

1 **A RESOLUTION TO AMEND CHAPTER 2, ARTICLE II, DIVISION 6, SECTIONS**
2 **2-231 AND 2-235 OF THE CODE OF LAWS OF FULTON COUNTY RELATING**
3 **TO THE ESTABLISHMENT, POWERS, DUTIES, AND COMPENSATION OF**
4 **THE AUDIT COMMITTEE; AND SPECIAL AUDITS AND ASSIGNMENTS**
5

6 **WHEREAS**, Chapter One, Article II, Section 117 of the Local Constitutional
7 Amendments and Local Acts of the Code of Laws of Fulton County establishes the
8 miscellaneous powers of the Fulton County Board of Commissioners ("BOC") to exercise
9 such powers as are granted by law, or are indispensable to the BOC's jurisdiction over
10 Fulton County ("County") matters and county finances; and
11

12 **WHEREAS**, on August 6, 2014, the BOC adopted Resolution #14-0297 which
13 amended the Fulton County Code of Laws ("FCC"), Chapter Two, Article II, by adding
14 Division 6 creating the Office of County Auditor and Audit Committee; and
15

16 **WHEREAS**, the BOC has determined that it is in the County's best interest to
17 amend the powers and duties of the Audit Committee and to amend the special audits,
18 assignments, and reviews through amendment of the FCC.
19

20 **NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of
21 Fulton County, Georgia amends Chapter 2, Article II, Division 6, Section 2-231 of the
22 Fulton County Code of Laws by deleting it in its entirety:
23

24 **~~Section 2-231. Audit committee; established: powers and duties generally;~~**
25 **~~compensation.~~**

26 ~~(a) To ensure independence of the audit function, an Audit Committee is hereby~~
27 ~~established. The Audit Committee shall be comprised of seven (7) voting~~
28 ~~members who shall include one (1) appointee by each Commissioner.~~
29 ~~Members shall be residents of the county and shall possess the independence,~~
30 ~~experience, and collective technical expertise necessary to carry out the duties~~
31 ~~of the Audit Committee. This expertise shall include, but is not limited to,~~
32 ~~knowledge of financial auditing, performance auditing, and financial reporting~~
33 ~~and accounting. The minimum professional standards for all members shall~~
34 ~~include at least five years of experience as a Certified Public Accountant or as a~~
35 ~~Certified Internal Auditor, or five years of professional management experience~~
36 ~~in audit, finance, or law. At all times, at least one member shall be a Certified~~
37 ~~Public Accountant. Members shall be appointed for four year terms and until~~
38 ~~their successors have been appointed and qualified. Appointments shall be~~
39 ~~made so that not more than one term of office shall expire in any one year.~~
40 ~~Members of the committee shall select a chairperson from among its members~~
41 ~~annually.~~

1 ~~(b) The Audit Committee shall meet as needed to perform its duties but shall not~~
2 ~~meet less than once quarterly and shall be responsible for:~~

3 ~~(1) Providing general direction to the audit function by reviewing the auditor's~~
4 ~~annual audit plan and any proposed amendments thereto that provide for~~
5 ~~audits for which the scope and frequency are reasonably expected to~~
6 ~~ensure an appropriate level of audit attention and submitting the plan and~~
7 ~~the committee's recommendations to the County Commission;~~

8 ~~— (2) Assisting the County Auditor, as needed, with technical issues;~~

9 ~~— (3) Ensuring that the County establishes resources, and maintains a~~
10 ~~professional internal audit function to serve the interests of the citizens and~~
11 ~~the organization;~~

12 ~~— (4) Ensuring that the County Auditor has access to the County Commission on~~
13 ~~a confidential basis and that the internal audit function remains independent;~~

14 ~~— (5) Reviewing with the County Commission and County Auditor, the plans,~~
15 ~~activities, staffing and organizational structure of the internal audit function;~~

16 ~~— (6) Ensuring there are no unjustified restrictions or limitations on the internal~~
17 ~~audit function;~~

18 ~~— (7) Reviewing the effectiveness of the internal audit function to ensure~~
19 ~~compliance with Internal Auditor's International Standards for the~~
20 ~~Professional Practice of Internal Auditing and/or Institute of Internal~~
21 ~~Auditors;~~

22 ~~— (8) Reviewing and reporting to the County Commission on an annual basis the~~
23 ~~independence and authority of the internal audit function;~~

24 ~~— (9) Reviewing internal audit reports and investigation reports issued by the~~
25 ~~County Auditor;~~

26 ~~— (10) Ensuring all audits are completed in accordance with Generally Accepted~~
27 ~~Government Auditing Standards and shall uphold the principles of~~
28 ~~independent review and public accountability of the audit process;~~

