

DEKALB COUNTY

ITEM NO. _____

BOARD OF COMMISSIONERS

BUSINESS AGENDA / MINUTES

MEETING DATE: March 10, 2015

HEARING TYPE
ACTION

ACTION TYPE
ORDINANCE

Substitute

SUBJECT: Amending the Code of DeKalb County as Revised 1988, Chapter 2 Article IX, Office of the Internal Auditor.

DEPARTMENT: Board of Commissioners

PUBLIC HEARING: YES NO

ATTACHMENT: YES NO

PAGES:

INFORMATION CONTACT: Kathie Gannon
Commissioner, Super District 6
PHONE NUMBER: 404-371-4907

Deferred 2/10/15

PURPOSE:

To amend Chapter 2, Article IX of the Code of DeKalb County pertaining to the Office of the Internal Auditor.

NEED/IMPACT:

Hiring an Internal Auditor to provide independent financial and performance auditing of all departments within DeKalb County, will ensure transparent stewardship of public monies. An Internal Auditor will improve county operations through evaluation of each department's programmatic and financial compliance with existing policy and procedural standards and through the application of the industry's best practices.

RECOMMENDATION(S):

Adopt the attached Ordinance, and authorize the Chief Executive Officer to execute all necessary documents.

AN ORDINANCE

AN ORDINANCE TO AMEND THE CODE OF DEKALB COUNTY, GEORGIA, CHAPTER 2, RELATED TO THE OFFICE OF THE INTERNAL AUDITOR, AND FOR OTHER PURPOSES

WHEREAS, the Organizational Act of DeKalb County, 1981 Ga. Laws p. 4304, as amended, (“Organizational Act”) confers upon the Board of Commissioners certain enumerated powers; and

WHEREAS, the Organizational Act confers upon the Board of Commissioners the power and authority to fix and establish by appropriate resolution or ordinance, policies, rules and regulations governing all matters reserved to its jurisdiction by the Organizational Act; and

WHEREAS, the Organizational Act also confers upon the Board of Commissioners’ Audit Committee the authority to screen and recommend an internal auditor to be employed by and serve at the pleasure of the board of commissioners whose function shall be to audit the various departments, offices, and agencies of the county government on a continuing basis; and

WHEREAS, the Organizational Act requires the chief executive officer to carry out, execute, and enforce all ordinances, policies, rules, and regulations of the board of commissioners when such resolution or ordinance becomes effective;

NOW THEREFORE, BE IT ORDAINED by the governing authority of DeKalb County, Georgia, that Chapter 2 of the Code of DeKalb County, as Revised 1988, is amended to read as follows:

PART I. ENACTMENT

By deleting sections 2-238 through 2-241 in their entirety and substituting in lieu thereof the following new sections 2-238 through 2-241 to read as follows:

ARTICLE IX. OFFICE OF THE INTERNAL AUDITOR

Sec. 2-238. Composition and Selection.

- (a) The Office of the Internal Auditor is hereby established and shall consist of, at a minimum, one (1) full-time position of internal auditor. The internal auditor shall be approved by the affirmative vote of at

- least five (5) members of the board of commissioners, after recommendation by the board of commissioners' audit committee.
- (b) The audit committee shall establish a process of screening candidates for recommendation and shall establish the position's job description which is recommended to include requirements that a candidate:
 - (1) Be either a certified public accountant, or a certified internal auditor;
 - (2) Have a master's degree in accounting, public administration, business administration or a related field;
 - (3) Have five (5) years of managerial or supervisory experience; and
 - (4) Have the knowledge, skills, and abilities to implement the requirements of the position.
 - (c) Additional staff and funding for the Office of the Internal Auditor shall come under the authority of the internal auditor subject to the annual budgeting process. The internal auditor shall work with the director of human resources to hire qualified staff, and it is recommended that each staff person who will conduct or assist in the conducting of audits possess a bachelor's degree in business or public administration, accounting or a related field.
 - (d) An Internal Audit Oversight Committee ("oversight committee") is hereby established to provide professional guidance and insure the independence of the internal auditing function. The oversight committee shall evaluate and recommend well qualified candidates for the internal auditor position to the audit committee and the board of commissioners, approve an annual work plan, review completed audits, publish findings and recommendations to the public and recommend an annual department budget to the chief executive officer.
 - (e) The oversight committee shall be comprised of five (5) voting members appointed as follows: one (1) member shall be appointed by the chief executive officer; two (2) members shall be appointed by a majority vote of the board of commissioners; one (1) member shall be appointed by a majority vote of the DeKalb Delegation to the Georgia House of Representatives and; one (1) member appointed by a majority vote of the DeKalb delegation to the Georgia Senate. All members shall be residents of DeKalb County. Each shall have an expertise in performance auditing, and have a minimum of five (5) years' experience as a certified public

accountant, a certified internal auditor, or as a certified performance auditor, or ten (10) years of other relevant experience. Members of the Internal Audit Oversight Committee shall be appointed for five (5) year terms with the initial appointments to be staggered as follows. The initial appointments by the DeKalb delegation to the Georgia Senate and House of Representatives shall be for initial terms of two (2) years and successive appointments shall be for terms of five (5) years. The initial appointments by the board of commissioners and the chief executive officer shall be for initial terms of three (3) years and successive appointments shall be for terms of five (5) years. Members shall serve until a successor is appointed and members may be reappointed to successive terms without limitation. Any vacancy in the membership shall be filled for the unexpired term in the same manner as the initial appointment. If a member moves outside the County, that action shall constitute a resignation from the Internal Audit Oversight Committee, effective immediately.

