



**Office of Independent Internal Audit**  
**Audit Function**  
**Procedures Manual**

**Appendix A**  
**GA Law 3826 LOCAL AND SPECIAL ACTS**  
**AND RESOLUTIONS,**  
**VOL. II**  
**DEKALB COUNTY – INDEPENDENT**  
**INTERNAL AUDITS.**

**No. 206 (House Bill No. 599)**

## DEKALB COUNTY – INDEPENDENT INTERNAL AUDITS.

No. 206 (House Bill No. 599).

## AN ACT

To amend an Act revising, superseding, and consolidating the laws relating to the governing authority of DeKalb County and creating a chairman and board of commissioners of said county, approved March 8, 1956 (Ga. L. 1956, p. 3237), as amended, particularly by an Act approved April 9, 1981 (Ga. L. 1981, p. 4304), so as to provide for independent internal audits for DeKalb County; to provide for procedures, policies, and limitations; to provide for certain reports; to provide for funding; to provide for oversight; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

An Act revising, superseding, and consolidating the laws relating to the governing authority of DeKalb County and creating a chairman and board of commissioners of said county, approved March 8, 1956 (Ga. L. 1956, p. 3237), as amended, particularly by an Act approved April 9, 1981 (Ga. L. 1981, p. 4304), is amended by repealing subsection (d) of Section 10 in its entirety.

**SECTION 2.**

Said Act is further amended by adding a new Section 10A to read as follows:

**"SECTION 10A.****Independent Internal Audit.**

(a)(1) It is essential to the proper administration and operation of the DeKalb County government that public officials, government managers, and private citizens know not only whether government funds are handled properly and in compliance with laws and regulations but also whether public programs are achieving the purposes for which they were authorized and funded, and whether they are doing so efficiently, effectively, and equitably. An independent internal audit function can provide objective information on the operations of government programs, assist managers in carrying out their responsibilities, and help ensure full transparency and accountability to the public. Internal auditing is defined as an independent, objective assurance and consulting activity designed to add value and improve an organization's operations by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

- (2) The public interest requires that the General Assembly provide for the proper administration and operation of the DeKalb County government by establishing by law an independent internal audit function to assist the governing authority to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- (b) The Office of Internal Audit is hereby established which shall consist of the Chief Audit Executive ('Auditor') and those assistants, employees, and personnel as deemed necessary by such Auditor for the efficient and effective administration of the affairs of the office, and over whom the Auditor shall have the sole authority to appoint, employ, and remove.
- (c) The Office of Internal Audit shall be completely independent and shall not be subject to control or supervision by the Chief Executive, the Commission, or any other official, employee, department, or agency of the county government.
- (d) The Auditor shall be appointed by a majority vote of the DeKalb County Board of Commissioners from a list of not fewer than two nor more than three candidates provided to the board by the audit oversight committee. Such appointment shall be made within 30 days of receipt of the list of nominees by the board. In the event that the Commission fails to appoint a nominee within 30 days, the Auditor shall be appointed by a majority vote of the audit oversight committee.
- (d) The term of office of the Auditor shall be five years and until his or her successor is qualified and appointed. The Auditor shall be limited to a maximum of two terms in office. A vacancy in the position of Auditor shall exist by reason of expiration of term, resignation, death, removal from office by the vote of a supermajority of the members of the Commission, or if the Auditor becomes ineligible to hold civil office within the meaning of Code Section 45-2-1 of the O.C.G.A. and that ineligibility is established by decision of a court of competent jurisdiction which declares the office vacant because of such ineligibility. A vacancy shall be filled within 60 days by a majority vote of the audit oversight committee for the remainder of the term of office.
- (e) The Auditor must have adequate professional proficiency for the job and shall:
- (1) Be a certified public accountant or a certified internal auditor;
  - (2) Have a bachelor's degree in public policy, accounting, business administration, economics, or a related field; and
  - (3) Have at least five years of experience in government auditing, evaluation, or analysis.
- (f) The position of the Auditor shall be nonpartisan. Qualifying for election to a public office shall constitute a resignation from the position as of the date of qualifying.
- (g) The Auditor shall have authority to conduct financial and performance audits of all departments, offices, boards, activities, agencies, and programs of the county in order to independently and objectively determine whether:
- (1) Activities and programs being implemented have been authorized by this Act, Georgia law, or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws;



- (2) The department, office, board, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, effectively, and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;
  - (3) The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;
  - (4) The desired results or benefits are being achieved;
  - (5) Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources;
  - (6) Management has established adequate operating and administrative procedures and practices, systems or accounting internal control systems, and internal management controls; and
  - (7) Indications of fraud, abuse, or illegal acts are valid and need further investigation.
- (h) All officers and employees of DeKalb County shall furnish to the Auditor unrestricted access to employees, information, and records including electronic data within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. In addition, they shall provide access for the Auditor to inspect all property, equipment, and facilities within their custody. If such officers or employees fail to provide or produce such access and information, the Auditor may initiate a search to be made and exhibits to be taken from any book, paper, or record of any such official or employee or outside contractor or subcontractor, except as governed by statute. Further, all contracts with outside contractors and subcontractors shall contain a 'right-to-audit' clause and provide for Auditor access to the contractors' employees and to all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds. For the purpose of this subsection, the Auditor shall have the authority to issue subpoenas and may apply to the Superior Court of DeKalb County for the enforcement of any subpoena issued by the Auditor.
- (i) The Auditor may obtain the services of certified public accountants, qualified management consultants, or other professional experts necessary to perform audit work. An audit that is performed by contract must be conducted by persons who have no financial interests in the affairs of the governmental entity or its officers. The Auditor shall coordinate and monitor auditing performed by certified public accounting firms or other organizations employed under contract by the governing authority to assist with audit related activities. Contracting for the external audit will follow the normal contracting processes of the governing authority of DeKalb County except for the participation and oversight by the audit oversight committee and Auditor. The selection of a certified public accounting firm for the annual financial audit must be approved by the Commission.

- (j)(1) Audits shall be conducted in accordance with recognized government auditing standards.
- (2) At the beginning of each fiscal year, the Auditor shall submit a one-to-five-year audit schedule to the audit oversight committee and the Commission for review and comment. The schedule shall include the proposed plan, and the rationale for the selections, for auditing departments, offices, boards, activities, programs, policies, contractors, subcontractors, and agencies for the period. This schedule may be amended after review with the audit oversight committee and the Commission, but the Auditor shall have final authority to select the audits planned.
- (3) In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the Auditor shall consult with federal and state auditors and external auditors so that the desirable audit coverage is provided and audit efforts are properly coordinated.
- (4) A final draft of the audit report shall be forwarded to the audit oversight committee, the Chief Executive, the Commission, and the audited agency for review and comment regarding factual content prior to its release. The agency shall respond in writing, specifying the agreement with audit findings and recommendations or reasons for disagreement with findings and recommendations, plans for implementing solutions to issues identified, and a timetable to complete such activities. The response shall be forwarded to the Auditor within 60 days. The Auditor shall review and report on information included in the agency's response. If no response is received, the Auditor shall note that fact in the transmittal letter and shall release the audit report.
- (5) Each audit shall result in a final report, in written or some other retrievable form. The report shall contain relevant background information and findings and recommendations and shall communicate results to the audit oversight committee, the audited agency, and the governing authority.
- (6) The Auditor shall submit an annual report to the audit oversight committee, Chief Executive, and the Commission indicating audits completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management. The annual report, in written or some other retrievable form, shall be made available to the public through the county website within ten days of submission to the Commission.
- (k) If, during an audit, the Auditor becomes aware of abuse or illegal acts or indications of such acts that could affect the governmental entity, the Auditor shall report the irregularities to the audit oversight committee, the Chief Executive, and the Commission. If a member of the governing authority is believed to be a party to abuse or illegal acts, the Auditor shall report the acts directly to the audit oversight committee, the Chief Executive, and the Commission. If it appears that the irregularity is criminal in nature, the Auditor shall notify the district attorney in addition to those officials previously identified in this subsection.

(l) The Auditor shall follow up on audit recommendations to determine if corrective action has been taken. The Auditor shall request periodic status reports from audited agencies regarding actions taken to address reported deficiencies and audit recommendations.

(m)(1) The audit activities of the Office of Internal Audit shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA).

(2) The peer review shall use applicable government auditing standards to evaluate the quality of audit effort and reporting. Specific quality review areas shall include staff qualifications, adequacy of planning and supervision, sufficiency of work paper preparation and evidence, and the adequacy of systems for reviewing internal controls, fraud and abuse, program compliance, and automated systems. The peer review shall also assess the content, presentation, form, timelines, and distribution of audit reports. The Commission shall pay for the costs of the peer review.

(3) A copy of the written report of such independent review shall be furnished to each member of the governing authority and to the audit oversight committee.

(n)(1) To ensure independence of the audit function, an audit oversight committee is hereby established. The audit oversight committee shall consist of five voting members.

(2) All members of the audit oversight committee shall:

(A) Be residents of DeKalb County;

(B) Have expertise in performance auditing; and

(C) Have a minimum of five years' experience as a certified public accountant, a certified internal auditor, a certified performance auditor, a certified management accountant, or ten years of other relevant professional experience.

(3) Not later than October 31, 2015, the members of the audit oversight committee shall be selected as follows:

(A) One member shall be appointed by the chairperson of the DeKalb County delegation in the Georgia House of Representatives;

(B) One member shall be appointed by the chairperson of the DeKalb County delegation in the Georgia Senate;

(C) One member shall be appointed by the Chief Executive of DeKalb County; and

(D) Two members shall be appointed by the Commission.

(4) The members shall serve for terms of five years; provided, however, that the initial term of the first appointee of the Commission shall be one year and until his or her respective successor is appointed and qualified; the initial term of the appointee of the chairperson of the DeKalb County delegation in the Georgia House of Representatives shall be two years and until his or her respective successor is appointed and qualified; the initial term of the appointee of the Chief Executive shall be three years and until his or her respective successor is appointed and qualified; the initial term of the second appointee of the Commission shall be four years and until his or her respective successor is appointed and qualified; and the initial term of the appointee of the chairperson of the

DeKalb County delegation in the Georgia Senate shall be five years and until his or her respective successor is appointed and qualified.

(5) Successors to all members of the audit oversight committee and future successors shall be appointed by the respective appointing authorities not less than 30 days prior to the expiration of each such member's term of office, and such successors shall take office on January 1 following such appointment and shall serve terms of five years and until their respective successors are appointed and qualified.

(6) If a member of the audit oversight committee ceases to be a resident of DeKalb County, that member's position on the board, by operation of law, shall become vacant upon the establishment of the fact of such nonresidency, if contested, by a court of competent jurisdiction. A vacancy on the audit oversight committee shall exist by reason of death, resignation, incapacity to serve for 90 days or longer, or loss of residency as described in this subsection. A member of the audit oversight committee may also be removed from office during a term if the member becomes ineligible to hold civil office within the meaning of Code Section 45-2-1 of the O.C.G.A. and that ineligibility is established by decision of a court of competent jurisdiction which declares the office vacant because of such ineligibility or by a vote of two-thirds of the members of the legislative delegation. A vacancy shall be filled within 60 days by the legislative delegation for the remainder of the unexpired term.

(7) The members of the audit oversight committee shall elect from their own membership a chairperson and otherwise provide for their own internal organization.

(8) The audit oversight committee shall consult with the Auditor regarding technical issues and work to assure maximum coordination between the work of the Auditor's office and external audit efforts.

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

(A) Selecting not fewer than two nor more than three nominees for the position of Auditor who meet the requirements outlined in subsection (e) of this section which shall be submitted to the Commission for selection and appointment of one of the nominees to the position of Auditor;

(B) Performing regular evaluations of the DeKalb County audit function;

(C) Providing suggestions and comments for the annual audit plan;

(D) Ensuring that audit reports are transmitted to the governing authority and to the public;

(E) Monitoring follow-up on reported findings to assure corrective action is taken by management;

(F) Reporting to the governing authority on problems or problem areas at such times as deemed appropriate;

(G) Conducting or overseeing the requests for proposal and selection process for the firm conducting the annual financial statement audits, and ranking and recommending in order of preference no fewer than three firms deemed to be the most highly qualified



to perform the required services. If fewer than three firms respond to the request for proposal, the audit oversight committee shall recommend such firms as it deems to be the most highly qualified.

(H) Evaluating the firm providing annual financial statement auditing services and providing oversight of that audit, including ensuring transmission of reports and follow-up on corrective action by management;

(I) Evaluating the findings and recommendations of the peer review as required by recognized government auditing standards;

(J) Consulting with the Auditor regarding technical issues with the external audit firm and working to assure maximum coordination between the work of the Office of Internal Audit and contracted audit efforts and other consulting engagements;

(K) Maintaining the confidentiality of personnel matters while taking responsibility for appropriate disclosure to the governing authority, the legislature, or to the public; and

(L) Annually meeting with members of the Commission to discuss controls, systems and risk, and performance of the audit firm, and to discuss other matters that the audit firm, the Auditor, or staff desires or is required to bring to the Commission's attention such as fraud, illegal acts, and financial and control weaknesses.

