



*Internal Audit Report No. I2024-107*  
December 6, 2024

***Prepared By***  
Julie Chung, Senior Auditor  
***Reviewed & Approved By***  
Mike Bathke, Director

December 6, 2024

**MAGNUS EGERSTEDT, Ph.D.  
STACEY NICHOLAS DEAN OF ENGINEERING  
SAMUELI SCHOOL OF ENGINEERING**

**RE: Conflict of Commitment & Conflict of Interest Audit  
No. I2024-107**

Internal Audit Services performed a focused review related to processes and controls around Conflict of Commitment (COC) and Conflict of Interest (COI) in the Henry Samueli School of Engineering (HSSOE), and the final report is attached.

We extend our gratitude and appreciation to all personnel with whom we had contact while conducting our review. If you have any questions, please do not hesitate to contact me.

Sincerely,



Mike Bathke  
Director

Attachment

C: Audit Committee  
Cyndi Muylle, Senior Assistant Dean and Chief of Staff – School of Engineering  
Faryar Jabbari, Associate Dean for Academic Affairs – School of Engineering

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## **I. MANAGEMENT SUMMARY**

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In accordance with the fiscal year (FY) 2023-2024 audit plan, Internal Audit Services (IAS) conducted a focused review related to the processes and controls around Conflict of Commitment (COC) and Conflict of Interest (COI) in the Henry Samueli School of Engineering (HSSOE). The purpose of this audit was to determine if the current internal controls and business practices implemented in HSSOE effectively and efficiently promote proper monitoring and tracking necessary for timely reporting by faculty.

In general, controls and processes appear to be functioning as intended. Based on the audit work performed, appropriate business processes were established and implemented to ensure compliance with University policies and procedures. IAS noted a couple of observations that were not significant enough to warrant inclusion in this report that were discussed verbally with management.

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## **II. PURPOSE, SCOPE, AND OBJECTIVES**

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The purpose of this audit was to perform a review of current business practices and internal controls ensure timely reporting by faculty as required by policy. The scope included the review of the current COC reporting status by faculty in OATS and the COI resources made available to faculty.

For testing purposes, IAS included the following objectives:

1. Review established business practices and processes to determine if they promote HSSOE faculty to submit applicable COI forms; and
2. Review established business practices and processes to determine if they ensure eligible faculty to timely file an annual report of outside professional activities.

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## **III. CONCLUSION**

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Based on the audit work performed, appropriate business processes were established and implemented to ensure compliance with University COC and COI policies and procedures.

IAS observed a few issues that, while not significant enough to be included in this report, were discussed verbally with management.

No further review or follow-up related to the verbal observations were deemed necessary.