is intended for the information and use of the Human Resources Department and other affected county offices. However, this report is a matter of public record and its distribution is not limited.



Thomas Slonaker
County Controller

(Date)
Allentown, Pennsylvania

Final Distribution:
Board of Commissioners
Donald T. Cunningham, Jr., County Executive
Brian L. Kahler, Fiscal Officer

COUNTY OF LEHIGH, PENNSYLVANIA
CONFLICT OF INTEREST POLICY COMPLIANCE

Schedule of Audit Findings and Recommendations

1. New Employees Not Completing Conflict of Interest Forms

Condition: New hires are not required to file a conflict of interest form or a statement of financial interest until the year following the date of hire. Potential conflicts should be identified and resolved on a timely basis.

Recommendation: Require new hires in sensitive, decision making positions file conflict of interest and statement of financial interest forms as part of the new hire process.

2. Selection of Employees Required to Complete Conflict of Interest Forms

Condition: Not all employees with vendor invoice approval authority file conflict of interest statements. We believe invoice approval authority could potentially present conflict of interest situations. Potential conflicts arising from approval of vendor invoices should be disclosed and resolved.


Recommendation: Require all employees authorized to approve vendor invoices to file conflict of interest statements.



COUNTY OF LEHIGH
Human Resources

M. Judith Johnston
Human Resources Officer

To: Thomas Slonaker
County Controller

From: M. Judith Johnston 
Human Resource Officer

Date: December 18, 2008

Re: Conflict of Interest Audit-Statement of Financial Interest

In response to the recommendations made during the recent audit:

1. New hires, which are in sensitive, decision making position, will complete a conflict of interest form and statement of financial interest form during the hiring process.
2. Review with the Controller's Office a list of employees to determine who should complete a conflict of interest and statement of financial interest forms.