(10) The audit oversight committee shall have the authority to hire outside experts, including legal counsel, when necessary.

(11) The audit oversight committee shall have the authority to propose the budget of the Office of Internal Audit, including the Auditor's salary and staffing, and shall then recommend the budget to the Commission for approval, who shall fund it as a priority.

(12) Sufficient resources as requested by the audit oversight committee shall be provided by the Commission to enable the audit oversight committee to carry out its responsibilities.

(o) The provisions of this section are severable, and if any of its provisions shall be held unconstitutional or invalid by a court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining provisions."

### SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.

### NOTICE OF INTENTION TO INTRODUCE LOCAL LEGISLATION

Notice is given that there will be introduced at the regular 2015 session of the General Assembly of Georgia a bill to amend an Act revising, superseding, and consolidating the laws relating to the governing authority of DeKalb County and creating a chairman and board of commissioners of said county, approved March 8, 1956 (Ga. L. 1956, p. 3237), as amended, particularly by an Act approved April 9, 1981 (Ga. L. 1981, p. 4304), so as to provide for independent internal audits for DeKalb County; to provide for procedures,



policies, and limitations; to provide for certain reports; to provide for funding; to provide for oversight; to provide for related matters; and for other purposes.

GEORGIA, FULTON COUNTY

Personally appeared before me, the undersigned authority, duly authorized to administer oaths, Scott Holcomb, who on oath deposes and says that he is the Representative from District 81 and further deposes and says that the attached Notice of Intention to Introduce Local Legislation was published in the Champion which is the official organ of DeKalb County on January 15, 2015, and that the notice requirements of Code Section 28-1-14 have been met.

s/ SCOTT HOLCOMB  
Scott Holcomb  
Representative, District 81

Sworn to and subscribed before me,  
this 9th day of March, 2015.

s/ JENNIFER BURGESS  
Jennifer Burgess  
Notary Public, Fulton County, Georgia  
My Commission Expires December 29, 2018  
(SEAL)

Approved May 12, 2015.

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SATILLA REGIONAL WATER AND SEWER AUTHORITY – MEMBERS OF  
THE AUTHORITY; MANNER OF SELECTION; REPEAL PROVISIONS  
REGARDING PAYMENTS, LATE FEES, SERVICE  
DISCONNECTION, AND SERVICE  
RECONNECTION.

No. 212 (House Bill No. 518).

AN ACT

To amend an Act creating the Satilla Regional Water and Sewer Authority, previously known as the Ware County Water and Sewer Authority, approved October 1, 2001 (Ga. L. 2001, Ex. Sess., p. 705), as amended, so as to revise the manner of selection of the members of the



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**Appendix B**  
***DeKalb County, Georgia – Code***  
***Ordinances/Organizational Act Section 10A-***  
***Independent Internal Audit***

Sec. 10. - Audits.

- (a) The commission shall choose three (3) of its members to serve as an audit committee. The term of members serving as the audit committee and their manner of selection shall be as determined by the commission. The audit committee shall screen and recommend to the commission an independent auditing firm to serve as an outside auditor of the county government to make an annual continuous general audit of all county finances and financial records.
- (b) The outside auditor shall be employed pursuant to written contract to be entered upon the minutes of the commission, and the contract shall state clearly and concisely the depth and scope of the audit and that it shall be conducted in accordance with the requirements of the act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved April 21, 1967 (Ga. Laws 1967, p. 883), as amended, by an act approved March 28, 1968 (Ga. Laws 1968, p. 464) [O.C.G.A. § 36-60-8]. The auditor shall immediately inform the commission in writing of any irregularities found in the management of county business by an officer or department of the county government.
- (c) The outside auditor shall complete the audit in compliance with Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated each year, and, within ten (10) days after its completion, the auditor shall deliver a copy of the audit to each commissioner, the chief executive, and the grand jury of the DeKalb County superior court then in session.

(Acts 1981, p. 4304, § 1; [Acts 1915, p. 3826, § 1](#); [Acts. 2016, p. 4219, § 2](#)) Sec. 10A. - Independent internal audit.

- (a) (1) It is essential to the proper administration and operation of the DeKalb County government that public officials, government managers, and private citizens know not only whether government funds are handled properly and in compliance with laws and regulations but also whether public programs are achieving the purposes for which they were authorized and funded, and whether they are doing so efficiently, effectively, and equitably. An independent internal audit function can provide objective information on the operations of government programs, assist managers in carrying out their responsibilities, and help ensure full transparency and accountability to the public. Internal auditing is defined as an independent, objective assurance and consulting activity designed to add value and improve an organization's operations by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- (2) The public interest requires that the general assembly provide for the proper administration and operation of the DeKalb County government by establishing by law an independent internal audit function to assist the governing authority to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- (b) The office of internal audit is hereby established which shall consist of the chief audit executive ("auditor") and those assistants, employees, and personnel as deemed necessary by such auditor for the efficient and effective administration of the affairs of the office, and over whom the auditor shall have the sole authority to appoint, employ, and remove.
- (c) The office of internal audit shall be completely independent and shall not be subject to control or supervision by the chief executive, the commission, or any other official, employee, department, or agency of the county government.
- (d) The auditor shall be appointed by a majority vote of the DeKalb County Board of Commissioners from a list of not fewer than two (2) nor more than three (3) candidates provided to the board by the audit oversight committee. Such appointment shall be made within thirty (30) days of receipt of the list of nominees by the board. In the event that the commission fails to appoint a nominee within thirty (30) days, the auditor shall be appointed by a majority vote of the audit oversight committee.

- (d) The term of office of the auditor shall be five (5) years and until his or her successor is qualified and appointed. The auditor shall be limited to a maximum of two (2) terms in office. A vacancy in the position of auditor shall exist by reason of expiration of term, resignation, death, removal from office by the vote of a supermajority of the members of the commission, or if the auditor becomes ineligible to hold civil office within the meaning of O.C.G.A. § 45-2-1 and that ineligibility is established by decision of a court of competent jurisdiction which declares the office vacant because of such ineligibility. A vacancy shall be filled within sixty (60) days by a majority vote of the audit oversight committee for the remainder of the term of office.
- (e) The auditor must have adequate professional proficiency for the job and shall:
  - (1) Be a certified public accountant or a certified internal auditor;
  - (2) Have a bachelor's degree in public policy, accounting, business administration, economics, or a related field; and
  - (3) Have at least five (5) years of experience in government auditing, evaluation, or analysis.
- (f) The position of the auditor shall be nonpartisan. Qualifying for election to a public office shall constitute a resignation from the position as of the date of qualifying.
- (g) The auditor shall have authority to conduct financial and performance audits of all departments, offices, boards, activities, agencies, and programs of the county in order to independently and objectively determine whether:
  - (1) Activities and programs being implemented have been authorized by this Act, Georgia law, or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws;
  - (2) The department, office, board, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, effectively, and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;
  - (3) The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;
  - (4) The desired results or benefits are being achieved;
  - (5) Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources;
  - (6) Management has established adequate operating and administrative procedures and practices, systems or accounting internal control systems, and internal management controls; and
  - (7) Indications of fraud, abuse, or illegal acts are valid and need further investigation.
- (h) All officers and employees of DeKalb County shall furnish to the auditor unrestricted access to employees, information, and records including electronic data within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. In addition, they shall provide access for the auditor to inspect all property, equipment, and facilities within their custody. If such officers or employees fail to provide or produce such access and information, the auditor may initiate a search to be made and exhibits to be taken from any book, paper, or record of any such official or employee or outside contractor or subcontractor, except as governed by statute. Further, all contracts with outside contractors and subcontractors shall contain a "right-to-audit" clause and provide for auditor access to the contractors' employees and to all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds. For the purpose of this subsection, the auditor shall have the authority to issue subpoenas and may apply to the Superior Court of DeKalb County for the enforcement of any subpoena issued by the auditor.



- (i) The auditor may obtain the services of certified public accountants, qualified management consultants, or other professional experts necessary to perform audit work. An audit that is performed by contract must be conducted by persons who have no financial interests in the affairs of the governmental entity or its officers. The auditor shall coordinate and monitor auditing performed by certified public accounting firms or other organizations employed under contract by the governing authority to assist with audit related activities. Contracting for the external audit will follow the normal contracting processes of the governing authority of DeKalb County except for the participation and oversight by the audit oversight committee and auditor. The selection of a certified public accounting firm for the annual financial audit must be approved by the commission.
- (j)
  - (1) Audits shall be conducted in accordance with recognized government auditing standards.
  - (2) At the beginning of each fiscal year, the auditor shall submit a one- to five-year audit schedule to the audit oversight committee and the commission for review and comment. The schedule shall include the proposed plan, and the rationale for the selections, for auditing departments, offices, boards, activities, programs, policies, contractors, subcontractors, and agencies for the period. This schedule may be amended after review with the audit oversight committee and the commission, but the auditor shall have final authority to select the audits planned.
  - (3) In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the auditor shall consult with federal and state auditors and external auditors so that the desirable audit coverage is provided and audit efforts are properly coordinated.
  - (4) A final draft of the audit report shall be forwarded to the audit oversight committee, the chief executive, the commission, and the audited agency for review and comment regarding factual content prior to its release. The agency shall respond in writing, specifying the agreement with audit findings and recommendations or reasons for disagreement with findings and recommendations, plans for implementing solutions to issues identified, and a timetable to complete such activities. The response shall be forwarded to the auditor within sixty (60) days. The auditor shall review and report on information included in the agency's response. If no response is received, the auditor shall note that fact in the transmittal letter and shall release the audit report.
  - (5) Each audit shall result in a final report, in written or some other retrievable form. The report shall contain relevant background information and findings and recommendations and shall communicate results to the audit oversight committee, the audited agency, and the governing authority.
  - (6) The auditor shall submit an annual report to the audit oversight committee, chief executive, and the commission indicating audits completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management. The annual report, in written or some other retrievable form, shall be made available to the public through the county website within ten (10) days of submission to the commission.
- (k) If, during an audit, the auditor becomes aware of abuse or illegal acts or indications of such acts that could affect the governmental entity, the auditor shall report the irregularities to the audit oversight committee, the chief executive, and the commission. If a member of the governing authority is believed to be a party to abuse or illegal acts, the auditor shall report the acts directly to the audit oversight committee, the chief executive, and the commission. If it appears that the irregularity is criminal in nature, the auditor shall notify the district attorney in addition to those officials previously identified in this subsection.
- (l) The auditor shall follow up on audit recommendations to determine if corrective action has been taken. The auditor shall request periodic status reports from audited agencies regarding actions taken to address reported deficiencies and audit recommendations.
- (m)
  - (1) The audit activities of the office of internal audit shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA).

- (2) The peer review shall use applicable government auditing standards to evaluate the quality of audit effort and reporting. Specific quality review areas shall include staff qualifications, adequacy of planning and supervision, sufficiency of work paper preparation and evidence, and the adequacy of systems for reviewing internal controls, fraud and abuse, program compliance, and automated systems. The peer review shall also assess the content, presentation, form, timelines, and distribution of audit reports. The commission shall pay for the costs of the peer review.
- (3) A copy of the written report of such independent review shall be furnished to each member of the governing authority and to the audit oversight committee.
- (n) (1) To ensure independence of the audit function, an audit oversight committee is hereby established. The audit oversight committee shall consist of five (5) voting members.
- (2) All members of the audit oversight committee shall:
  - a. Be residents of DeKalb County;
  - b. Have expertise in performance auditing; and
  - c. Have a minimum of five (5) years' experience as a certified public accountant, a certified internal auditor, a certified performance auditor, a certified management accountant, or ten (10) years of other relevant professional experience.
- (3) Not later than October 31, 2015, the members of the audit oversight committee shall be selected as follows:
  - a. One (1) member shall be appointed by the chairperson of the DeKalb County delegation in the Georgia House of Representatives;
  - b. One (1) member shall be appointed by the chairperson of the DeKalb County delegation in the Georgia Senate;
  - c. One (1) member shall be appointed by the Chief Executive of DeKalb County; and
  - d. Two (2) members shall be appointed by the commission.
- (4) The members shall serve for terms of five (5) years; provided, however, that the initial term of the first appointee of the commission shall be one (1) year and until his or her respective successor is appointed and qualified; the initial term of the appointee of the chairperson of the DeKalb County delegation in the Georgia House of Representatives shall be two (2) years and until his or her respective successor is appointed and qualified; the initial term of the appointee of the chief executive shall be three (3) years and until his or her respective successor is appointed and qualified; the initial term of the second appointee of the commission shall be four (4) years and until his or her respective successor is appointed and qualified; and the initial term of the appointee of the chairperson of the DeKalb County delegation in the Georgia Senate shall be five (5) years and until his or her respective successor is appointed and qualified.
- (5) Successors to all members of the audit oversight committee and future successors shall be appointed by the respective appointing authorities not less than thirty (30) days prior to the expiration of each such member's term of office, and such successors shall take office on January 1 following such appointment and shall serve terms of five (5) years and until their respective successors are appointed and qualified.
- (6) If a member of the audit oversight committee ceases to be a resident of DeKalb County, that member's position on the board, by operation of law, shall become vacant upon the establishment of the fact of such nonresidency, if contested, by a court of competent jurisdiction. A vacancy on the audit oversight committee shall exist by reason of death, resignation, incapacity to serve for ninety (90) days or longer, or loss of residency as described in this subsection. A member of the audit oversight committee may also be removed from office during a term if the member becomes ineligible to hold civil office within the meaning of O.C.G.A. § 45-2-1 of the O.C.G.A. and that ineligibility is established by decision of a court of competent jurisdiction which declares the office vacant because of such ineligibility or by a vote of two-thirds ( 2/3 ) of the members of the legislative delegation. A vacancy shall be filled within sixty (60) days by the legislative delegation for the remainder of the unexpired term.

