Baptist Health South Florida

**POLICY NO.: BHSF-10000-74730-804**
**Departmental**

**POLICY TITLE:** Auditor Objectivity

**Responsible Department:** Audit and Compliance

**Creation Date:** 12/05
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**SUMMARY & PURPOSE:**
The Institute of Internal Auditors International Professional Practices Framework provides standards for the audit function. According to those standards, auditors must remain impartial and avoid conflicts of interest. This policy sets forth the guidelines to be followed by members of the Audit and Compliance Department in order to meet the standard for individual objectivity.

**POLICY:**
Auditors must have an impartial, unbiased attitude and avoid conflicts of interest in accordance with the International Standards for the Professional Practice of Internal Auditing.

**SCOPE/APPLICABILITY:**
Individuals within the Audit and Compliance Department

**PROCEDURES TO ENSURE COMPLIANCE:**
1. An auditor may not audit an activity for which the auditor had authority or responsibility within the last 12 months. Auditors are also prohibited from testing controls in areas in which relatives are employed. If an auditor's objectivity could be perceived to be impaired in an assignment, the facts will be clearly stated when communicating the results of the audit engagement to management.

2. Auditors must immediately disclose to the Corporate Vice President and Chief Compliance Officer (the "CCO") any activities that could result in a possible conflict of interest. At a minimum, all auditors will complete a conflict of interest disclosure form annually.

3. Recurring projects in the annual audit plan will be rotated among the auditors periodically whenever it is practical to do so.

4. Auditors should not accept any discounts, gifts or entertainment from a client, i.e. a business associate that is an auditee or potential auditee. The appearance that objectivity has been impaired may apply to both current and future audits/reviews. Acceptance of items that are available to all BHSF employees would not result in an actual, potential or perceived conflict of interest. Offers of material discounts or gifts should be reported immediately to the CCO.

5. With respect to vendors, a non-cash gift, discount or entertainment of less than $150 per occurrence, with an annual total value not to exceed $300, to or from the same source, will be considered nominal.

6. Unwarranted influence by management in the preparation of final audit reports and recommendations is unacceptable and should be brought to the immediate attention of the CCO.

**SUPPORTING/REFERENCE DOCUMENTATION:**
International Standards for the Professional Practice of Internal Auditing (Standards)

**RELATED POLICIES, PROCEDURES, AND ASSOCIATED FORMS:**
BHSF Administrative Policy: 801 Department Responsibilities and Charter – Audit and Compliance

**ENFORCEMENT & SANCTIONS:**
Enforcement of this policy is the responsibility of the Audit and Compliance Department.