29 ~~— (11) Requiring the County Auditor to send the final internal audit report to the~~
30 ~~County Commission the Audit Committee, the County Manager, and the~~
31 ~~Department Director;~~

1 ~~(12) Requiring the County Auditor to advise and provide recommendations for~~
2 ~~resolution to the County Commission of any concerns arising from~~
3 ~~audit/investigation reports that contain:~~

4 ~~i. Significant deficiencies and material weaknesses in the design or~~
5 ~~operation of internal controls required to protect the agency from~~
6 ~~immediate or potential risks, or~~

7 ~~ii. Suspected instances of fraud, waste, or other abuses of public trust,~~
8 ~~mismanagement of public assets, and concerns related to breaches~~
9 ~~of ethics or fiduciary responsibility;~~

10 ~~(13) Requiring the County Auditor to consult with the County Attorney's Office~~
11 ~~or outside counsel when deemed appropriate by the County Commission~~
12 ~~and Audit Committee to resolve questions on laws or regulations;~~

13 ~~(14) Establishing the procedures for the receipt, retention and treatment of~~
14 ~~confidential, anonymous submissions by employees of complaints and~~
15 ~~concerns regarding questionable accounting, internal controls, county~~
16 ~~operations and auditing matters; and~~

17 ~~(15) Performing such other duties as provided for by a resolution of the County~~
18 ~~Commission.~~

19 (c) ~~Each member of the Audit Committee, as established by this code section, who~~
20 ~~is not an elected official or employee of Fulton County, Georgia shall be paid~~
21 ~~\$100.00 as compensation for each meeting of the Audit Committee the~~
22 ~~member attends, but in no event shall the total amount paid to any member~~
23 ~~exceed the sum of \$1,000.00 in any one calendar year.~~

24 Chapter 2, Article II, Division 6, Section 2-231 of the Fulton County Code of Laws
25 and Ordinances is being recreated as follows:

26 **Section 2-231. Audit committee; established: powers and duties generally;**
27 **compensation.**
28

29 (a) To ensure oversight of the internal audit function, an Audit Committee is hereby
30 established.

31 (b) The initial Audit Committee shall serve for the calendar years 2015 and 2016.

32 (c) The initial Audit Committee ("Committee") shall be composed as follows:

33 1) Five (5) voting members;

- 1 2) The initial Committee members shall include two (2) members of the Board
2 of Commissioners and three (3) citizens with expertise in the areas of
3 accounting, auditing, internal control and local government operations;
- 4 3) The citizen members will be appointed by a majority vote of the Board of
5 Commissioners, may not hold any elected office, may not be employed by
6 the county, nor have any direct or indirect business relationship with the
7 County;
- 8 4) The citizen members will serve at the pleasure of the Board of
9 Commissioners and may be removed at any time, with or without cause;
- 10 5) The citizen members shall be paid a stipend of \$250.00 for each meeting
11 attended but in no event shall the total stipend for a year exceed \$1000.00;
12 and Commissioners who serve as committee members will receive no
13 compensation;
- 14 6) Members of the Committee shall select a Chairperson from among its
15 members annually;

16
17
18 (d) The Committee shall meet as needed to perform its duties but shall not meet
19 less than once quarterly and shall be responsible for:

- 20 1) Developing an Audit Committee Charter and recommending to the Board of
21 Commissioners for Adoption.
- 22 2) Reviewing the Internal Auditor's annual audit plan and any proposed
23 amendments and submitting the plan and committee's recommendations to
24 the Board of Commissioners;
- 25 3) Ensuring that the Internal Audit department has no unjustified restrictions or
26 limitations, has access to the necessary resources to properly fulfill its
27 function and provide notice of any deficiencies to the Board of
28 Commissioners;
- 29 4) Overseeing the work of any registered public accounting firm employed by
30 the Company, including the resolution of any disagreement between

1 management and the independent auditor regarding financial reporting, for
2 the purpose of preparing or issuing an audit report or related work;

- 3 5) Establishing a procedure for the receipt, retention, review and treatment of
4 submissions by employees, anonymous sources or other sources of
5 complaints and concerns regarding accounting, internal controls, county
6 operations and auditing matters;

7
8 **BE IT FURTHER RESOLVED**, that this Resolution shall become effective when
9 adopted, and that all resolutions in conflict with this Resolution are hereby repealed to the
10 extent of the conflict.

11 **SPONSORED BY:**



Bob Ellis

Bob Ellis, Commissioner
District 2

ATTEST:

Mark Massey
Mark Massey, Clerk to the Commission

APPROVED AS TO FORM:

R. David Ware
R. David Ware, County Attorney

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ITEM # 15-0461 RCS 5/20/15
RECESS MEETING