- (7) The members of the audit oversight committee shall elect from their own membership a chairperson and otherwise provide for their own internal organization.
- (8) The audit oversight committee shall consult with the auditor regarding technical issues and work to assure maximum coordination between the work of the auditor's office and external audit efforts.
- (9) The audit oversight committee shall meet as needed to perform its duties but shall not meet less than once quarterly and shall be responsible for:
  - a. Selecting not fewer than two (2) nor more than three (3) nominees for the position of auditor who meet the requirements outlined in subsection (e) of this section which shall be submitted to the commission for selection and appointment of one (1) of the nominees to the position of auditor;
  - b. Performing regular evaluations of the DeKalb County audit function;
  - c. Providing suggestions and comments for the annual audit plan;
  - d. Ensuring that audit reports are transmitted to the governing authority and to the public;
  - e. Monitoring follow-up on reported findings to assure corrective action is taken by management;
  - f. Reporting to the governing authority on problems or problem areas at such times as deemed appropriate;
  - g. Conducting or overseeing the requests for proposal and selection process for the firm conducting the annual financial statement audits, and ranking and recommending in order of preference no fewer than three (3) firms deemed to be the most highly qualified to perform the required services. If fewer than three (3) firms respond to the request for proposal, the audit oversight committee shall recommend such firms as it deems to be the most highly qualified;
  - h. Evaluating the firm providing annual financial statement auditing services and providing oversight of that audit, including ensuring transmission of reports and follow-up on corrective action by management;
  - i. Evaluating the findings and recommendations of the peer review as required by recognized government auditing standards;
  - j. Consulting with the auditor regarding technical issues with the external audit firm and working to assure maximum coordination between the work of the office of internal audit and contracted audit efforts and other consulting engagements;
  - k. Maintaining the confidentiality of personnel matters while taking responsibility for appropriate disclosure to the governing authority, the legislature, or to the public; and
  - l. Annually meeting with members of the commission to discuss controls, systems and risk, and performance of the audit firm, and to discuss other matters that the audit firm, the auditor, or staff desires or is required to bring to the commission's attention such as fraud, illegal acts, and financial and control weaknesses.
- (10) The audit oversight committee shall have the authority to hire outside experts, including legal counsel, when necessary.
- (11) The audit oversight committee shall have the authority to propose the budget of the office of internal audit, including the auditor's salary and staffing, and shall then recommend the budget to the commission for approval, who shall fund it as a priority.
- (12) Sufficient resources as requested by the audit oversight committee shall be provided by the commission to enable the audit oversight committee to carry out its responsibilities.

(o) The provisions of this section are severable, and if any of its provisions shall be held unconstitutional or invalid by a court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining provisions.

( [Acts 1915, p. 3826, § 2](#) )





**Office of Independent Internal Audit**  
**Audit Function**  
**Procedures Manual**

**Appendix C**  
***THE OPEN RECORDS ACT 50-18-70***

THE OPEN RECORDS ACT

50-18-70.

(a) The General Assembly finds and declares that the strong public policy of this state is in favor of open government; that open government is essential to a free, open, and democratic society; and that public access to public records should be encouraged to foster confidence in government and so that the public can evaluate the expenditure of public funds and the efficient and proper functioning of its institutions. The General Assembly further finds and declares that there is a strong presumption that public records should be made available for public inspection without delay. This article shall be broadly construed to allow the inspection of governmental records. The exceptions set forth in this article, together with any other exception located elsewhere in the Code, shall be interpreted narrowly to exclude only those portions of records addressed by such exception.

(b) As used in this article, the term:

(1) 'Agency shall have the same meaning as in Code Section 50-14-1 and shall additionally include any association, corporation, or other similar organization that has a membership or ownership body composed primarily of counties, municipal corporations, or school districts of this state, their officers, or any combination thereof and derives more than 33 1/3 percent of its general operating budget from payments from such political subdivisions.

(2) 'Public record' means all documents, papers, letters, maps, books, tapes, photographs, computer based or generated information, data, data fields, or similar material prepared and maintained or received by an agency or by a private person or entity in the performance of a service or function for or on behalf of an agency or when such documents have been transferred to a private person or entity by an agency for storage or future governmental use.

50-18-71.

(a) All public records shall be open for personal inspection and copying, except those which by order of a court of this state or by law are specifically exempted from disclosure. Records shall be maintained by agencies to the extent and in the manner required by Article 5

of this chapter. (b)(1)(A) Agencies shall produce for inspection all records responsive to a request within a

reasonable amount of time not to exceed three business days of receipt of a request; provided, however, that nothing in this chapter shall require agencies to produce records in response to a request if such records did not exist at the time of the request. In those instances where some, but not all, records are available within three business days, an agency shall make available within that period those records that can be located and produced. In any instance where records are unavailable within three business days of receipt of the request, and responsive records exist, the agency shall, within such time period, provide the requester with a description of such records and a timeline for when the records will be available for inspection or copying and provide the responsive records or access thereto as soon as practicable.

(B) A request made pursuant to this article may be made to the custodian of a public record orally or in writing. An agency may, but shall not be obligated to, require that all written requests be made upon the responder's choice of one of the following: the agency's director, chairperson, or chief executive officer, however denominated; the senior official at any satellite office of an agency; a clerk specifically designated by an agency as the custodian of agency records; or a duly designated open records officer of an agency; provided, however, that the absence or unavailability of the designated agency officer or employee shall not be permitted to delay the agency's response. At the time of inspection, any person may make photographic copies or other electronic reproductions of the records using suitable portable devices brought to the place of inspection. Notwithstanding any other provision of this chapter, an agency may, in its discretion, provide copies of a record in lieu of providing access to the record when portions of the record contain confidential information that must be redacted.

(2) Any agency that designates one or more open records officers upon whom requests for inspection or copying of records may be delivered shall make such designation in writing and shall immediately provide notice to any person upon request, orally or in writing, of those open records officers. If the agency has elected to designate an open records officer, the agency shall so notify the legal organ of the county in which the agency's principal offices reside and, if the agency *has* a website,

shall also prominently display such designation on the agency's website. In the event an agency requires that requests be made upon the individuals identified in subparagraph **(B)** of paragraph (I) of this subsection, the three-day period for response to a written request shall not begin to run until the request is made in writing upon such individuals. An agency shall permit receipt of written requests by e-mail or facsimile transmission in addition to any other methods of transmission approved by the agency, provided such agency uses e-mail or facsimile in the normal course of its business.

(3) The enforcement provisions of Code Sections 50-18-73 and 50-18-74 shall be available only to enforce compliance and punish noncompliance when a written request is made consistent with this subsection and shall not be available when such request is made orally.

(c)(1) An agency may impose a reasonable charge for the search, retrieval, redaction, and production or copying costs for the production of records pursuant to this article. An agency shall utilize the most economical means reasonably calculated to identify and produce responsive, non excluded documents. Where fees for certified copies or other copies or records are specifically authorized or otherwise prescribed by law, such specific fee shall apply when certified copies or other records to which a specific fee may apply are sought. In all other instances, the charge for the search, retrieval, or redaction of records shall not exceed the prorated hourly salary of the lowest paid full-time employee who, in the reasonable discretion of the custodian of the records, has the necessary skill and training to perform the request; provided, however, that no charge shall be made for the first quarter hour.

(2) In addition to a charge for the search, retrieval, or redaction of records, an agency may charge a fee for the copying of records or data, not to exceed 10¢ per page for letter or legal size documents or, in the case of other documents, the actual cost of producing the copy. In the case of electronic records, the agency may charge the actual cost of the media on which the records or data are produced.

(3) Whenever any person has requested to inspect or copy a public record and does not pay the cost for search, retrieval, redaction, or copying of such records when such charges have been lawfully estimated and agreed to pursuant to this article, and the agency has incurred the agreed-upon costs to make the records available, regardless of



whether the requester inspects or accepts copies of the records, the agency shall be authorized to collect such charges in any manner authorized by law for the collection of taxes, fees, or assessments by such agency.

(d) In any instance in which an agency is required to or has decided to withhold all or part of a requested record, the agency shall notify the requester of the specific legal authority exempting the requested record or records from disclosure by Code section, subsection, and paragraph within a reasonable amount of time not to exceed three business days or in the event the search and retrieval of records is delayed pursuant to this paragraph or pursuant to subparagraph (b)(1)(A) of this Code section, then no later than three business days after the records have been retrieved.

In any instance in which an agency will seek costs in excess of \$25.00 for responding to a request, the agency shall notify the requester within a reasonable amount of time not to exceed three business days and inform the requester of the estimate of the costs, and the agency may defer search and retrieval of the records until the requester agrees to pay the estimated costs unless the requester has stated in his or her request a willingness to pay an amount that exceeds the search and retrieval costs. In any instance in which the estimated costs for production of the records exceeds \$500.00, an agency may insist on prepayment of the costs prior to beginning search, retrieval, review, or production of the records. Whenever any person who has requested to inspect or copy a public record has not paid the cost for search, retrieval, redaction, or copying of such records when such charges have been lawfully incurred, an agency may require prepayment for compliance with all future requests for production of records from that person until the costs for the prior production of records have been paid or the dispute regarding payment resolved.

(e) Requests by civil litigants for records that are sought as part of or for use in any ongoing civil or administrative litigation against an agency shall be made in writing and copied to counsel of record for that agency contemporaneously with their submission to that agency. The agency shall provide, at no cost, duplicate sets of all records produced in response to the request to counsel of record for that agency unless the counsel of record for that agency elects not to receive the records.

(f) As provided in this subsection, an agency's use of electronic record-keeping systems must not erode the public's right of access to records under this article. Agencies shall

produce electronic copies of or, if the requester prefers, printouts of electronic records or data from data base fields that the agency maintains using the computer programs that the agency has in its possession. An agency shall not refuse to produce such electronic records, data, or data fields on the grounds that exporting data or redaction of exempted information will require inputting range, search, filter, report parameters, or similar commands or instructions into an agency's computer system so long as such commands or instructions can be executed using existing computer programs that the agency uses in the ordinary course of business to access, support, or otherwise manage the records or data. A requester may request that electronic records, data, or data fields be produced in the format in which such data or electronic records are kept by the agency, or in a standard export format such as a flat file electronic American Standard Code for Information Interchange (ASCII) format, if the agency's existing computer programs support such an export format. In such instance, the data or electronic records shall be downloaded in such format onto suitable electronic media by the agency.

(g) Requests to inspect or copy electronic messages, whether in the form of e-mail, text message, or other format, should contain information about the messages that is reasonably calculated to allow the recipient of the request to locate the messages sought, including, if known, the name, title, or office of the specific person or persons whose electronic messages are sought and, to the extent possible, the specific data bases to be searched for such messages.

(h) In lieu of providing separate printouts or copies of records or data, an agency may provide access to records through a website accessible by the public. However, if an agency receives a request for data fields, an agency shall not refuse to provide the responsive data on the grounds that the data is available in whole or in its constituent parts through a website if the requester seeks the data in the electronic format in which it is kept. Additionally, if an agency contracts with a private vendor to collect or maintain public records, the agency shall ensure that the arrangement does not limit public access to those records and that the vendor does not impede public record access and method of delivery as established by the agency or as otherwise provided for in this Code section.

(i) Any computerized index of county real estate deed records shall be printed for purposes of public inspection no less than every 30 days, and any correction made on such index shall be made a part of the printout and shall reflect the time and date that such index

was corrected.

