

ORDINANCE NO. 2022-366

An ordinance of the City of Gainesville, Florida, amending the Code of Ordinances by revising the duties of the city internal auditor; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

WHEREAS, the internal audit function helps management of the City accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of various enterprise risk management, control and governance processes by providing independent assurance and consulting services; and

WHEREAS, at least 10 days' notice has been given by publication in a newspaper of general circulation notifying the public of this proposed ordinance and of public hearings to be held by the City Commission of the City of Gainesville; and

WHEREAS, public hearings were held pursuant to the notice described above at which hearings the parties in interest and all others had an opportunity to be and were, in fact, heard.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA:

Section 1. Division 3, Article III, of Chapter 2 of the Code of Ordinances of the City of Gainesville is amended to read as follows:

Sec. - 2-176. – Duties Responsibilities.

~~In addition to the duties stated in Section 3.05 of the City Charter, the city internal auditor shall:~~

- ~~(a) — Perform financial and performance audits as well as attestation engagements in accordance with Generally Accepted Governmental Auditing Standards (GAGAS).~~

1 ~~(b) — Perform or cause to be performed investigations of fraud, waste, and abuse~~
2 ~~allegations.~~

3 ~~(c) — Perform all other duties, including GAGAS defined "nonaudit services" or~~
4 ~~"professional services other than audits or attestation engagements" assigned by~~
5 ~~the city commission.~~

6 ~~(d) — Assist the audit and finance committee in establishing factors to use for the~~
7 ~~evaluation of external auditors, issuing request for qualifications, evaluating and~~
8 ~~ranking external auditor candidates.~~

9 ~~(e) — Perform the duties of inspector general.~~

10
11 The city internal auditor shall:

12 (a) Develop a risk-based audit plan and conduct periodic enterprise risk assessments
13 to inform the risk-based audit plan;

14 (b) With respect to the city commission, boards, and all city functions, perform audit
15 engagements that include financial, operational/performance, compliance, and
16 information technology audits, and nonaudit and advisory services and
17 consultations in accordance with professional standards;

18 (c) Based on risk, review or audit any city functions where an attestation or opinion
19 will be made by the city internal auditor on its effectiveness, control, design
20 and/or efficiency; and/or conformity to organizational policies, procedures, and
21 applicable laws and regulations;

22 (d) Respond to and perform special requests (which are not in the risk-based audit
23 plan) by other charter officers depending upon available resources and potential
24 to add value to the city, as determined by the city internal auditor;

- 1 (e) Conduct follow up of audit issues and management action plans to ensure
2 management has adequately mitigated identified risks;
- 3 (f) Manage the city's designated fraud reporting process (which allows for
4 anonymous reporting) and conduct occupational fraud investigations relating to
5 city programs and operations, in accordance with professional standards;
- 6 (g) Maintain internal policies, procedures and guidelines for the conduct of internal
7 audit activities;
- 8 (h) Report internal audit activities to the audit committee and city commission; and
- 9 (i) Perform the duties of inspector general.

10 **Sec. 2-177. - Authority ~~to appoint and remove subordinate employees.~~**

11 ~~The internal auditor shall appoint and remove all subordinate employees in the internal-~~
12 ~~auditor's office.~~

13 The city internal auditor shall:

- 14 (a) Be independent from the other charter officers and report directly to the city
15 commission;
- 16 (b) Have the independent ability to allocate audit resources, set audit frequencies,
17 select subjects, determine scope of work, and apply audit techniques required to
18 accomplish audit objectives;
- 19 (c) Have continual unrestricted access to all functions, records, property, and
20 personnel of the city in meeting its specific audit objectives, unless otherwise
21 prohibited by law; and

1 (d) Have the cooperation of city personnel and city contractors performing work on
2 behalf of the city in relation to performance of audit engagement activity, unless
3 otherwise prohibited by law.

4 **Sec. 2-178. - Audit committee; selection of external auditor.**

5 Pursuant to F.S. § 218.391, the ~~city commission shall appoint a committee who~~ audit
6 committee or other committee designated by the city commission shall establish factors ~~to use~~
7 to evaluate external auditor candidates, cause a notice of issuance of request for proposals to be
8 issued when the city seeks to contract with an external auditor, evaluate and rank the external
9 auditor proposals and make recommendations to the city commission on the ranking of
10 proposals. The city internal auditor shall assist the committee in establishing factors to use for
11 the solicitation and evaluation of external auditors.

12 **Sec. 2-179. – Professional Standards.**

13
14 The city internal auditor provides independent, objective assurance and consulting
15 services designed to add value and improve the city’s operations. In order to provide
16 independent, objective assurance and consulting services to improve the city’s operations, the
17 city internal auditor shall follow the Institute of Internal Auditors International Standards for the
18 Professional Practice of Internal Auditing (IPPF) and the United States Government
19 Accountability Office Generally Accepted Government Auditing Standards (GAGAS). The city
20 internal auditor shall utilize the Association of Certified Fraud Examiners Manual and Code of
21 Ethics for conducting occupational fraud investigations. The city internal auditor will maintain
22 an internal quality assurance and improvement program and will undergo a Peer Review
23 engagement periodically, which renders an independent opinion on conformance to the
24 professional standards.

