

#11

1825

11-1772

(Do Not Write Above This Line)

AN ORDINANCE AND CHARTER AMENDMENT

BY: COUNCILMEMBER YOLANDA ADREAN

AN ORDINANCE TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ., ADOPTED UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1 ET SEQ., AS AMENDED, BY AMENDING PART 1 (CHARTER AND RELATED LAWS), SUBPART A (CHARTER), ARTICLE II (LEGISLATIVE), CHAPTER 6 (CITY INTERNAL AUDITOR), TO CREATE NEW SECTION 2-604(e) SO AS TO DEFINE THE ROLES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE IN THE SELECTION PROCESS OF THE CITY'S EXTERNAL AUDITOR; AND FOR OTHER PURPOSES.

Substitute ADOPTED BY COUNCIL FEB 06 2012 2nd READ / 1ST ADOPTION

- CONSENT REFER
REGULAR REPORT REFER
ADVERTISE & REFER
1ST ADOPT 2ND READ & REFER
PERSONAL PAPER REFER

Date Referred 11/21/11
Referred To: Finance/Exec
Date Referred 2/20/12
Referred To: Fin/Exec
Date Referred
Referred To:

First Reading

Committee
Date
Chair
Referred To

Committee Finance/Executive
Date 11-30-11
Chair
Action
Fav, Adv, Hold (See rev.side)
Other
Members
Refer To

Committee Finance/Executive
Date 2/1/2012
Chair Felicia A. Aporn
Action
Fav, Adv, Hold (See rev.side)
Other
Members
Refer To

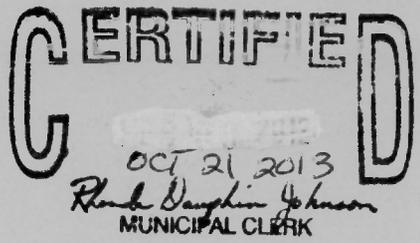
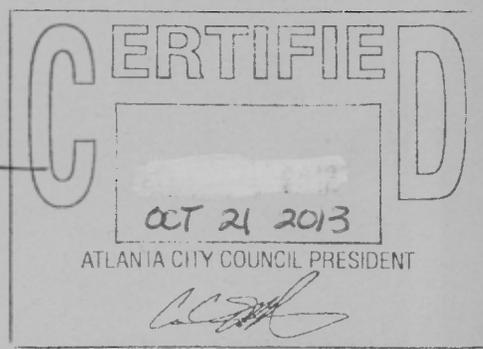
Committee Finance/Executive
Date 2/15/2012
Chair Felicia A. Aporn
Action
Fav, Adv, Hold (See rev.side)
Other
Members
Refer To

Committee Finance/Executive
Date 2/29/2012
Chair
Action
Fav, Adv, Hold (See rev.side)
Other
Members
Refer To

FINAL COUNCIL ACTION

- 2ND
1ST & 2ND
3RD
Readings
Consent
V Vote
RC Vote

CERTIFIED



MAYOR'S ACTION

FILED OCT 21 2013 By Council

Note: 2nd subst 2/1/12 Advertisement started over

RCS# 3091
10/21/13
2:48 PM

Atlanta City Council

11-O-1772

AMEND COA CHARTER SEC. 2-604(C); DEFINE
ROLES/RESPONSIBILITIES: AUDIT COMMITTEE
FILE

YEAS: 11
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 3
EXCUSED: 0
ABSENT 2

Y Smith	Y Archibong	Y Moore	Y Bond
B Hall	Y Wan	NV Martin	Y Watson
Y Young	Y Shook	Y Bottoms	NV Willis
Y Winslow	Y Adrean	B Sheperd	NV Mitchell

11-O-1772

**AN ORDINANCE AND CHARTER AMENDMENT
BY: COUNCILMEMBER YOLANDA ADREAN**

**AS SUBSTITUTED
BY: FINANCE/EXECUTIVE COMMITTEE**

AN ORDINANCE TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ., ADOPTED UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1 ET SEQ., AS AMENDED, BY AMENDING PART 1 (CHARTER AND RELATED LAWS), SUBPART A (CHARTER), ARTICLE II (LEGISLATIVE), CHAPTER 6 (CITY INTERNAL AUDITOR), TO AMEND SECTION 2-604(c) SO AS TO DEFINE THE ROLES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE IN THE SELECTION PROCESS OF THE CITY'S EXTERNAL AUDITOR; AND FOR OTHER PURPOSES.

WHEREAS, in the area of audit procurement, the Government Finance Officers Association's ("GFOA") Recommended Practices include the use of multiyear agreements and the use of a periodic full scale competitive process with the participation of all qualified firms, and

WHEREAS, GFOA also recommends an audit procurement process structured so that the principal factor in the selection of an independent auditor is the auditor's ability to perform a quality audit; and

WHEREAS, pursuant to Section 2-604(c)(5) of the Charter of the City of Atlanta (the "City"), the City's audit committee is responsible for providing oversight of the external audit efforts and coverage; and

WHEREAS, currently, the Code of Ordinances of the City does not provide guidance in procuring a quality audit; and

WHEREAS, based on the recommended practices of the Government Finance Officers Association ("GFOA"), the Government Auditing Standards and a review of the City's current audit procurement process, it is in the best interest of the City to clearly define the roles and responsibilities of the City's audit committee in providing oversight of the external audit efforts and coverage as required by the Charter.

**THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS
as follows:**

SECTION 1: That Article II (Legislative), Chapter 6 (City Internal Auditor) Section 2-604 (c), of the Atlanta Charter, which currently reads:

Section 2-604. - Audit committee; established; powers and duties generally; compensation.

(c) The audit committee shall meet as needed to perform its duties but shall not meet less than once quarterly and shall be responsible for:

- (1) Providing general direction to the internal audit function by reviewing the internal auditor's annual audit plan and any proposed amendments thereto and submitting the plan and the committee's recommendations to the council;
- (2) Reviewing and approving internal audit reports before the final audit report is issued;
- (3) Sending copies of draft and final internal audit reports to the mayor, president of the council, and members of the council;
- (4) Performing an evaluation of the city internal auditor annually and reporting the results of the evaluation and effectiveness of the audit function annually to the council;
- (5) Providing oversight of the external audit efforts and coverage; and
- (6) Performing such other duties as provided for by an ordinance of the council.

(d) Each member of the audit committee as established by section 2-604 of the Charter of the City of Atlanta who is not an elected official or employee of the City of Atlanta shall be paid \$50.00 as compensation for each meeting of the board the member attends, but in no event shall the total amount paid to any member exceed the sum of \$500.00 in any one calendar year.

be amended to read as follows:

Section 2-604. - Audit committee; established; powers and duties generally; compensation.

(c) The audit committee shall meet as needed to perform its duties but shall not meet less than once quarterly and shall be responsible for:

- (1) Providing general direction to the internal audit function by reviewing the internal auditor's annual audit plan and any proposed amendments thereto and submitting the plan and the committee's recommendations to the council;
- (2) Reviewing and approving internal audit reports before the final audit report is issued;
- (3) Sending copies of draft and final internal audit reports to the mayor, president of the council, and members of the council;

(4) Performing an evaluation of the city internal auditor annually and reporting the results of the evaluation and effectiveness of the audit function annually to the council;

(5) Every five years or at such regular intervals as determined by City Council, the Audit Committee shall direct that an independent public accounting and audit firm be engaged by the City to conduct the City's annual financial audit for a contractual period of up to five years.

(a)The selection of the auditor must be through the use of a competitive process with a comprehensive request for proposals document. The audit committee should provide advice in the preparation of the request for proposals, including criteria for selection.

(b)The written request for proposals to prospective auditors must include the criteria and weightings for the selection.

(c) The evaluation committee shall be composed of five (5) members including the Chief Operating Officer or designee with experience in accounting, auditing, and budgeting, the Chief Financial Officer, the Internal Auditor, the Chief Procurement Officer, and the City's bond attorney.

(d) The audit committee shall review the recommendation of the evaluation committee and make a final recommendation to the Finance/Executive Committee of City Council for consideration.

(6) Providing oversight of the external audit efforts, scope and coverage; and

(7) Performing such other duties as provided for by an ordinance of the council.

(d) Each member of the audit committee as established by section **2-604** of the Charter of the City of Atlanta who is not an elected official or employee of the City of Atlanta shall be paid \$50.00 as compensation for each meeting of the board the member attends, but in no event shall the total amount paid to any member exceed the sum of \$500.00 in any one calendar year.

SECTION 2: That at the beginning of each competitive selection process, the Audit Committee is authorized to oversee the establishment of a written policy detailing the selection criteria for the external auditor.

SECTION 3: That all ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

RCS# 1755
2/20/12
2:37 PM

Atlanta City Council

11-O-1772

CHARTER AMENDMENT OF PART 1, SUBPART A,
ARTICLE 2, CH.6-CITY INTERNAL AUDITOR
REFER

YEAS: 12
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 3
EXCUSED: 1
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Bond
Y Hall	Y Wan	Y Martin	Y Watson
Y Young	Y Shook	NV Bottoms	NV Willis
Y Winslow	Y Adrean	E Sheperd	NV Mitchell

11-O-1772

RCS# 1735
2/06/12
3:01 PM

Atlanta City Council

11-O-1772

AMEND 2-604(C) DEFINE ROLES OF AUDIT
COMMITTEE SELECTION PROCESS (SUBSTITUTE)
1ST ADOPT/REFER

YEAS: 11
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 1
ABSENT 3

Y Smith	B Archibong	Y Moore	Y Bond
B Hall	Y Wan	Y Martin	E Watson
Y Young	Y Shook	Y Bottoms	B Willis
Y Winslow	Y Adrean	Y Sheperd	NV Mitchell

11-O-1772