(j) No public officer or agency shall be required to prepare new reports, summaries, or compilations not in existence at the time of the request.

50-18-72.

(a) Public disclosure shall not be required for records that are:

- (1) Specifically required by federal statute or regulation to be kept confidential;
- (2) Medical or veterinary records and similar files, the disclosure of which would be an invasion of personal privacy;
- (3) Except as otherwise provided by law, records compiled for law enforcement or prosecution purposes to the extent that production of such records is reasonably likely to disclose the identity of a confidential source, disclose confidential investigative or prosecution material which would endanger the life or physical safety of any person or persons, or disclose the existence of a confidential surveillance or investigation;
- (4) Records of law enforcement, prosecution, or regulatory agencies in any pending investigation or prosecution of criminal or unlawful activity, other than initial police arrest reports and initial incident reports; provided, however, that an investigation or prosecution shall no longer be deemed to be pending when all direct litigation involving such investigation and prosecution has become final or otherwise terminated; and provided, further, that this paragraph shall not apply to records in the possession of an agency that is the subject of the pending investigation or prosecution;
- (5) Individual Georgia Uniform Motor Vehicle Accident Reports, except upon the submission of a written statement of need by the requesting party to be provided to the custodian of records and to set forth the need for the report pursuant to this Code section; provided, however, that any person or entity whose name or identifying information is contained in a Georgia Uniform Motor Vehicle Accident Report shall be entitled, either personally or through a lawyer or other representative, to receive a copy of such report; and provided, further, that Georgia Uniform Motor Vehicle Accident Reports shall not be available in bulk for inspection or copying by any person absent a written statement showing the need for each such report pursuant to the requirements

of this Code section. For the purposes of this subsection, the term 'need' means that the natural person or legal entity who is requesting in person or by representative to inspect or copy the Georgia Uniform Motor Vehicle Accident Report:

- (A) Has a personal, professional, or business connection with a party to the accident;
  - (B) Owns or leases an interest in property allegedly or actually damaged in the accident;
  - (C) Was allegedly or actually injured by the accident;
  - (D) Was a witness to the accident;
  - (E) Is the actual or alleged insurer of a party to the accident or of property actually or allegedly damaged by the accident;
  - (F) Is a prosecutor or a publicly employed law enforcement officer;
  - (G) Is alleged to be liable to another party as a result of the accident;
  - (H) Is an attorney stating that he or she needs the requested reports as part of a criminal case, or an investigation of a potential claim involving contentions that a roadway, railroad crossing, or intersection is unsafe;
  - (I) Is gathering information as a representative of a news media organization;
  - (J) Is conducting research in the public interest for such purposes as accident prevention, prevention of injuries or damages in accidents, determination of fault in an accident or accidents, or other similar purposes; provided, however, that this subparagraph shall apply only to accident reports on accidents that occurred more than 30 days prior to the request and which shall have the name, street address, telephone number, and driver's license number redacted; or
  - (K) Is a governmental official, entity, or agency, or an authorized agent thereof, requesting reports for the purpose of carrying out governmental functions or legitimate governmental duties;
- (6) Jury list data, including, but not limited to, persons' names, dates of birth, addresses, ages, race, gender, telephone numbers, social security numbers, and when it is available, the person's ethnicity, and other confidential identifying information that is collected and used by the Council of Superior Court Clerks of Georgia for creating, compiling, and maintaining state-wide master jury lists and county master jury lists for the purpose of

establishing and maintaining county jury source lists pursuant to the provisions of Chapter /2 of Title 15; provided, however, that when ordered by the judge of a court having jurisdiction over a case in which a challenge to the array of the grand or trial jury has been filed, the Council of Superior Court Clerks of Georgia or the clerk of the county board of jury commissioners of any county shall provide data within the time limit established by the court for the limited purpose of such challenge. Neither the Council of Superior Court Clerks of Georgia nor the clerk of a county board of jury commissioners shall be liable for any use or misuse of such data;

(7) Records consisting of confidential evaluations submitted to, or examinations prepared by, a governmental agency and prepared in connection with the appointment or hiring of a public officer or employee;

(8) Records consisting of material obtained in investigations related to the suspension, firing, or investigation of complaints against public officers or employees until ten days after the same has been presented to the agency or an officer for action or the investigation is otherwise concluded or terminated, provided that this paragraph shall not be interpreted to make such investigatory records privileged;

(9) Real estate appraisals, engineering or feasibility estimates, or other records made for or by the state or a local agency relative to the acquisition of real property until such time as the property has been acquired or the proposed transaction has been terminated or abandoned;

(10) Pending, rejected, or deferred sealed bids or sealed proposals and detailed cost estimates related thereto until such time as the final award of the contract is made, the project is terminated or abandoned, or the agency in possession of the records takes a public vote regarding the sealed bid or scaled proposal, whichever comes first;

(11) Records which identify persons applying for or under consideration for employment or appointment as executive head of an agency or of a unit of the University System of Georgia; provided, however, that at least 14 calendar days prior to the meeting at which final action or vote is to be taken on the position of executive head of an agency or five business days prior to the meeting at which final action or vote is to be taken on the position of president of a unit of the University System of Georgia, all documents



concerning as many as three persons under consideration whom the agency has determined to be the best qualified for the position shall be subject to inspection and copying. Prior to the release of these documents, an agency may allow such a person to decline being considered further for the position rather than have documents pertaining to such person released. In that event, the agency shall release the documents of the next most qualified person under consideration who does not decline the position. If an agency has conducted its hiring or appointment process without conducting interviews or discussing or deliberating in executive session in a manner otherwise consistent with Chapter 14 of this title, it shall not be required to delay final action on the position. The agency shall not be required to release such records of other applicants or persons under consideration, except at the request of any such person. Upon request, the

hiring agency shall furnish the number of applicants and the composition of the list by such factors as race and sex. The agency shall not be allowed to avoid the provisions of this paragraph by the employment of a private person or agency to assist with the search or application process;

(12) Related to the provision of staff services to individual members of the General Assembly by the Legislative and Congressional Reapportionment Office, the Senate Research Office, or the House Budget and Research Office, provided that this exception shall not have any application to records related to the provision of staff services to any committee or subcommittee or to any records which are or have been previously publicly disclosed by or pursuant to the direction of an individual member of the General Assembly;

(13) Records that are of historical research value which are given or sold to public archival institutions, public libraries, or libraries of a unit of the Board of Regents of the University System of Georgia when the owner or donor of such records wishes to place restrictions on access to the records. No restriction on access, however, may extend more than 75 years from the date of donation or *sale*. This exemption shall not apply to any records prepared in the course of the operation of state or local governments of the State of Georgia;

- (14) Records that contain information from the Department of Natural Resources inventory and register relating to the location and character of a historic property or of historic properties as those terms are defined in Code Sections 12-3-50.1 and 12-3-50.2 if the Department of Natural Resources through its Division of Historic Preservation determines that disclosure will create a substantial risk of harm, theft, or destruction to the property or properties or the area or place where the property or properties are located;
- (15) Records of farm water use by individual farms as determined by water-measuring devices installed pursuant to Code Section 12-5-31 or 12-5-105; provided, however, that compilations of such records for the 52 large watershed basins as identified by the eight-digit United States Geologic Survey hydrologic code or an aquifer that do not reveal farm water use by individual farms shall be subject to disclosure under this article;
- (16) Agricultural or food system records, data, or information that are considered by the Department of Agriculture to be a part of the critical infrastructure, provided that nothing in this paragraph shall prevent the release of such records, data, or information to another state or federal agency if the release of such records, data, or information is necessary to prevent or control disease or to protect public health, safety, or welfare. As used in this paragraph, the term 'critical infrastructure' shall have the same meaning as in 42 U.S.C. Section 5195e(e). Such records, data, or information shall be subject to disclosure only upon the order of a court of competent jurisdiction;
- (17) Records, data, or information collected, recorded, or otherwise obtained that is deemed confidential by the Department of Agriculture for the purposes of the national animal identification system, provided that nothing in this paragraph shall prevent the release of such records, data, or information to another state or federal agency if the release of such records, data, or information is necessary to prevent or control disease or to protect public health, safety, or welfare. As used in this paragraph, the term 'national animal identification program' means a national program intended to identify animals and track them as they come into contact with or commingle with animals other than herdsmates from their premises of origin. Such records, data, or information shall be

subject to disclosure only upon the order of a court of competent jurisdiction;

(18) Records that contain site-specific information regarding the occurrence of rare species of plants or animals or the location of sensitive natural habitats on public or private property if the Department of Natural Resources determines that disclosure will create a substantial risk of harm, theft, or destruction to the species or habitats or the area or place where the species or habitats are located; provided, however, that the owner or owners of private property upon which rare species of plants or animals occur or upon which sensitive natural habitats are located shall be entitled to such information pursuant to this article;

(19) Records that reveal the names, home addresses, telephone numbers, security codes, e-mail addresses, or any other data or information developed, collected, or received by counties or municipalities in connection with neighborhood watch or public safety notification programs or with the installation, servicing, maintaining, operating, selling, or leasing of burglar alarm systems, fire alarm systems, or other electronic security systems; provided, however, that initial police reports and initial incident reports shall remain subject to disclosure pursuant to paragraph (4) of this subsection;

(20)(A) Records that reveal an individual's social security number, mother's birth name, credit card information, debit card information, bank account information, account number, utility account number, password used to access his or her account, financial data or information, insurance or medical information in all records, unlisted telephone number if so designated in a public record, personal e-mail address or cellular telephone number, day and month of birth, and information regarding public utility, television, Internet, or telephone accounts held by private customers, provided that nonitemized bills showing amounts owed and amounts paid shall be available. Items exempted by this subparagraph shall be redacted prior to disclosure of any record requested pursuant to this article; provided, however, that such information shall not be redacted from such records if the person or entity requesting such records requests such information in a writing signed under oath by such person or a person legally authorized to represent such entity which states that such person or entity is gathering information as a representative of a news media organization for use in connection with news gathering and reporting; and provided, further, that such access shall be

limited to social security numbers and day and month of birth; and provided, further, that the news media organization exception in this subparagraph shall not apply to paragraph (21) of this subsection.

(B) This paragraph shall have no application to:

- (i) The disclosure of information contained in the records or papers of any court or derived therefrom including without limitation records maintained pursuant to Article 9 of Title 11;
- (ii) The disclosure of information to a court, prosecutor, or publicly employed law enforcement officer, or authorized agent thereof, seeking records in an official capacity;
- (iii) The disclosure of information to a public employee of this state, its political subdivisions, or the United States who is obtaining such information for administrative purposes, in which case, subject to applicable laws of the United States, further access to such information shall continue to be subject to the provisions of this paragraph;
- (iv) The disclosure of information as authorized by the order of a court of competent jurisdiction upon good cause shown to have access to any or all of such information upon such conditions as may be set forth in such order;
- (v) The disclosure of information to the individual in respect of whom such information is maintained, with the authorization thereof, or to an authorized agent thereof; provided, however, that the agency maintaining such information shall require proper identification of such individual or such individual's agent, or proof of authorization, as determined by such agency;
- (vi) The disclosure of the day and month of birth and mother's birth name of a deceased individual;
- (vii) The disclosure by an agency of credit or payment information in connection with a request by a consumer reporting agency as that term is defined under the federal Fair Credit Reporting Act (15 U.S.C. Section 1681, et seq.);
- (viii) The disclosure by an agency of information in its records in connection with

the agency's discharging or fulfilling of its duties and responsibilities, including, but not limited to, the collection of debts owed to the agency or individuals or entities whom the agency assists in the collection of debts owed to the individual or entity,

(ix) The disclosure of information necessary to comply with legal or regulatory requirements or for legitimate law enforcement purposes; or

(x) The disclosure of the date of birth within criminal records.

(C) Records and information disseminated pursuant to this paragraph may be used only by the authorized recipient and only for the authorized purpose. Any person who obtains records or information pursuant to the provisions of this paragraph and knowingly and willfully discloses, distributes, or sells such records or information to an unauthorized recipient or for an unauthorized purpose shall be guilty of a misdemeanor of a high and aggravated nature and upon conviction thereof shall be punished as provided in Code Section 17-10-4. Any person injured thereby shall have a cause of action for invasion of privacy.

(D) In the event that the custodian of public records protected by this paragraph has good faith reason to believe that a pending request for such records has been made fraudulently, under false pretenses, or by means of false swearing, such custodian shall apply to the superior court of the county in which such records are maintained for a protective order limiting or prohibiting access to such records.