- (f) It shall be the responsibility of the Internal Audit Oversight Committee to recommend qualified candidates for the Internal Auditor position to the audit committee of the board of commissioners.

Sec. 2-239. Independence and Removal.

- (a) The internal auditor may act independently of the board of commissioners, the chief executive officer, and all other officials of DeKalb County. The internal auditor shall notify the board of commissioners and the chief executive officer, in writing, in the event he or she perceives inappropriate influence or pressure exerted on the Office of the Internal Auditor. Such notification shall state the source and nature of the perceived influence or pressure. The internal auditor shall be subject to the same requirements as the executive assistant in the Organizational Act, Section 14 (e) whereby he or she shall be discharged for participation in the management of any political campaign or holding office in a political party or body.
- (b) The internal auditor will serve at the pleasure of the board of commissioners, but the affirmative vote of at least five (5) members of the board of commissioners shall be required to discharge the internal auditor.

Sec. 2-240. Term.

The internal auditor shall be a full time employee of the board of commissioners and his or her contract shall be for five continuous years with the option to renew for one additional five year term. The internal auditor may not serve for more than ten years in total.

Sec. 2-241. Powers and Duties.

- (a) The internal auditor shall have the power to audit the various departments, officers, and agencies of the county government on a continuing basis. Such audits may go into areas such as preventing waste, fraud, and abuse; promoting legal, fiscal, and ethical accountability; and reviewing the effectiveness and efficiency of programs and operations of county government and independent county agencies. It is expected that the internal auditor shall follow the standards of a national or international group, such as the institute of internal auditors.
- (b) The internal auditor shall be authorized to request any information from any department, officer, or agency of the county government on behalf of the board of commissioners.
- (c) The internal auditor, upon official request of and on behalf of the board of commissioners, shall be authorized to request the chief judge of the Stone Mountain Judicial Circuit to submit to the judges of superior court the question of impaneling a special grand jury charged to facilitate the work of the internal auditor in order to compel compliance with audits and investigations conducted by the Office of the Internal Auditor. In such instance, the internal auditor may work directly with the grand jury in any capacity at his or her discretion subject to the jurisdiction of the judge supervising the special grand jury. In the instance that any audit or investigation conducted by the office of the internal auditor or any information presented to the special grand jury in conjunction with any audit or investigation conducted by the office of the internal auditor exposes any evidence that suggests possible criminal activity, all information gathered through the audit or investigation shall be forwarded to the district attorney of the Stone Mountain Judicial Circuit for further investigation and possible criminal prosecution.
- (d) The internal auditor will direct his or her office, subject to an annual work plan which the internal auditor must submit to the Audit Committee for approval within six months of appointment. The internal auditor may amend the plan during a term. The internal auditor must consider recommendations and may seek suggestions for the work plan from the chief executive officer and the board of commissioners, the head of each independent county agency, employees of county government and independent county agencies, employee organizations, and individual citizens. When advance public or agency knowledge of an audit included in the annual work plan would frustrate or substantially impede the work of the office, the internal auditor may keep

that portion of the work plan confidential, subject to the Georgia Open Records Act.

- (e) The internal auditor shall, immediately upon completion of any and all audits, present a written copy of the audit report to each member of the board of commissioners and the chief executive officer. The audit report must describe the purpose of the audit, the research methods used, and the internal auditor's findings and recommendations. Each affected department or agency must be given a reasonable opportunity to respond to the internal auditor's final draft of the audit report. After giving the board of commissioners and the chief executive officer a reasonable opportunity to review the report, the internal auditor must release the report to the public. The public report must include the response from the affected department or agency.
- (f) Subject to federal and state law, the internal auditor, in order to maintain the integrity of audits performed by the Office of the Internal Auditor, shall keep any and all reports prepared pursuant to this article, and any and all information received in connection with that report, confidential until the report is released to the public.
- (g) In performing his/her duties and work, the internal auditor or his/her designees will adhere to national auditing standards/principles in matters impacting work performance, finance, and governance within the County. The internal auditor shall follow all applicable guidelines and recommendations of the Association of Local Government Auditors (ALGA) and will conduct all internal auditing functions in accordance with all applicable law and requirements of the industry.
- (h) The internal auditor, or his or her designee, shall attend each and every meeting of the Board of Commissioners audit committee. The internal auditor's staff shall serve as staff to the audit committee.

PART II. EFFECTIVE DATE

This ordinance shall become effective upon adoption by the Board of Commissioners and approval of the Chief Executive Officer.

PART III. SEVERABILITY

Should any section or provision of this ordinance be declared by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the ordinance as a whole nor any part thereof other than the part so declared to be invalid or unconstitutional. All ordinances or resolutions or parts thereof in conflict with this ordinance are repealed.

ADOPTED by the DeKalb County Board of Commissioners, this ____ day of _____, 2015.

LARRY L. JOHNSON, MPH
Presiding Officer
Board of Commissioners
DeKalb County, Georgia

APPROVED by the Chief Executive Officer of DeKalb County, this ____ day of _____, 2015.

LEE MAY
Interim Chief Executive Officer
DeKalb County, Georgia

ATTEST:

BARBARA H. SANDERS, CCC
Clerk to the Board of Commissioners and
Chief Executive Officer
DeKalb County, Georgia

APPROVED AS TO FORM:

O.V. Brantley
County Attorney
DeKalb County, Georgia