

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 (which is a plan that ensures internal audit
13 activity is focused on the organization's top risks and is created by prioritizing
14 risks and estimating resources) and conduct periodic enterprise risk assessments
15 (which requires assessing risks in alignment with the City's strategic objectives)
16 to inform the risk-based audit plan;

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

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

- (d) Respond to and perform special requests (which are not in the risk-based audit plan) by other charter officers depending upon available resources and potential to add value to the city, as determined by the city internal auditor;
- (e) Conduct follow up of audit issues and management action plans to ensure management has adequately mitigated identified risks;
- (f) Manage the city's designated fraud reporting process (which allows for anonymous reporting) and conduct occupational fraud investigations relating to city programs and operations, in accordance with professional standards;
- (g) Maintain internal policies, procedures and guidelines for the conduct of internal audit activities;
- (h) Report internal audit activities to the audit committee and city commission; and
- (i) Perform the duties of inspector general.

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

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

The city internal auditor shall:

- (a) Be independent from the other charter officers and report directly to the city commission;
- (b) Have the independent ability to allocate audit resources, set audit frequencies, select subjects, determine scope of work, and apply audit techniques required to accomplish audit objectives;

1 (c) Have continual unrestricted access to all functions, records, property, and
2 personnel of the city in meeting its specific audit objectives, unless otherwise
3 prohibited by law; and

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

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

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

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

16
17 The city internal auditor provides independent, objective assurance and consulting
18 services designed to add value and improve the city's operations. In order to provide
19 independent, objective assurance and consulting services to improve the city's operations, the
20 city internal auditor shall follow the Institute of Internal Auditors International Standards for the
21 Professional Practice of Internal Auditing (IPPF) and the United States Government
22 Accountability Office Generally Accepted Government Auditing Standards (GAGAS). The city
23 internal auditor shall utilize the Association of Certified Fraud Examiners Manual and Code of
24 Ethics for conducting occupational fraud investigations. The city internal auditor will maintain

1 an internal quality assurance and improvement program and will undergo a Peer Review
2 engagement periodically, which renders an independent opinion on conformance to the
3 professional standards.

4 **Secs. ~~2-179-2-180~~—2-195. - Reserved.**

5
6 **Section 2.** It is the intention of the City Commission that the provisions of Section 1 of this
7 ordinance become and be made a part of the Code of Ordinances of the City of Gainesville, Florida,
8 and that the sections and paragraphs of this ordinance may be renumbered or relettered in order to
9 accomplish such intentions.

10 **Section 3.** If any word, phrase, clause, paragraph, section, or provision of this ordinance or
11 the application hereof to any person or circumstance is held invalid or unconstitutional, such
12 finding will not affect the other provisions or applications of this ordinance that can be given effect
13 without the invalid or unconstitutional provision or application, and to this end the provisions of
14 this ordinance are declared severable.

15 **Section 4.** All ordinances, parts of ordinances, and resolutions in conflict herewith are to
16 the extent of such conflict hereby repealed, including Resolution No. 150127.

Section 5. This ordinance shall become effective immediately upon adoption.

PASSED AND ADOPTED this day of September, 2022.

LAUREN POE
MAYOR

Attest:

Approved as to form and legality:

OMICHELE D. GAINEY
CITY CLERK

DANIEL M. NEE
INTERIM CITY ATTORNEY

This ordinance passed on first reading this day of September, 2022.

This ordinance passed on second reading this day of September, 2022.