(E) This paragraph shall supplement and shall not supplant, overrule, replace, or otherwise modify or supersede any provision of statute, regulation, or law of the federal government or of this state as now or hereafter amended or enacted requiring, restricting, or prohibiting access to the information identified in subparagraph (A) of this paragraph and shall constitute only a regulation of the methods of such access where not otherwise provided for, restricted, or prohibited;

(21) Records concerning public employees that reveal the public employee's home address, home telephone number, day and month of birth, social security number, insurance or medical information, mother's birth name, credit card information, debit

card information, bank account information, account number, utility account number, password used to access his or her account, financial data or information other than compensation by a government agency, unlisted telephone number if so designated in a public record, and the identity of the public employee's immediate family members or dependents. This paragraph shall not apply to public records that do not specifically identify public employees or their jobs, titles, or offices. For the purposes of this paragraph, the term 'public employee' means any officer, employee, or former employee of:

- (A) The State of Georgia or its agencies, departments, or commissions;
- (B) Any county or municipality or its agencies, departments, or commissions;
- (C) Other political subdivisions of this state;
- (D) Teachers in public and charter schools and nonpublic schools; or
- (E) Early care and education programs administered through the Department of Early Care and Learning;

(22) Records of the Department of Early Care and Learning that contain the:

- (A) Names of children and day and month of each child's birth;
- (B) Names, addresses, telephone numbers, or e-mail addresses of parents, immediate family members, and emergency contact persons; or
- (C) Names or other identifying information of individuals who report violations to the department;

(23) **Public records** containing information that would disclose or might lead to the disclosure of any component in the process used to execute or adopt an electronic signature, if such disclosure would or might cause the electronic signature to cease being under the sole control of the person using it. For purposes of this paragraph, the term 'electronic signature' has the same meaning as that term is defined in Code Section 10-12-2;

(24) Records acquired by an agency for the purpose of establishing or implementing, or assisting in the establishment or implementation of, a carpooling or ridesharing program, including, but not limited to, the formation of carpools, vanpools, or bus pools, the provision of transit routes, rideshare research, and the development of other demand management strategies such as variable working hours and telecommuting;



(25)(A) Records the disclosure of which would compromise security against sabotage or criminal or terrorist acts and the nondisclosure of which is necessary for the protection of life, safety, or public property, which shall be limited to the following:

- (i) Security plans and vulnerability assessments for any public utility, technology infrastructure, building, facility, function, or activity in effect at the time of the request for disclosure or pertaining to a plan or assessment in effect at such time;
- (ii) Any plan for protection against terrorist or other attacks that depends for its effectiveness in whole or in part upon a lack of general public knowledge of its details;
- (iii) Any document relating to the existence, nature, location, or function of security devices designed to protect against terrorist or other attacks that depend for their effectiveness in whole or in part upon a lack of general public knowledge;
- (iv) Any plan, blueprint, or other material which if made public could compromise security against sabotage, criminal, or terroristic acts; and
- (v) Records of any government sponsored programs concerning training relative to governmental security measures which would identify persons being trained or instructors or would reveal information described in divisions (i) through (iv) of this subparagraph.

(B) In the event of litigation challenging nondisclosure pursuant to this paragraph by an agency of a document covered by this paragraph, the court may review the documents in question in camera and may condition, in writing, any disclosure upon such measures as the court may find to be necessary to protect against endangerment of life, safety, or public property.

(C) As used in division (i) of subparagraph (A) of this paragraph, the term 'activity' means deployment or surveillance strategies, actions mandated by changes in the federal threat level, motorcades, contingency plans, proposed or alternative motorcade routes, executive and dignitary protection, planned responses to

criminal or terrorist actions, after-action reports still in use, proposed or actual plans and responses to bioterrorism, and proposed or actual plans and responses to requesting and receiving the National Pharmacy Stockpile;

(26) Unless the request is made by the accused in a criminal case or by his or her attorney, public records of an emergency 9-1-1 system, as defined in paragraph (3) of Code Section 46-5-122, containing information which would reveal the name, address, or telephone number of a person placing a call to a public safety answering point. Such information may be redacted from such records if necessary to prevent the disclosure of the identity of a confidential source, to prevent disclosure of material which would endanger the life or physical safety of any person or persons, or to prevent the disclosure of the existence of a confidential surveillance or investigation;

(27) Records of athletic or recreational programs, available through the state or a political subdivision of the state, that include information identifying a child or children 12 years of age or under by name, address, telephone number, or emergency contact, unless such identifying information has been redacted;

(28) Records of the State Road and Tollway Authority which would reveal the financial accounts or travel history of any individual who is a motorist upon any toll project;

(29) Records maintained by public postsecondary educational institutions in this state and associated foundations of such institutions that contain personal information concerning donors or potential donors to such institutions or foundations; provided, however, that the name of any donor and the amount of donation made by such donor shall be subject to disclosure if such donor or any entity in which such donor has a substantial interest transacts business with the public postsecondary educational institution to which the donation is made within three years of the date of such donation. As used in this paragraph, the term 'transact business' means to sell or lease any personal property, real property, or services on behalf of oneself or on behalf of any third party as an agent, broker, dealer, or representative in an amount in excess of \$10,000.00 in the aggregate in a calendar year; and the term 'substantial interest' means the direct or indirect ownership of more than 25 percent of the assets or stock of an entity;

- (30) Records of the Metropolitan Atlanta Rapid Transit Authority or of any other transit system that is connected to that system's TransCard, SmartCard, or successor or similar system which would reveal the financial records or travel history of any individual who is a purchaser of a TransCard, SmartCard, or successor or similar fare medium. Such financial records shall include, but not be limited to, social security number, home address, home telephone number, e-mail address, credit or debit card information, and bank account information but shall not include the user's name;
- (31) Building mapping information produced and maintained pursuant to Article 10 of Chapter 3 of Title 38;
- (32) Notwithstanding the provisions of paragraph (4) of this subsection, any physical evidence or investigatory materials that are evidence of an alleged violation of Part 2 of Article 3 of Chapter 12 of Title 16 and are in the possession, custody, or control of law enforcement, prosecution, or regulatory agencies;
- (33) Records that are expressly exempt from public inspection pursuant to Code Sections 47-1-14 and 47-7-127;
- (34) Any trade secrets obtained from a person or business entity that are required by law, regulation, bid, or request for proposal to be submitted to an agency. An entity submitting records containing trade secrets that wishes to keep such records confidential under this paragraph shall submit and attach to the records an affidavit affirmatively declaring that specific information in the records constitute trade secrets pursuant to Article 27 of Chapter 1 of Title 10. If such entity attaches such an affidavit, before producing such records in response to a request under this article, the agency shall notify the entity of its intention to produce such records as set forth in this paragraph. If the agency makes a determination that the specifically identified information does not in fact constitute a trade secret, it shall notify the entity submitting the affidavit of its intent to disclose the information within ten days unless prohibited from doing so by an appropriate court order. In the event the entity wishes to prevent disclosure of the requested records, the entity may file an action in superior court to obtain an order that the requested records are trade secrets exempt from disclosure. The entity filing such

action shall serve the requestor with a copy of its court filing. If the agency makes a determination that the specifically identified information does constitute a trade secret, the agency shall withhold the records, and the requester may file an action in superior court to obtain an order that the requested records are not trade secrets and are subject to disclosure;

(35) Data, records, or information of a proprietary nature, produced or collected by or for faculty or staff of state institutions of higher learning, or other governmental agencies, in the conduct of, or as a result of, study or research on commercial, scientific, technical, or scholarly issues, whether sponsored by the institution alone or in conjunction with a governmental body or private concern, where such data, records, or information has not been publicly released, published, copyrighted, or patented;

(36) Any data, records, or information developed, collected, or received by or on behalf of faculty, staff, employees, or students of an institution of higher education or any public or private entity supporting or participating in the activities of an institution of higher education in the conduct of, or as a result of, study or research on medical, scientific, technical, scholarly, or artistic issues, whether sponsored by the institution alone or in conjunction with a governmental body or private entity, until such information is published, patented, otherwise publicly disseminated, or released to an agency whereupon the request must be made to the agency. This paragraph shall apply to, but shall not be limited to, information provided by participants in research, research notes and data, discoveries, research projects, methodologies, protocols, and creative works;

(37) Any record that would not be subject to disclosure, or the disclosure of which would jeopardize the receipt of federal funds, under 20 U.S.C. Section 1232g or its implementing regulations;

(38) Unless otherwise provided by law, records consisting of questions, scoring keys, and other materials constituting a test that derives value from being unknown to the test taker prior to administration which is to be administered by an agency, including, but not limited to, any public school, any unit of the Board of Regents of the University System of Georgia, any public technical school, the State Board of Education, the Office of Student

Achievement, the Professional Standards Commission, or a local school system, if reasonable measures are taken by the owner of the test to protect security and confidentiality; provided, however, that the State Board of Education may establish procedures whereby a person may view, but not copy, such records if viewing will not, in the judgment of the board, affect the result of administration of such test. These limitations shall not be interpreted by any court of law to include or otherwise exempt from inspection the records of any athletic association or other nonprofit entity promoting intercollegiate athletics;

(39) Records disclosing the identity or personally identifiable information of any person participating in research on commercial, scientific, technical, medical, scholarly, or artistic issues conducted by the Department of Community Health, the Department of Public Health, the Department of Behavioral Health and Developmental Disabilities, or a state institution of higher education whether sponsored by the institution alone or in conjunction with a governmental body or private entity;

(40) Any permanent records maintained by a judge of the probate court pursuant to Code Section 16-11-129, relating to weapons carry licenses, or pursuant to any other requirement for maintaining records relative to the possession of firearms, except to the extent that such records relating to licensing and possession of firearms are sought by law enforcement agencies as provided by law;

(41) Records containing communications subject to the attorney-client privilege recognized by state law; provided, however, that this paragraph shall not apply to the factual findings, but shall apply to the legal conclusions, of an attorney conducting an investigation on behalf of an agency so long as such investigation does not pertain to pending or potential litigation, settlement, claims, administrative proceedings, or other judicial actions brought or to be brought by or against the agency or any officer or employee; and provided, further, that such investigations conducted by hospital authorities to ensure compliance with federal or state law, regulations, or reimbursement policies shall be exempt from disclosure if such investigations are otherwise subject to the attorney-client privilege. Attorney-client communications, however, may be obtained in a proceeding under Code Section 50-18-73 to prove

justification or lack thereof in refusing disclosure of documents under this Code section provided the judge of the court in which such proceeding is pending shall first determine by an in camera examination that such disclosure would be relevant on that issue. In addition, when an agency withholds information subject to this paragraph, any party authorized to bring a proceeding under Code Section 50-18-73 may request that the judge of the court in which such proceeding is pending determine by an in camera examination whether such information was properly withheld;

(42) Confidential attorney work product; provided, however, that this paragraph shall not apply to the factual findings, but shall apply to the legal conclusions, of an attorney conducting an investigation on behalf of an agency so long as such investigation does not pertain to pending or potential litigation, settlement, claims, administrative proceedings, or other judicial actions brought or to be brought by or against the agency or any officer or employee; and provided, further, that such investigations conducted by hospital authorities to ensure compliance with federal or state law, regulations, or reimbursement policies shall be exempt from disclosure if such investigations are otherwise subject to confidentiality as attorney work product. In addition, when an agency withholds information subject to this paragraph, any party authorized to bring a proceeding under Code Section 50-18-73 may request that the judge of the court in which such proceeding is pending determine by an in camera examination whether such information was properly withheld;

(43) Records containing tax matters or tax information that is confidential under state or federal law;

(44) Records consisting of any computer program or computer software used or maintained in the course of operation of a public office or agency; provided, however, that data generated, kept, or received by an agency shall be subject to inspection and copying as provided in this article;

(45) Records pertaining to the rating plans, rating systems, underwriting rules, surveys, inspections, statistical plans, or similar proprietary information used to provide or administer liability insurance or self-insurance coverage to any agency;

(46) Documents maintained by the Department of Economic Development pertaining to an economic development project until the economic development project is secured



by binding commitment, provided that any such documents shall be disclosed upon proper request after a binding commitment has been secured or the project has been terminated. No later than five business days after the Department of Economic Development secures a binding commitment and the department has committed the use of state funds from the OneGeorgia Authority or funds from Regional Economic Business Assistance for the project pursuant to Code Section 50-8-8, or other provisions of law, the Department of Economic Development shall give notice that a binding commitment has been reached by posting on its website notice of the project in conjunction with a copy of the Department of Economic Development's records documenting the bidding commitment made in connection with the project and the negotiation relating thereto and by publishing notice of the project and participating parties in the legal organ of each county in which the economic development project is to be located. As used in this paragraph, the term 'economic development project' means a plan or proposal to locate a business, or to expand a business, that would involve an expenditure of more than \$25 million by the business or the hiring of more than 50 employees by the business; or

(47) Records related to a training program operated under the authority of Article 3 of Chapter 4 of Title 20 disclosing an economic development project prior to a binding commitment having been secured, relating to job applicants, or identifying proprietary hiring practices, training, skills, or other business methods and practices of a private entity. As used in this paragraph, the term 'economic development project' means a plan or proposal to locate a business, or to expand a business, that would involve an expenditure of more than \$25 million by the business or the hiring of more than 50 employees by the business.

