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## **CHAPTER 218**

### **County Auditor**

- 218.01 Position Established.
  - 218.02 Scope of Audits.
  - 218.03 Annual Audit Plan
  - 218.04 Audit Report.
  - 218.05 Records.
  - 218.06 Abuse, Wrongdoing and Illegal Acts.
  - 218.07 Contract Auditors, Consultants and Experts.
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#### **218.01 POSITION ESTABLISHED.**

The County Administrator is hereby authorized to establish the position of County Auditor. The County Auditor shall be appointed by the County Administrator based upon professional qualifications and experience. The County Auditor shall report directly to the County Administrator, but shall have the authority to report directly to the Board of Commissioners if the County Administrator may be a party to abuse, wrongdoing or illegal acts.

(Ord 2003-3. Passed 1-8-03.)

#### **218.02 SCOPE OF AUDITS.**

The auditor shall have responsibility to conduct audits of all County departments, offices, activities, subcontractors and agencies receiving funds from Jackson County. Audits shall be conducted in accordance with generally accepted government auditing standards applicable to financial and performance audits. The audits performed by the County Auditor shall be conducted so as to independently determine whether:

- (a) Activities and programs being implemented have been authorized by the Jackson County Board of Commissioners, State law or applicable Federal law and regulations;
- (b) Activities and programs are being conducted in an efficient and effective manner that, in fact, accomplishes the objectives intended by the authorizing entity or enabling ordinance, statute or regulation;
- (c) Activities and programs are being conducted and funds expended in compliance with applicable laws;
- (d) Revenues are being properly collected, deposited and accounted for;

Resources, including funds, property and personnel, are adequately safeguarded and controlled and are being used efficiently and effectively and in a manner consistent with the objectives intended by the authorizing entity or enabling ordinance, statute or regulation;

- (e) Financial and other reports are being provided that disclose fairly and fully all information required by law and, further, that all information 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 is being provided;
- (f) There are indications of fraud, misuse or abuse of public funds, or illegal acts;
- (g) There are adequate operating and administrative procedures and practices, systems or accounting internal control systems, and internal management controls that have been established by management.

(Ord 2003-3. Passed 1-8-03.)

### **218.03 ANNUAL AUDIT PLAN.**

- (a) At the beginning of each calendar or fiscal year, the Auditor will submit an annual audit plan to the Board of Commissioners for review and comment. The plan shall include the departments, offices, activities, subcontractors and agencies scheduled for audit during the year. This plan may be amended during the year. Additionally, the Auditor may conduct any other audit deemed necessary by the County Administrator.
- (b) In the selection of audit areas, the determination of audit scope and the timing of audit work, the Auditor should consult with Federal and State auditors and external auditors so that the desirable audit coverage is provided and audit effort may be properly coordinated.

(Ord 2003-3. Passed 1-8-03.)

### **218.04 AUDIT REPORT.**

- (a) Each completed audit shall result in a written report that is issued directly to the Board of Commissioners and made available to the public.
- (b) A final draft of the audit report shall be forwarded to the auditee and the Audit Committee for review and comment regarding factual content before it is released. The auditee must respond in writing specifying agreement with the audit findings and recommendations or reasons for disagreement with the findings and/or recommendations, plans for implementing solutions to identified problems and a time table to complete such activities. The response must be forwarded to the auditor within thirty days of the date of the audit report.

- (c) The Auditor shall retain a copy of each completed audit report in the Auditor's office as a permanent record.
- (d) The Auditor shall include the following in each audit report:
- (1) A statement of the objectives, scope and methodology of the audit;
  - (2) A statement that the audit was performed in accordance with generally accepted auditing standards and that discloses if a standard was not followed and why it was not followed;
  - (3) If applicable, a statement that an examination for compliance with applicable laws, policies and regulations was conducted and presentation of the findings associated with that examination;
  - (4) A statement of the significant audit findings, including a statement of the evaluative criteria used and the current and prospective significance of the findings;
  - (5) A statement that internal control systems were examined and a report regarding any material strengths and weaknesses found;
  - (6) If appropriate, the professional opinion of the Auditor or the contract auditor concerning the financial statements issued by the auditee; or, if the audit was a performance audit, the professional conclusions of the Auditor regarding the activities audited;
  - (7) The full text of all responses submitted by the auditee;
  - (8) A concise statement of any corrective actions previously taken or contemplated as a result of the audit findings and a time table for their accomplishment; Recommendations for any necessary or desirable actions in addition to the above.

(Ord 2003-3. Passed 1-8-03.)

## **218.05 RECORDS.**

- (a) The Auditor shall retain a complete file of each audit report and each report of other examinations, investigations, surveys and reviews made under legislative authority for at least three years. The file shall include audit work papers and other supportive material directly pertaining to the audit report.

(b) All officers and employees of Jackson County shall furnish the Auditor with requested information and records within their custody and shall provide access for the Auditor to inspect all property, equipment and facilities within their custody. Further, all contracts with outside contractors and subcontractors shall provide for County access to all financial and performance-related records, property and equipment purchased either in whole or in part with County funds and facilities.

(c) If such officers, employees or outside contractors or subcontractors fail to produce the aforementioned information, then the Auditor, subject to Board of Commissioners or County Administrator authority approval, may cause a search to be made and exhibits to be taken from any book, paper or record of any such official, employee or outside contractor or subcontractor, excepting personal information.

(Ord 2003-3. Passed 1-8-03.)

#### **218.06 ABUSE, WRONGDOING AND ILLEGAL ACTS.**

If, during an audit, the Auditor becomes aware of abuse, wrongdoing or illegal acts or indications of such acts that could affect the government entity, he or she shall promptly report it to the County Administrator. If the County Administrator may be a party to such acts or otherwise implicated, including attempts by the County Administrator to unduly influence the County Auditor or Internal Audit Program activities, the Auditor shall report such acts or other implications to the Board of Commissioners.

(Ord 2003-3. Passed 1-8-03.)

#### **218.07 CONTRACT AUDITORS, CONSULTANTS AND EXPERTS.**

Through the normal budgetary process, the Auditor may obtain the services of professional experts or consultants, either to conduct an audit or, as necessary, to assist the Auditor in his or her duties. The Auditor shall coordinate and monitor auditing performed under contract. Contracting for external audits will be awarded in accordance with Jackson County's usual contracting procedures. All contracted audits are the responsibility of the Internal Audit Program, even if funding for the audit will be recovered from a specific County department.

(Ord 2003-3. Passed 1-8-03.)