

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

ORDINANCE NO. 18264

AN ORDINANCE relating to the County Auditor, prescribing the process for the auditor's selection, the operation of the auditor's office and reporting of the audits, amending Ordinance 394, Section 1 and K.C.C. 2.20.010, and Ordinance 394, Section 5 as amended and K.C.C. 2.20.050, and adding new sections to K.C.C. 2.20.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

NEW SECTION. SECTION 1. Audit Office Established. There is hereby established within the legislative branch, pursuant to Section 250 of the King County Charter, the county audit office. The organization and administration of the audit office shall be sufficiently independent to assure that no interference or influence external to the office shall adversely affect an independent and objective judgement by the auditor. The office shall be generally responsible for assisting the county council in its oversight function through the conduct of financial and management audits of county agencies under the directorship of the county auditor. The office shall be provided a discrete budget and staffing allowance.

SECTION 2. Ordinance 394, Section 1 and K.C.C. 2.20.010 is hereby amended to read as follows: Appointment. The King County auditor shall be appointed by a majority of the council (~~((after-a-thorough-search,-interview-and-screening))~~) following a selection and screening process ((of-applicants)) as herein described.

NEW SECTION. SECTION 3. Auditor Selection Process. A. The selection process shall include at a minimum the following:

1. Review and update of the auditor's job classification description.
2. Advertise regionally the availability of the position.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

3. Establishment of an ad hoc auditor screening committee responsible for the screening and preliminary interviewing of candidates.

4. Final interview and selection of appointee by the council.

B. The auditor screening committee shall be composed of five members appointed by the council and selected as follows:

1. Two members from either a private sector accounting firm or other government agency with experience in accounting and financial management operations, preferably certified public accountants.

2. Two members from either private sector or non-profit organizations with executive experience and a background in program evaluation.

3. One member who is a non-elected member of the legislative branch.

C. The screening committee shall screen, interview and score applicants for the auditor position, making a slate of the top five ranking candidates for the council's consideration. The committee shall also be formed to make recommendations to the council on any decision to reappoint the auditor.

NEW SECTION. SECTION 4. Types of Audits. The auditor, as a minimum, shall be responsible for performing the following types of audits:

A. Financial and compliance audits - to determine whether financial operations are being properly conducted, whether the financial reports of the audited agency are presented fairly, and whether the agency has complied with the applicable laws and regulations. These audits shall be used to supplement the financial and compliance audits conducted by the state pursuant to statute.

1 B. Economy and efficiency audits - to determine whether the
2 agency is managing or utilizing its resources in an economical and
3 efficient manner, and the causes of any inefficiencies or
4 uneconomical practices.

5 C. Program results audits - to determine whether the desired
6 results or benefits are being achieved, whether the objectives
7 established by the council are being met, and whether the agency
8 has considered alternatives which might yield desired results at a
9 lower cost.

10 D. Special studies - essentially informally conducted audits
11 used to evaluate program effectiveness or efficiency under
12 specific circumstances or when directed by the council.

13 NEW SECTION. SECTION 5. Audit Work Program. A. The council
14 shall review and approve annually by motion a work program
15 prepared by the auditor for the auditor's office. The work
16 program shall include the various types of audits and any
17 recommended special studies to be conducted and managed by the
18 auditor. It shall also include any analytical staff work directed
19 by the council which would fall outside of the regular definition
20 of an audit or special study.

21 B. The council may move to amend the approved annual work
22 plan to meet special circumstances as they may arise. However, no
23 council initiated change to the work plan shall be made that
24 adversely affects an audit or study in progress without the
25 recommendation of the auditor.

26 C. If the auditor determines that there is serious concern
27 regarding fraud, abuse or illegality, or that the scope of an
28 audit or study in progress should be expanded as the result of any
29 findings, the auditor is authorized to initiate spontaneously and
30 conduct, or expand the scope of, an audit beyond that approved in
31 the work program. The auditor shall notify the council of the
32 change.

1 SECTION 6. Ordinance 394 Section 5 as amended and K.C.C.
2 2.20.050 are amended as follows:

3 Reporting of ~~((management-or-post))~~ formal audits. A. The
4 audit will be designed to define the performance of the agency in
5 accordance with council and executive policy.

6 B. The audit will result in all cases in a written report.
7 The report will detail those findings which are positive or
8 negative observations concerning the agency's performance. The
9 county executive and the county administrative officer will review
10 the preliminary draft to amplify or clarify various issues and to
11 offer additional recommendations. Matters of evaluation of
12 performance other than these will not be the subject of
13 preliminary review.

14 C. With technical changes incorporated, the audit report is
15 to be finalized and sent to the agency, the county executive
16 ~~((and/or the county administrative officer))~~ for review. Two
17 weeks after receiving the audit, the subject agency will be
18 required to send a written reply to the auditor, detailing:

19 1. Disagreement with the findings which might explain
20 agency action that is apparently inconsistent with policy;

21 2. Agency action which will be taken to correct
22 deficiencies cited. In this regard, the agency will establish
23 commitments in terms of dates by which changes will be
24 incorporated.

25 D. Fourteen calendar days after delivering the report to the
26 agency, the auditor shall release the report to the county council
27 members for their review. If no agency response is included, the
28 auditor will note this and the reason, if known.

29
30
31
32
33

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

E. The council shall designate a committee to receive and review all audits and special studies. That committee shall also be charged with providing on-going oversight for the performance of the office including the development of the work program.

F. After the release of the audit to the council, the auditor will file a copy as matter of public record with the records and elections division.

INTRODUCED AND READ for the first time this 20th day of July, 1987.

PASSED this 19th day of October, 1987

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Gary Grant
Chairman

ATTEST:

Donald A. Peterson
Deputy Clerk of the Council

APPROVED this 28th day of October, 1987

Jim Hill
King County Executive