(b) This Code section shall be interpreted narrowly so as to exclude from disclosure only that portion of a public record to which an exclusion is directly applicable. It shall be the duty of the agency having custody of a record to provide all other portions of a record for public inspection or copying.

(c)(1) Notwithstanding any other provision of this article, an exhibit tendered to the court as evidence in a criminal or civil trial shall not be open to public inspection without approval of the judge assigned to the case.

(2) Except as provided in subsection (d) of this Code section, in the event inspection is not approved by the court, in lieu of inspection of such an exhibit, the custodian of such an exhibit shall, upon request, provide one or more of the following:

- (A) A photograph;
- (B) A photocopy,
- (C) A facsimile; or
- (D) Another reproduction.

(3) The provisions of this article regarding fees for production of a record, including, but not limited to, subsections (c) and (d) of Code Section 50-18-71, shall apply to exhibits produced according to this subsection.

(d) Any physical evidence that is used as an exhibit in a criminal or civil trial to show or support an alleged violation of Part 2 of Article 3 of Chapter 12 of Title 16 shall not be open to public inspection except by court order. If the judge approves inspection of such physical evidence, the judge shall designate, in writing, the facility owned or operated by an agency of the state or local government where such physical evidence may be inspected. If the judge permits inspection,

such property or material shall not be photographed, copied, or reproduced by any means. Any person who violates the provisions of this subsection shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for not less than one nor more than 20 years, a fine of not more than \$100,000.00, or both.

50-18-73.

(a) The superior courts of this state shall have jurisdiction in law and in equity to entertain actions against persons or agencies having custody of records open to the public under this article to enforce compliance with the provisions of this article. Such actions may be brought by any person, firm, corporation, or other entity. In addition, the Attorney General shall have authority to bring such actions in his or her discretion as may be appropriate to enforce compliance with this article and to seek either civil or criminal penalties or both.

(b) In any action brought to enforce the provisions of this chapter in which the court determines that either party acted without substantial justification either in not complying

with this chapter or in instituting the litigation, the court shall, unless it finds that special circumstances exist, assess in favor of the complaining party reasonable attorney's fees and other litigation costs reasonably incurred. Whether the position of the complaining party was substantially justified shall be determined on the basis of the record as a whole which is made in the proceeding for which fees and other expenses are sought.

(c) Any agency or person who provides access to information in good faith reliance on the requirements of this chapter shall not be liable in any action on account of such decision.

50-18-74.

(a) Any person or entity knowingly and willfully violating the provisions of this article by failing or refusing to provide access to records not subject to exemption from this article, by knowingly and willingly failing or refusing to provide access to such records within the time limits set forth in this article, or by knowingly and willingly frustrating or attempting to frustrate the access to records by intentionally making records difficult to obtain or review shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed \$1,000.00 for the first violation. Alternatively, a civil penalty may be imposed by the court in any civil action brought pursuant to this article against any person who negligently violates the terms of this article in an amount not to exceed \$1,000.00 for the first violation. A civil penalty or criminal fine not to exceed \$2,500.00 per violation may be imposed for each additional violation that the violator commits within a 12 month period from the date the first penalty or fine was imposed. It shall be a defense to any criminal action under this Code section that a person has acted in good faith in his or her actions. In addition, persons or entities that destroy records for the purpose of preventing their disclosure under this article may be subject to prosecution under Code Section 45-11-1.

(b) A prosecution under this Code section may only be commenced by issuance of a citation in the same manner as an arrest warrant for a peace officer pursuant to Code Section 17-4-40; such citation shall be personally served upon the accused. The defendant shall not be arrested prior to the time of trial, except that a defendant who fails to appear for arraignment or trial may thereafter be arrested pursuant to a bench warrant and

required to post a bond for his or her future appearance.

50-18-75.

Communications between the Office of Legislative Counsel and the following persons shall be privileged and confidential: members of the General Assembly, the Lieutenant Governor, and persons acting on behalf of such public officers; and such communications, and records and work product relating to such communications, shall not be subject to inspection or disclosure under this article or any other law or under judicial process; provided, however, that this privilege shall not apply where it is waived by the affected public officer or officers. The privilege established under this Code section is in addition to any other constitutional, statutory, or common law privilege.

50-18-76.

No form, document, or other written matter which is required by law or rule or regulation to be filed as a vital record under the provisions of Chapter 10 of Title 31, which contains information which is exempt from disclosure under Code Section 31-10-25, and which is temporarily kept or maintained in any file or with any other documents in the office of the judge or clerk of any court

prior to filing with the Department of Public Health shall be open to inspection by the general public, even though the other papers or documents in such file may be open to inspection.

50-18-77.

The procedures and fees provided for in this article shall not apply to public records, including records that are exempt from disclosure pursuant to Code Section 50-18-72, which are requested in writing by a state or federal grand jury, taxing authority, law enforcement

agency, or prosecuting attorney in conjunction with an ongoing administrative, criminal, or tax investigation. The lawful custodian shall provide copies of such records to the requesting agency unless such records are privileged or disclosure to such agencies is specifically restricted by law.

# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Introduction	Procedure Number	Procedure Number 1.01
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit; GAS 2.01-2.10 Complying with GAGAS; GAS 2.16-2.19 Stating compliance with GAGAS in the Audit Report; GAS 3.17-3.57 Independence; GAS 5.44 Monitoring of Quality	Issue Date:	06/24/2019
Approved: John L. Greene, Chief Audit Executive		Effective:	07/01/2019
Approved: Audit Oversight Committee approved on 12/16/2016		Amended:	02/28/2020

## Chapter 1

### Procedure 1.01 – Internal Audit Charter/Authority

#### Purpose:

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This procedure establishes the Chief Audit Executive (CAE) and Office of Independent Internal Audit (OIIA)<sup>1</sup> Charter/Authority.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015<sup>2</sup>, and the Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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This Internal Audit Charter/Authority applies to the CAE and all OIIA staff members.

<sup>1</sup> OIIA (Office of Independent Internal Audit) referenced herein refers to the Office of Internal Audit as documented in House Bill 599 (2015 Ga. Laws 3826)

<sup>2</sup> Incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit

### I. Introduction

The OIIA was established in accordance with House Bill 599, enacted by the Georgia General Assembly, signed into Law on May 12, 2015 and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit (See Appendix A -HB 599 (2015 Ga. Laws 3826) and Appendix B- *DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit*).

The OIIA shall consist of the CAE and those assistants, employees, and personnel as deemed necessary by the CAE for the efficient and effective administration of the affairs of the office, and over whom the CAE shall have the sole authority to appoint, employ, and remove.

### II. OFFICE OF INDEPENDENT INTERNAL AUDIT MISSION, VISIONS AND VALUES

#### Mission Statement (why we exist and what we do)

Our purpose (why we exist) is to provide independent, objective, insightful, nonpartisan assessment of the stewardship or performance of policies, programs and operations in promoting efficiency, effectiveness, and integrity in DeKalb County.

Our promise (what we do) is to accomplish this through financial audits, performance audits, inquiries, investigations, and reviews.

#### Vision Statement (where we are going)

Excellence in our products and services as we promote positive change throughout DeKalb County with an inspired team that strives for continuous improvement.



### III. Standards for the Office of Independent Internal Audit

The OIIA audits will be prepared pursuant to DeKalb County, Georgia - Code of Ordinances / Organizational Act Sec. 10A. - Independent Internal Audit, Georgia Statutes. The OIIA staff members will follow 2018 Government Auditing Standards (GAS) for all audits performed by the OIIA. OIIA staff members are responsible for familiarizing themselves with and adhering to GAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.



#### **IV. Authority**

HB 599 and *DeKalb County, Georgia – Code Ordinances/Organizational Act Section 10A- Independent Internal Audit* provide safeguards consistent with GAS 3.54c<sup>3</sup> to mitigate structural threats to independence as defined in GAS 3.30g<sup>4</sup>. The CAE will report to an independent Audit Oversight Committee (AOC). The AOC consist of five voting members. The committee:

- Ensures the independence of the OIIA.
- Selects no fewer than two or more three nominees for the position of CAE for approval by the DeKalb Board of Commissioners.
- Provides suggestions and comments for the annual audit plan.
- Proposes the internal audit budget and recommend the budget to the DeKalb County Board of Commissioners for approval.
- Receives communications from the CAE on the internal audit activity's performance relative to its plan and other matters.
- Provides general oversight and guidance.
- Consults with CAE on technical issues.
- Coordinates with contracted audit efforts and other consulting engagements.

The OIIA has unrestricted access to employees, information, and records including electronic data within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. In addition, all officers and employees of DeKalb County shall provide access for the OIIA to inspect all property, equipment, and facilities within their custody. If such officers or employees fail to provide or produce such access and information, the CAE may initiate a search to be made and exhibits to be taken from any book, paper, or record of any such official or employee or outside contractor or subcontractor, except as governed by statute. The CAE shall have the authority to issue subpoenas and may apply to the Superior Court of DeKalb County for the enforcement of any subpoena issued by the CAE.

#### **V. Independence and Objectivity**

The OIIA is completely independent and is not subject to control or supervision of the Chief Executive Officer (CEO), the Board of Commissioners (BOC), or any other official, employee, department, or agency of the county government. The position of the CAE is nonpartisan.

The CAE will ensure that the OIIA remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner,

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<sup>3</sup> GAS 3.54C- "appointed by someone other than a legislative body, so long as the appointment is confirmed by a legislative body and removal from the position is subject to oversight or approval by a legislative body and reports the results of audits to and is accountable to a legislative body."

<sup>4</sup> GAS 3.30g "Structural threat - the threat that an audit organization's placement within a government entity, in combination with the structure of the government entity being audited, will impact the audit organization's ability to perform work and report results objectively."

including matters of audit selection, scope, procedures, frequency, timing, and report content. If the chief audit executive determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties including the AOC.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for DeKalb County.
- Initiating or approving transactions external to OIIA.
- Directing the activities of any DeKalb County employee not employed by the OIIA, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Where the CAE has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

Internal auditors will:

- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The CAE will confirm to the AOC, at least annually, the organizational independence of the OIIA.

The CAE will disclose to the AOC any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

## **VI. Duties & Responsibilities**

In accordance with HB599 (2015 Ga. Laws 3826) and DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit, the OIIA is responsible for conducting financial and performance audits of all departments, offices, boards, activities, agencies and programs of the County independently and objectively to determine whether:

1. Activities and programs being implemented have been authorized by this Act, Georgia law, or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws.
2. The department, office, board, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, effectively, and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation.
3. The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices.
4. The desired results or benefits are being achieved.
5. Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources.
6. Management has established adequate operating and administrative procedures and practices, systems or accounting internal control systems, and internal management controls.
7. Indications of fraud, abuse, or illegal acts are valid and need further investigation.

In addition, the OIIA:

- Coordinates and monitors auditing performed by certified public accounting firms or other organizations employed under contract by the governing authority to assist with audit related activities.
- Participates with the AOC in the selection of the external audit firm.
- Follows up on audit recommendations to monitor the status of corrective action.

The chief audit executive has the responsibility to:

- Submit a one- to five-year audit schedule at the beginning of each fiscal year to the AOC and the BOC for review and comment. The schedule shall include the proposed plan, and the rationale for the selections, for auditing departments, offices, boards, activities, programs, policies, contractors, subcontractors, and agencies for the period. This schedule may be amended

- after review with the AOC and the BOC, but the CAE shall have final authority to select the audits planned.
- Select audit areas and audit objectives, determine the audit scope and the timing of audit work. The CAE shall consult with federal and state auditors and external auditors so that the desirable audit coverage is provided, and audit efforts are properly coordinated.
  - Submit an annual report to the AOC, CEO, and the BOC indicating audits completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management. The annual report, in written or some other retrievable form, shall be made available to the public through the county website within ten (10) days of submission to the commission.
  - Follow up on audit recommendations to determine if corrective action has been taken. The OIIA shall request periodic status reports from audited agencies regarding actions taken to address reported deficiencies and audit recommendations.
  - Review and adjust the internal audit plan, as necessary, in response to changes in DeKalb County's risks, operations, programs, systems, and controls.
  - Communicate to AOC any significant interim changes to the internal audit plan.
  - Ensure the OIIA collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter.
  - Ensure conformance of the OIIA with the general requirements for complying with generally accepted government auditing standards (GAGAS) that are applicable to all GAGAS engagements.

