

1       **A RESOLUTION TO AMEND CHAPTER 2, ARTICLE II OF THE CODE OF**  
2       **LAWS OF FULTON COUNTY BY ADDING DIVISION 6 SO AS TO CREATE**  
3       **THE OFFICE OF THE COUNTY AUDITOR, TO CLEARLY DEFINE THE ROLES**  
4       **AND RESPONSIBILITIES OF THE COUNTY AUDITOR, AND TO ESTABLISH**  
5       **AN AUDIT COMMITTEE**  
6

7       **WHEREAS**, pursuant to the Official Code of Georgia Annotated (“O.C.G.A.”)  
8       Section 36-81-7 (a)(1), the governing authority of each unit of local government having a  
9       population in excess of 1,500 persons according to the latest estimate of population by  
10      the United States Bureau of the Census or its successor agency or expenditures of  
11      \$300,000.00 or more shall provide for and cause to be made an annual audit of the  
12      financial affairs and transactions of all funds and activities of the local government for  
13      each fiscal year of the local government; and  
14

15      **WHEREAS**, pursuant to O.C.G.A. § 36-1-10, the Fulton County Board of  
16      Commissioners (“BOC”) is authorized to employ an expert accountant to examine and  
17      report on the books, vouchers, and accounts of any county officer whose duty it is under  
18      the law to handle county funds; and  
19

20      **WHEREAS**, Chapter One, Article II, Section 117 of the Local Constitutional  
21      Amendments and Local Acts of the Code of Laws of Fulton County (“FCC”) establishes  
22      the miscellaneous powers of the BOC to exercise such powers as are granted by law, or  
23      are indispensable to the BOC’s jurisdiction over Fulton County (“County”) matters and  
24      county finances; and  
25

26      **WHEREAS**, Chapter Two, Article II, Division 4 of the Local Constitutional  
27      Amendments and Local Acts of the FCC establishes the position of the County Manager;  
28      and  
29

30      **WHEREAS**, Section 2-148 of the FCC provides that the County Manager is the  
31      chief executive officer of the County and sets forth the County Manager’s executive  
32      powers and duties; and  
33

34      **WHEREAS**, pursuant to Section 2-148 of the FCC, the County Manager is the  
35      appointing authority for the heads of all departments where the power of appointment is  
36      now or hereafter vested in the BOC, except the county attorneys, auditors, and clerk of  
37      the County Commission; and  
38

39      **WHEREAS**, pursuant to Section 2-154 of the FCC, all requests and reports of  
40      county officers and departments shall be provided to the County Manager for his or her  
41      recommendation to the BOC; and

1           **WHEREAS**, pursuant to Section 2-155 of the FCC, the County Manager, with the  
2 cooperation of the County Auditor, shall prepare and recommend to the BOC a budget for  
3 each calendar year; and  
4

5           **WHEREAS**, the BOC has determined that it is in the County's best interest to  
6 clearly define the roles and responsibilities of the County Auditor through amendment of  
7 the FCC.  
8

9           **NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of  
10 Fulton County, Georgia hereby amends the Code of Laws of Fulton County, Chapter  
11 Two, Article II, by adding Division 6 to provide the creation of the Office of County Auditor.  
12

13           **BE IT FURTHER RESOLVED**, that the Board of Commissioners of Fulton County,  
14 Georgia hereby creates Chapter Two, Article II, Division 6 of the Code of Laws of Fulton  
15 County and it shall read as follows:  
16

17           **DIVISION 6. – COUNTY AUDITOR**  
18

19           **Section 2-226. Office created; election; term; vacancy.**  
20

21           (a) There is hereby created the office of County Auditor within the Office of Internal  
22 Audit. The Director of the Office of Internal Audit is herein named as the  
23 County Auditor. The County Auditor must be a Certified Internal Auditor or a  
24 Certified Public Accountant, demonstrating at least ten (10) years of  
25 experience in public financial and fiscal practices, performance and financial  
26 auditing, and municipal or local accounting. In addition, the County Auditor  
27 should have a minimum of five (5) years of experience in program/performance  
28 evaluation and assessments, process improvement, and compliance. The  
29 County Auditor shall be appointed by a majority of the County Commission for  
30 an indefinite term. In the event of a vacancy in said office for any cause, the  
31 County Commission shall appoint a successor by a majority vote.  
32

