

2.15.020 Funding

In each annual budget sufficient funds and personnel shall be provided by the Metro council to carry out the responsibilities specified herein.

2.15.030 Audit Schedule

Each year the auditor shall submit an annual plan to the Metro council for review and comment. The plan shall include the departments, commissions, activities, functions and offices scheduled for audit during the year. This plan may be amended during the year as deemed necessary by the auditor. However, additional resources not authorized in the annual budget may not be utilized without council approval. Additionally, the auditor may spontaneously initiate and conduct any other audit deemed necessary to undertake with notification to the council prior to conducting the audit.

In the selection of audit areas, the determination of audit scope and timing of audit work, the auditor should consult with federal, state, local jurisdiction auditors, and independent auditors so the desirable audit coverage is provided and audit effort may be properly coordinated.

The Metro council and executive officer may request that the auditor perform special audits that are not included in the annual audit schedule. Such audits will be considered by the auditor taking into account available resources and audit priorities. The final decision regarding the audit schedule shall remain with the auditor.

Special audit reports will be handled the same as regular audit reports, except that in personnel matters of a confidential nature, reporting on results may be limited to the executive officer and the presiding officer of Metro.

2.15.040 Scope of Audits

(a) The auditor shall conduct financial and performance audits to independently determine whether:

- (1) Activities and programs being implemented have been authorized by Metro Charter or Code, state law or applicable federal law regulations;
- (2) Activities and programs are being conducted as prescribed by the council and executive officer to accomplish the objectives intended by the Metro Charter or Code, state law or applicable federal law or regulations;
- (3) Activities or programs efficiently and effectively serve the purpose intended by the Metro Charter, Code, state law or applicable federal law or regulations;
- (4) Activities and programs are being conducted and funds expended in compliance with applicable laws;
- (5) Revenues are being properly collected, deposited and accounted for;
- (6) Resources, including funds, property and personnel, are adequately safeguarded, controlled and used in a faithful, effective and efficient manner;
- (7) Financial and other reports are being provided that disclose fairly and fully all information that is required by law, that is necessary to ascertain the nature and scope of programs and activities and that is necessary to establish a proper basis for evaluating the programs and activities;

- (8) There are adequate operating and administrative procedures and practices, systems or accounting internal control systems and internal management controls which have been established by management; or
- (9) There are indications of fraud, abuse or illegal acts which need further investigation.

(b) Audits shall be conducted in accordance with government auditing standards applicable to financial and performance audits.

2.15.050 Access to Records and Property

All officers and employees of Metro shall furnish the auditor with requested information and records within their custody regarding powers, duties, activities, organization, property, financial transactions and method of business required to conduct an audit or otherwise perform audit duties. In addition, they shall provide access for the auditor to inspect all property, equipment and facilities within their custody. If such officers or employees fail to produce the aforementioned information, then the auditor may cause a search to be made and exhibits to be taken from any book, paper or record of any such official or employee, excepting personal information, and every office having the custody of such records shall make a search and forward such requested exhibits to the auditor.

2.15.060 Audit Reports

Each audit conducted by the auditor shall result in a written report. These final audit reports shall be made available to the public. The final audit report will include the written ~~comments~~~~responses~~ of the ~~reviewed~~~~audited~~ entity ~~(for fact verification only)~~ before it is released to the public. The auditor shall provide the final report to the presiding officer and the executive officer prior to releasing the report to the public.

2.15.070 Responses to Audit Reports

The auditor shall furnish a final draft of each audit report to the audited entity for review and comment before it is released. The responsible official head of the audited entity may respond in writing to the auditor's recommendations within 10 working days, or at the auditor's discretion, a longer time frame may be specified. If a timely response is not received the auditor shall so note at the time the report is released. The response must specify agreement with the audit findings and recommendations, or reasons for disagreement, as well as proposed plans for implementing solutions to identified problems and a proposed timetable to complete such activities.

2.15.080 External Audits

Subject to the requirements of the Metro Code pertaining to contracts, the auditor shall appoint external Certified Public Accountants to conduct certified financial statement audits, as specified by state or local law. The auditor shall coordinate and monitor the conduct of and the responses to external financial statement audits. The auditor shall work toward the elimination of duplicative audit work through cooperation with state, federal and external auditors. The auditor may also, within budgeted appropriations, contract with other professionals to assist in the performance of the audit function. The auditor will coordinate and monitor audit related assistance provided by such professionals.

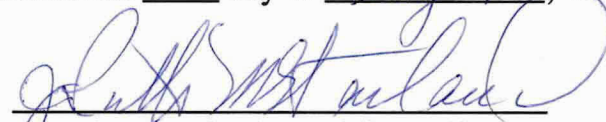
2.15.090 Report of Irregularities

If the auditor detects apparent violations of law or apparent instances of malfeasance or nonfeasance by an officer or employee or information that indicates derelictions may be reasonably anticipated, the auditor shall report the irregularities to the presiding officer of the Metro council and the executive officer. If the irregularity is potentially criminal in nature,

the auditor shall notify the District Attorney, when appropriate, in addition to those previously cited.

Section 2. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that it is needed to immediately define the office of auditor so that the auditor may function with the full authority provided by this Ordinance, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 10 day of August, 1995.



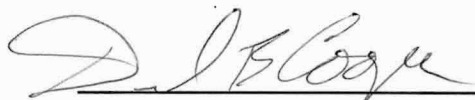
J. Ruth McFarland, Presiding Officer

ATTEST:

Approved as to Form:



Cathy Ross
Recording Secretary



Daniel B. Cooper, General Counsel

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