## **VII. Quality Assurance and Improvement Program**

The OIIA will maintain a quality assurance and improvement program that covers all aspects of the OIIA. The program will include an evaluation of the OIIA's conformance with the Standards. The program will also assess the efficiency and effectiveness of the OIIA and identify opportunities for improvement. The CAE should include a statement in the Annual report that "The Office's internal quality control and assurance program is ongoing and includes continuous supervision and internal reviews of audit work to ensure accuracy and compliance with standards and internal policies and procedures."

The audit organization should analyze and summarize the results of its monitoring process at least annually, with identification of any systemic or repetitive issues needing improvement, along with recommendations for corrective action. The audit organization should communicate to the relevant

engagement manager, and other appropriate personnel, any deficiencies noted during the monitoring process and recommend appropriate remedial action.<sup>5</sup>

The audit activities of the OIA shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA).


The peer review shall use applicable government auditing standards to evaluate the quality of audit effort and reporting. Specific quality review areas shall include staff qualifications, adequacy of planning and supervision, sufficiency of work paper preparation and evidence, and the adequacy of systems for reviewing internal controls, fraud and abuse, program compliance, and automated systems. The peer review shall also assess the content, presentation, form, timelines, and distribution of audit reports. The commission shall pay for the costs of the peer review.

A copy of the written report of such independent review shall be furnished to the CAE, BOC and AOC.

### **VIII. Chief Audit Executive Provisions**

The term of office of the Chief Audit Executive shall be five (5) years and until his or her successor is qualified and appointed. The CAE shall be limited to a maximum of two (2) terms in office. In addition, the position of the CAE shall be nonpartisan. Qualifying for election to a public office shall constitute a resignation from the position as of the date of qualifying.

The AOC approved Procedure 1.01 – Internal Audit Charter/Authority on February 28, 2020 and gave the Chairperson the Authority to sign for the AOC:

AOC Approval  
  
Harmel Codi  
Chairperson, Audit Oversight Committee

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<sup>5</sup> GAS 5.44-Requirements: Monitoring of Quality , page 91



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Introduction	Procedure Number	1.02
References	GAS 2.01-2.04, 2.07-2.08-Financial Audits, 2.09,-Attestation Engagements, 2.10-2.11- Performance Audits, 2.12- Nonaudit Services,3.33-3.59, Independence When Performing Nonaudit Services	Issue Date:	
		Effective:	
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 1

### Procedure 1.02 – Types of Audits Performed

#### Purpose:

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This procedure defines the different types of work that the Office of Independent Internal Audit (OIIA) can be perform depending on the objectives. Engagements may have a combination of objectives that include more than one type of work. In cases where different standards could apply to an objective, auditors should consider users' needs and the auditors' knowledge, skills, and experience in deciding which standards to follow.

#### Authority:

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Government Auditing Standards(GAS) GAS 2.01-2.04;GAS 2.07-2.08, Financial Audits; GAS 2.09, Attestation Engagements; GAS 2.10-2.11, Performance Audits; GAS 2.12, Nonaudit Services (professional services other than audits or attestation engagements) GAS 3.33-3.59, Independence When Performing Nonaudit Services

#### Applicability:

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Most of the OIIA engagements will follow performance audit standards. If the team decides other standards are applicable, the team will document the decision following the initial planning meeting (See Chapter 2 Procedure 2.03).

## **Types of Audits:**

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### **I. Financial Audits**

The primary purpose of a financial audit is to provide reasonable assurance about whether an entity's reported financial condition, results or use of resources are presented fairly in accordance with recognized criteria – such as financial statement audits, management letters, single audits, or special reports for portions of financial statements or reviewing interim financial information.

While the OIIA does not conduct the annual audit of the DeKalb County financial statements, the OIIA may conduct financial audits in conjunction with other audit objectives. GAS incorporates American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards (SAS). GAS also prescribes general standards and additional fieldwork and reporting standards beyond those provided by the AICPA when performing financial audits.

OIIA performs audits related to the achievement of one or more financial assertions (existence or occurrence, completeness, valuation and allocation, rights and obligations, presentation, disclosure). In addition, provide reasonable assurance related to the design and operation of key control related to financial activities and the efficiency and effectiveness of the processes. Other types of financial audits include auditing compliance with applicable compliance requirements relating to one or more government programs.

### **II. Attestation Engagements**

The primary purpose of an attestation engagement is to provide a specified level of assurance about whether a management report or assertion is consistent with stated criteria that are the responsibility of another party. Attestation engagements may cover a broad range of financial or non-financial subjects and can be part of financial or performance audits; however, lower levels of assurance (review or agreed-upon procedure) engagements should not be used for reporting on internal controls or compliance with provisions of laws and regulations. Possible subjects of attestation engagements include:

- Internal control over financial reporting.
- Compliance with requirements of specified laws, regulation, rules, contracts or grants.
- Prospective financial statements or pro-forma financial information.
- The accuracy and reliability of reported performance measures.
- The allowability and reasonableness of proposed contract amounts that are based on detailed costs.

For attestation engagements, GAS incorporates AICPA Statements on Standards for Attestation Engagements (SSAE). GAS also prescribes general standards and additional fieldwork and reporting standards beyond those provided by the AICPA for attestation engagements.

The OIIA does not conduct attestation engagements.

### **III. Performance Audits**

The primary purpose of a performance audit is to provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations and contribute to public accountability. A performance audit provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits may be broad or narrow in scope and encompass a variety of objectives, including assessing program efficiency, effectiveness, equity, internal control (*Guidance from Committee of Sponsoring Organization Internal Control Integrated Framework*), compliance with legal or other requirements, and objectives related to prospective analyses.

### **IV. Information Systems Audits**

The primary purpose of an Information Systems (IS) audit is provide assurance related to the design and operation of general control activities or specific application control activities. Information Systems can be broken down into two broad categories as it relates to auditing.

1. The first category is auditing of IS general controls. Evaluation of IS general controls may include:
  - Logical access controls over infrastructure, applications, and data.
  - System development life cycle controls.
  - Program change management controls.
  - Data center physical security controls.
  - System and data backup and recovery controls.
  - Computer operation controls.
2. The second category of IS auditing also includes Information System (IS) application control. IS application control auditing evaluates the internal control environment over individual computer applications or programs. Evaluations of existing applications may include a review to:
  - Ensure the input data is complete, accurate, and valid.
  - Ensure the internal processing produces the expected results.
  - Ensure the processing accomplishes the desired tasks.
  - Ensure output reports are protected from disclosure.



Also, Information Technology auditing focuses on the organization's Information Security Program. This program should be designed to protect the information and systems that support the operations and assets of the organization. To safeguard each system at DeKalb County is to ensure that the following security objectives can be realized for their information:

- Confidentiality - Protecting information from unauthorized access and disclosure.
- Integrity - Assuring the reliability and accuracy of information and IT resources by guarding against unauthorized information modification or destruction.
- Availability - Defending information systems and resources to ensure timely and reliable access and use of information.

These audits are conducted in accordance with applicable standards set forth by professional associations representing internal auditors such as the Information Systems Audit and Control Association (ISACA) and other professional information systems organizations, which the auditor should also be mindful of Government Auditing Standards.

#### **V. Professional Services Other than Audits**

GAS does not cover nonaudit services and requires audit organizations to communicate with requestors and those charged with governance that such work does not constitute an audit conducted in accordance with GAS. Further, GAS recognizes that certain nonaudit services impair an audit organization's independence and limits nonaudit services that may be provided (GAS 3.45; 3.50-3.58). For nonaudit services not specifically prohibited, GAS requires audit organizations to evaluate threats to independence and to apply safeguards to reduce any identified threat to an acceptable level (GAS 3.34-3.39).

It is OIIA policy not to take on nonaudit services that could impair our organizational independence to conduct audits. If the CAE or Audit Oversight Committee determines that it is in the DeKalb County's best interest to provide limited advisory services to management that are beyond the scope of routine activities identified in GAS 3.40-3.41, the CAE or OIIA staff is responsible for documenting:

- Consideration of threats to independence that require the application of safeguards (GAS 3.24).
- Objectives of the nonaudit service.
- Services to be performed.
- The auditor's responsibilities.
- Any limitations of the nonaudit service (GAS 3.39).

The OIIA staff member assigned to provide the service is responsible for documenting management's assurance that it:

- Assumes all management responsibilities.
- Has designated a qualified individual to oversee the service.
- Will evaluate the adequacy and results of the service.
- Accepts responsibility for the results of the service (GAS 3.37).

The OIIA may provide targeted and limited advice to management consistent with GAS 3.40-3.41. Such advice should generally be communicated in writing, signed by the CAE, and a record kept in the correspondence file. OIIA staff members may from time to time serve on DeKalb County committees or task forces in a purely advisory capacity with the CAE approval. Specific actions to avoid is:

- Voting on any issues that include internal controls, program objectives, etc.
- Participating in designing or implementing internal controls.
- Fulfilling a management function or making a management decision, for example:
  - Setting policies and strategic direction for the audited entity;
  - Directing and accepting responsibility for the actions of the audited entity's employees in the performance of their routine, recurring activities;
  - Having custody of an audited entity's assets;
  - Reporting to those charged with governance on behalf of management;
  - Deciding which of the auditor's or outside third party's recommendations to implement;
  - Accepting responsibility for the management of an audited entity's project;
  - Providing services that are intended to be used as management's primary basis for making decisions that are significant to the subject matter of the audit;
  - Developing an audited entity's performance measurement system when that system is material or significant to the subject matter of the audit
- Accepting responsibility, such as a director or member of management, of a program that may be audited.
- Seeking employment with the organization(s) for which the nonaudit service is being rendered.

Providing information, training, and technical assistance to the DeKalb County Board of Commissioners or other external oversight bodies or conducting other types of independent work, such as investigating hotline complaints and following

up on open audit recommendations, does not impair the organization's independence to conduct audits.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Introduction	Procedure Number	1.03
References	Government Auditing Standards, 2011 Revision	Issue Date:	
		Effective:	
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 1

### Procedure 1.03 – Government Auditing Standards

#### Purpose:

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The Office of Independent Internal Audit (OIIA) is committed to achieving a high level of audit quality by performing its audit work in accordance with the Government Auditing Standards.

#### Authority:

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Government Auditing Standards (GAS),<sup>1</sup> also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office (GAO).

#### Applicability:

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The OIIA staff members will follow GAS for all financial and performance audits and attestation engagements performed by the OIIA. OIIA staff members are responsible for familiarizing themselves with and adhering to GAS

#### Generally Accepted Government Auditing Standards (GAGAS):

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#### I. General Auditing Standards

**Independence:** In all matters relating to the audit work, the audit organization and the individual auditor, whether government or public, must be independent.

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<sup>1</sup> The current version of GAS was published in December 2011 and is available on the GAO website at <http://www.gao.gov/assets/590/587281.pdf>. This revision supersedes the 2007 revision.

**Professional Judgment:** Auditors must use professional judgment in planning and performing audits and in reporting the results.

**Competence:** The staff assigned to perform the audit must collectively possess adequate professional competence needed to address the audit objectives and perform the work in accordance with GAGAS.

**Quality Control and Assurance:** Each audit organization performing audits in accordance with GAGAS must:

- a. Establish and maintain a system of quality control that is designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements.
- b. Have an external peer review performed by reviewers independent of the audit organization being reviewed at least once every 3 years.

## **II. Fieldwork Standards for Performance Audits**

**Planning:** Auditors must adequately plan and document the planning of the work necessary to address the audit objectives.

**Supervision:** Audit supervisors or those designated to supervise auditors must properly supervise audit staff.

**Evidence:** Auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions.

**Audit Documentation:** Auditors must prepare audit documentation related to planning, conducting, and reporting for each audit. Auditors should prepare audit documentation in sufficient detail to enable an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the nature, timing, extent, and results of audit procedures performed, the audit evidence obtained and its source and the conclusions reached, including evidence that supports the auditors' significant judgments and conclusions. An experienced auditor means an individual (whether internal or external to the audit organization) who possesses the competencies and skills that would have enabled him or her to conduct the performance audit. These competencies and skills include an understanding of (1) the performance audit processes, (2) GAGAS and applicable legal and regulatory requirements, (3) the subject matter associated with achieving the audit objectives, and (4) issues related to the audited entity's environment.

## **III. Reporting Standards for Performance Audits**

**Form:** Auditors must issue audit reports communicating the results of each completed performance audit.

**Report Contents:** Auditors should prepare audit reports that contain (1) the objectives, scope, and methodology of the audit; (2) the audit results, including findings, conclusions, and recommendations, as appropriate; (3) a statement about

the auditors' compliance with GAGAS; (4) a summary of the views of responsible officials; and (5) if applicable, the nature of any confidential or sensitive information omitted.