33           (b) The County Auditor shall not be involved in partisan political activities or the  
34 political affairs of the County.  
35

36           **Section 2-227. Suspension or removal.**  
37

38           The County Auditor may be suspended or removed at the pleasure of the County  
39 Commission by a majority vote of the County Commission. In case of suspension  
40 or removal, the County Auditor shall be given a written statement of the reasons for  
41 such action. The County Auditor may within five days from receipt thereof request  
42 a public hearing thereon before the County Commission, which request shall be

1 filed with the clerk of the County Commission. Upon receipt of such request, a  
2 hearing shall be set not earlier than ten days, no later than 15 days from the date of  
3 such request. Pending such hearing, and until final action has been taken  
4 thereon, the County Auditor may be suspended from office and all of the duties  
5 thereof performed by some other person designated by the County Commission to  
6 perform such duties. The action of the County Commission in suspending or  
7 removing the County Auditor shall be final; provided however, that during the  
8 period of 12 months immediately following the appointment of any person to the  
9 office of County Auditor, such person may be removed at will by the County  
10 Commission without notice, without cause, and without the necessity of any public  
11 or private hearing, it being the intention of this provision that a newly appointed  
12 County Auditor shall be on probation for a period of 12 months following his or her  
13 appointment and qualification.

14  
15 **Section 2-228. Compensation.**

16  
17 The County Auditor shall be paid an annual salary consistent with the salary  
18 ranges for other County Department Heads as established by the County  
19 Commission.

20  
21 **Section 2-229. Oath of Office.**

22  
23 Before entering upon his or her duties, the County Auditor shall take and subscribe  
24 an oath, for the faithful performance of his or her duties under this division, which  
25 oath shall be duly entered on the minutes of the County Commission.

26  
27 **Section 2-230. Powers and duties.**

28  
29 The County Auditor and Office of Internal Audit shall be charged with the following  
30 duties and responsibilities:

31  
32 (a) To conduct contract, performance, financial, operations, program and  
33 compliance audits, internal control reviews, fraud investigations, departmental  
34 assessments, business process evaluations, research/special assignments,  
35 and Title VI monitoring and compliance in order to independently determine  
36 whether:

- 37  
38 (1) Activities and programs being implemented have been authorized by the  
39 County Commission, state law, or applicable federal law or regulations and  
40 are being conducted and funds expended in compliance with applicable  
41 laws;  
42

1 (2) The audited elected official, department, office, board, program, contractor,  
2 or subcontractor is acquiring, managing, protecting, and using its  
3 resources, including public funds, personnel, property, equipment, and  
4 space, economically, efficiently, and effectively and in a manner consistent  
5 with the objectives intended by the authorizing entity or enabling legislation;  
6

7 (3) The audited elected official, department, office, board, program, contractor,  
8 or subcontractors' organization, programs, activities, functions, or policies  
9 are effective, including the identification of any causes of inefficiencies or  
10 uneconomical practices, such as inadequacies in management information  
11 systems, internal and administrative procedures, organization structure,  
12 use of resources, allocation of personnel, purchasing policies, and  
13 equipment;  
14

15 (4) The desired results or benefits are being achieved;

16  
17 (5) Financial and other reports are being provided that disclose fairly,  
18 accurately, and fully all information that is required by law, that is necessary  
19 to ascertain the nature and scope of programs and activities, and that is  
20 necessary to establish a proper basis for evaluating the results of programs  
21 and activities including the collection of, accounting for, and depositing of  
22 revenues and other resources;  
23

24 (6) Management has established adequate operating and administrative  
25 procedures and practices, systems, or accounting internal control systems  
26 and internal management controls; and  
27

28 (7) Indications of fraud, or abuse or illegal acts are present.  
29

30 (b) To submit at the beginning of each fiscal year an audit schedule to the County  
31 Commission for review and comment. The schedule shall include the  
32 elected officials, departments, offices, boards, activities, programs,  
33 contractors, subcontractors, and agencies subject to audit for the period.  
34 Recommendations to amend the audit schedule may be made during the  
35 period by the Audit Committee. Additionally, the County Auditor may initiate  
36 and conduct any other audits deemed necessary.  
37

38 (c) To submit an annual report to the County Commission with a copy to the  
39 County Manager indicating audits completed, findings, corrective actions  
40 taken, and findings which have not been fully addressed by management.  
41

42 (d) To perform such other duties and responsibilities as provided for by the Code

1 of Laws of Fulton County and the County Commission.  
2

3 **Section 2-231. Audit committee; established: powers and duties generally;**  
4 **compensation.**

- 5 (a) To ensure independence of the audit function, an Audit Committee is hereby  
6 established. The Audit Committee shall be comprised of seven (7) voting  
7 members who shall include one (1) appointee by each Commissioner.  
8 Members shall be residents of the county and shall possess the independence,  
9 experience, and collective technical expertise necessary to carry out the duties  
10 of the Audit Committee. This expertise shall include, but is not limited to,  
11 knowledge of financial auditing, performance auditing, and financial reporting  
12 and accounting. The minimum professional standards for all members shall  
13 include at least five years of experience as a Certified Public Accountant or as a  
14 Certified Internal Auditor, or five years of professional management experience  
15 in audit, finance, or law. At all times, at least one member shall be a Certified  
16 Public Accountant. Members shall be appointed for four year terms and until  
17 their successors have been appointed and qualified. Appointments shall be  
18 made so that not more than one term of office shall expire in any one year.  
19 Members of the committee shall select a chairperson from among its members  
20 annually.
- 21 (b) The Audit Committee shall meet as needed to perform its duties but shall not  
22 meet less than once quarterly and shall be responsible for:
- 23 (1) Providing general direction to the audit function by reviewing the auditor's  
24 annual audit plan and any proposed amendments thereto that provide for  
25 audits for which the scope and frequency are reasonably expected to  
26 ensure an appropriate level of audit attention and submitting the plan and  
27 the committee's recommendations to the County Commission;
- 28 (2) Assisting the County Auditor, as needed, with technical issues;
- 29 (3) Ensuring that the County establishes resources, and maintains a  
30 professional internal audit function to serve the interests of the citizens and  
31 the organization;
- 32 (4) Ensuring that the County Auditor has access to the County Commission on  
33 a confidential basis and that the internal audit function remains independent;
- 34 (5) Reviewing with the County Commission and County Auditor, the plans,  
35 activities, staffing and organizational structure of the internal audit function;

- 1 (6) Ensuring there are no unjustified restrictions or limitations on the internal  
2 audit function;
- 3 (7) Reviewing the effectiveness of the internal audit function to ensure  
4 compliance with Internal Auditor's International Standards for the  
5 Professional Practice of Internal Auditing and/or Institute of Internal  
6 Auditors;
- 7 (8) Reviewing and reporting to the County Commission on an annual basis the  
8 independence and authority of the internal audit function;
- 9 (9) Reviewing internal audit reports and investigation reports issued by the  
10 County Auditor;
- 11 (10) Ensuring all audits are completed in accordance with Generally Accepted  
12 Government Auditing Standards and shall uphold the principles of  
13 independent review and public accountability of the audit process;
- 14 (11) Requiring the County Auditor to send the final' internal audit report to the  
15 County Commission the Audit Committee, the County Manager, and the  
16 Department Director;
- 17 (12) Requiring the County Auditor to advise and provide recommendations for  
18 resolution to the County Commission of any concerns arising from  
19 audit/investigation reports that contain:
- 20 i. Significant deficiencies and material weaknesses in the design or  
21 operation of internal controls required to protect the agency from  
22 immediate or potential risks, or
- 23 ii. Suspected instances of fraud, waster, or other abuses of public trust,  
24 mismanagement of public assets, and concerns related to-breaches  
25 of ethics or fiduciary responsibility;
- 26 (13) Requiring the County Auditor to consult with the County Attorney's Office  
27 or outside counsel when deemed appropriate by the County Commission  
28 and Audit Committee to resolve questions on laws or regulations;
- 29 (14) Establishing the procedures for the receipt, retention and treatment of  
30 confidential, anonymous submissions by employees of complaints and  
31 concerns regarding questionable accounting, internal controls, county  
32 operations and auditing matters; and
- 33 (15) Performing such other duties as provided for by a resolution of the County  
34 Commission.

- 1 (c) Each member of the Audit Committee, as established by this code section, who  
2 is not an elected official or employee of Fulton County, Georgia shall be paid  
3 \$100.00 as compensation for each meeting of the Audit Committee the  
4 member attends, but in no event shall the total amount paid to any member  
5 exceed the sum of \$1,000.00 in any one calendar year.

6 **Section 2-232. Access to records and property.**

- 7 (a) All county officers and employees shall allow the County Auditor (or his or her  
8 designee) to immediate access to any and all books, records, documents,  
9 personnel, processes (including meetings) and other requested information,  
10 including automated data, pertaining to the business of the County and within  
11 their custody regarding powers, duties, activities, organization, property,  
12 financial transactions, contracts, and methods of business required to conduct  
13 an audit or other official duties. In addition, such officers and employees shall  
14 provide access for the County Auditor (or his or her designee) to inspect all  
15 property, equipment, and facilities within their custody. Further, all contracts  
16 with outside contractors, vendors, and agencies shall include an audit clause to  
17 provide for the County Auditor's access to all records, and those of their  
18 subcontractors, needed to verify compliance with the terms specified in the  
19 contract. The County Auditor shall not participate in any activity, decision or  
20 meeting that would impair independence of such auditor or violate applicable  
21 government auditing standards.

- 22 (b) The County Auditor shall not publicly disclose any information received during  
23 an audit that is considered confidential by nature by any local, state, or federal  
24 law or regulation.

- 25 (c) Any reports issued by the County Auditor shall be made available for public  
26 inspection or copying pursuant to the Georgia Open Records Act.

27 **Section 2-233. Quality assurance reviews.**

- 28  
29 (a) The audit activities of the County Auditor's office shall comply with the U.S.  
30 Comptroller General's Government Auditing Standards, including requirements  
31 for periodic external quality assurance reviews ("peer reviews"). A copy of the  
32 written report of the independent review shall be furnished to the County  
33 Commission and County Manager and be made available to the public.

- 34  
35 (b) The county shall provide for the cost of peer reviews from funds appropriated to  
36 the County Auditor's budget or other in-kind support as appropriate.  
37  
38

1 **Section 2-234. Funding of auditor's office.**

2  
3 The county shall provide funds necessary for the facilities, equipment, and staffing  
4 of the County Auditor's office to carry out the responsibilities specified herein and  
5 by ordinance.  
6

7 **Section 2-235. Special audits, assignments and reviews.**

8  
9 Members of the County Commission or the County Manager may request the  
10 County Auditor to perform special audits or assignments of a limited scope  
11 intended to determine the accuracy of information provided to the County  
12 Commission, costs and consequences of recommendations made to the County  
13 Commission, and other information concerning the performance of elected  
14 officials, departments, programs, offices, contractors, or subcontractors, of the  
15 County. Requests for special assignments and reviews do not require County  
16 Commission approval but shall be approved and prioritized as deemed  
17 appropriate by the County Auditor. The County Auditor will prioritize the special  
18 audit requests and notify each requester with expected times for completion.  
19

20 **BE IT FURTHER RESOLVED** that upon adoption of this resolution, the County  
21 Auditor is to provide the Board of Commissioners with its current audit schedule.

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

25 **SPONSORED BY:**

26  
27 

28 Robert L. "Robb" Pitts, Commissioner  
29 District 2, At-Large

30  
31 **ATTEST:**



32  
33  
34  
35  
36 Mark Massey, Clerk to the Commission

37 **APPROVED AS TO FORM:**

38 

R. David Ware, County Attorney

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ITEM # 14-0297  
REGULAR MEETING RM 8/6/14