**Report Distribution:** Distribution of reports completed under GAS depends on the relationship of the auditors to the audited organization and the nature of the information contained in the report. Auditors should document any limitation on report distribution. The following discussion outlines distribution for reports completed in accordance with GAGAS:

- a. Audit organizations in government entities should distribute audit reports to those charged with governance, to the appropriate audited entity officials, and to the appropriate oversight bodies or organizations requiring or arranging for the audits. As appropriate, auditors should also distribute copies of the reports to other officials who have legal oversight authority or who may be responsible for acting on audit findings and recommendations, and to others authorized to receive such reports.
- b. Internal audit organizations in government entities may also follow the Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing. In accordance with GAGAS and IIA standards, the head of the internal audit organization should communicate results to parties who can ensure that the results are given due consideration. If not otherwise mandated by statutory or regulatory requirements, prior to releasing results to parties outside the organization, the head of the internal audit organization should: (1) assess the potential risk to the organization, (2) consult with senior management or legal counsel as appropriate, and (3) control dissemination by indicating the intended users of the report. Organizations.
- c. Public accounting firms contracted to perform an audit in accordance with GAGAS should clarify report distribution responsibilities with the engaging organization. If the contracting firm is responsible for the distribution, it should reach agreement with the party contracting for the audit about which officials or organizations will receive the report and the steps being taken to make the report available to the public.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Fieldwork	Procedure Number	1.04
References	GAS 3.92, GAS 6.06-6.34, GAS 6.36, GAS 6.47-6.50	Issue Date:	
		Effective:	
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 1

### Procedure 1.04 – Audit Process Overview

#### Purpose:

Audits conducted by the Office of Independent Internal Audit (OIIA) comply with Government Auditing Standards. The audit process ensures and support compliance with Government Auditing Standards.

#### Authority:

Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

The audit process and TeamMate (Audit Management Software) procedures are to be followed for each audit engagement unless an exception is approved and documented. The office’s compliance with Government Auditing Standards shall be achieved and demonstrated through adherence to the audit process and TeamMate procedures, as well as adequate documentation, supervision, and communication.

#### Audit Process

##### I. Introduction

Before an audit is assigned, the Internal Audit Management team formulates **preliminary objectives** of engagements through a review of the annual internal audit plan and prior engagement results, discussions with stakeholders, and consideration of the mission, vision, and objectives of the area or process under review. The **preliminary objectives** are further enhanced through risk assessment

exercises to cover the governance, risk management, and controls of the area or process under review.

Although every audit project is unique, the audit process is similar for most engagements and normally consists of four stages: **Planning** (sometimes called Survey or Preliminary Review), **Fieldwork**, **Reporting**, and **Follow-up Review**. Client involvement is critical at each stage of the audit process.

## **II. Planning** (*Refer to OIIA Chapter 2 – Project Initiation and Planning Procedures*)

Internal auditors typically gather information regarding the audit client's policies and procedures and seek to understand any Information Technology systems used by the area under review, along with sources, types, and reliability of information used in the process and those that will be evaluated as evidence. Internal auditors also obtain and review the results of work performed by other internal or external assurance providers and/or prior audit results from the area or process under review, if applicable.

While planning an engagement, internal auditors establish the engagement's objectives and scope in conformance with GAS Standard Planning 6.06-6.09. Doing so allows internal auditors to consider what should be tested in the process or area under review. It also enables them to prioritize the areas within the engagement scope based on the significance of the risks identified. Priority is generally determined by the likelihood of a risk occurrence and the impact that risk would have on the organization if it occurred. Risks with a higher likelihood of occurrence and the greatest impact are generally given the highest priority for testing.

### *Preliminary Survey*

In this phase the auditor gathers relevant information about the entity in order to obtain a general overview of operations. Internal auditors typically talk with key personnel who work in the area or process under review and review reports, files, and other sources of information. This will enhance the auditor's understanding and lead to more effective engagement planning.

### *Internal Control Review (Risk Assessment & Fraud Considerations)*

The internal auditor will review the agency's internal control structure, a process which is usually time-consuming. In doing this, the auditor will use a variety of tools and techniques to gather and analyze information about the operation. The review of internal controls helps the auditor determine the areas of highest risk and design tests to be performed in the fieldwork section.



### *Narrative or flowchart*

Prepare the process narrative or flowchart to document the process under audit based on discussions held with individual familiar with the process.

### *Engagement Letter*

The auditor drafts an engagement letter to the entity head of audited area communicating an overview of the objectives, scope, and methodology and the timing of the performance audit.

### *Conduct Entrance Conference*

This meeting is used to communicate with entity management the reasons for the audit, describe the audit process, address management's questions or concerns, identify key contacts, and discusses logistics if necessary.

### *Audit Program*

Preparation of the audit program concludes the preliminary review phase. This program outlines the fieldwork necessary to achieve the audit objectives. **(The audit program and other planning procedures must be approved in TeamMate prior to performing fieldwork procedures.)**

## **III. Fieldwork** (Refer to OIIA Chapter 3 – Audit Fieldwork Procedures)

The fieldwork concentrates on transaction testing and informal communications. It is during this phase that the auditor determines whether the controls identified during the preliminary review are operating properly and in the manner described by the client. The fieldwork stage concludes with a list of, if any, significant findings from which the auditor will prepare a draft of the audit report.

**One of the key objectives is to avoid disrupting ongoing activities.**

### *Transaction Testing*

After completing the preliminary review, the auditor performs the procedures in the audit program. These procedures usually test the major internal controls and the accuracy and propriety of the transactions. Various techniques including sampling are used during the fieldwork phase.

### *Advice & Informal Communications*

As the fieldwork progresses, the auditor discusses, if any, significant findings with the client. Hopefully, the client can offer insights and work with the auditor to

determine the best method of resolving the finding. Usually these communications are oral.

#### *Discussion of Preliminary Results*

Once the auditor has completed the fieldwork, the auditor and the OIIA management team assess the evidence gathered, come to agreement about the major findings and conclusions and determine whether additional data collection or analysis is needed based on our overall assessment of evidence, significance, and audit risk. Afterwards, the auditor will draft a PowerPoint to discuss the preliminary findings with client. Our goal: No surprises.

**(The fieldwork procedures must be approved in TeamMate prior to performing reporting procedures.)**

#### **IV. Reporting** (*Refer to OIIA Chapter 4 – Communicating Results Procedures*)

Our principal product is the final report in which we express our opinions, present the audit findings, and discuss recommendations for improvements.

##### *Draft Report*

At the conclusion of fieldwork, the auditor drafts the report. Audit management thoroughly reviews the audit working papers and the draft report before it is presented to the client for comment. This discussion draft is prepared for the entity's operating management and is submitted for the client's review before the exit conference. This draft report is also submitted to Audit Oversight Committee for comment.

##### *Exit Conference*

When audit management has approved the draft report, Internal Audit meets with the entity's management team to discuss the findings, recommendations, and text of the draft. At this meeting, the client comments on the draft and the group work to reach an agreement on the audit findings.

##### *Formal Draft Report*

The auditor then prepares a formal draft, taking into account any revisions resulting from the exit conference and other discussions. When the changes have been reviewed by audit management, the Chief Audit Executive issues the final draft report to the client for written response to the findings and recommendations within 60 days, as required by law. The client indicates whether they concur or do not concur with the recommendations, plans for addressing recommendations and a timetable to complete such activity.

### *Final Report*

Internal Audit distributes the final report, with the client's comments, to the entity's operating management, senior management of DeKalb County (CEO, COO, & Deputy COO of the entity), Board of Commissioners, Ethics Officer, the County Attorney, and Audit Oversight Committee. If no response is received, Internal Audit notes that fact in the transmittal letter and the final report is released.

### *Handling Confidential Information*

The office will protect confidential information from unauthorized disclosure and will handle the withholding of confidential information from audit reports in accordance with Government Auditing Standards, and applicable laws and regulations.

Guidance on handling confidential information is outline in the OIIA Procedure 1.05 Handling Confidential and Sensitive Information of information Exempt from Public Disclosure. If all or part of an audit is deemed to be confidential, TeamMate procedures for confidential audits should be followed.

Once the results of a confidential audit (or portion of an audit) are communicated to authorized recipients, the office will post the name of the report on its OIIA's website and note that it is confidential; however, the contents of the report will not be published. The office is committed to transparency in government and will make every effort to maximize the amount of information provided to the public.

### *Client Comments*

Finally, as part of Internal Audit's self-evaluation program, we ask clients to comment on Internal Audit's performance through a survey distributed from TeamMate. This feedback has proven to be very beneficial to us, and may result in changes in our procedures as a result of clients' comments and/or suggestions.

## **V. Audit Follow-Up (Refer to OIIA Chapter 6 – Audit Follow-up Procedures)**

Within approximately six months of the final report, Internal Audit will perform a follow-up review to verify the resolution of the report findings.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Confidential and Non-Public Information	Procedure Number	1.05
References	GAS 6.63-6.69, GAS 9.61-9.67 Reporting Confidential and Sensitive Information GAS 6.70 Distributing Reports GAS 9.10-9.17, Report Contents Georgia Open Records Act 50- 18-70	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	2/28/2020

## Chapter 1

### Procedure 1.05 – Handling Confidential and Sensitive Information or Information Exempt from Public Disclosure

#### Purpose:

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To specify the policies and procedures that apply within the Office of Independent Internal Audit (OIIA) regarding the use, maintenance, and disclosure of confidential and non-public (exempt from open records request) information.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office. Also, Georgia Open Records Act § 50-18-70 et seq. provides for exemptions of confidential information that would put the organization at risk. O.C.G.A. § 50-18-72(a) (1) through. (46).

#### Applicability:

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Whenever an engagement includes the handling of confidential and sensitive information or information exempt from public disclosure, steps should be taken to prevent unauthorized access and disclosure. To the extent practicable, confidential and sensitive information or information exempt from public disclosure should not be mentioned in working papers and audit reports. However, when it is necessary, as part

of the labeling of the documents, the specific Act or law that provides the exemption should be cited.

The following are the most common examples of confidential and exempt information encountered within OIIA activities (*this list is not comprehensive*):

- Individual Social Security Numbers which have been lawfully collected during the course of an audit from program areas are confidential and exempt from public inspection.
- The identity of an individual disclosing information pursuant to the Whistle-Blower Act.
- Information received in an investigation designated as whistle-blower while the investigation is active.
- Risk analysis information, as a result of audits and evaluations relating to security of data and information technology resources, and internal policies and procedures which, if disclosed, could facilitate the unauthorized modification, disclosure, destruction of data or information technology resources, or expose the County to risks.
- Information security and Information Technology documentation, data or information that would expose the County to risks.
- Personally identifiable information related to customers, County residents, and employees.

Audit reports with confidential, sensitive, nonpublic information, or information that could put the County at risk will not be published on the OIIA website. In addition, such reports will be discussed in person and copies collected at the end of discussion. All nonpublic, confidential, sensitive information should be redacted or omitted, whichever deemed appropriate by the CAE. In the case where the subject of the entire report (as in the case with security) is exempt from public disclosure by state law, the completion of the audit will be reported on the OIIA website but the law exempting the report from public disclosure will be referred to instead.

### **Work Papers and Audit Documentation**

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Whenever audit work papers and documentation will need to include confidential information or information exempt from public disclosure, steps will be taken to prevent unauthorized disclosure. The information should be secured with a password and/or redacted.

The Audit Manager and/or Auditor in charge will possess the password for such files. The name of all electronic files, containing confidential or information exempt from public disclosure, will contain the word “**Confidential**” in the name.

All audit files containing working papers with information that is exempt from public disclosure, whether electronic or hard copy, are required to contain the OIIA Confidentiality Statement template which includes the following:

### **OIIA Confidentiality Statement**

**(This statement should be placed in the hard and/or electronic copy)**

*“These project working papers and any associated reports may contain information which is confidential and exempt from inspection and copying. Office of the Independent Internal Audit (OIIA) project working papers are subject to laws related to their disclosure. Information should not be released without complying with the process which ensures that any appropriate information is redacted prior to project working papers and any associated reports being released. OIIA project working papers are to be disclosed only in compliance with OIIA Procedure **1.05** of the Policies and Procedural Manual.”*

Whenever requesting information that is confidential and exempt from public disclosure, precautions should be taken to obtain the information in a secure manner. The auditor should advise management of the Office procedures for handling confidential and sensitive information. A memorandum (**see templates for a copy of the memorandum**) to management should be prepared outlining the items that are considered confidential, the persons the audit believes will provide the information, the secure method that will be used to provide the requested information or documentation, and requesting that management contact audit management if any other requests are made that are also confidential that were not included in the memorandum. Also, the auditor should follow Office procedures for safeguarding confidential and sensitive information.

### **Handling Confidential, Sensitive, and Nonpublic Information:**

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#### **Emailing Confidential Information:**

Documents, reports, or forms that contain confidential, sensitive, and exempt from public information should be password protected before they are attached to an email. Also, the following statements should be added to the body of any email with a confidential attachment.

*The document attached to this email is password protected. Please contact \_\_\_\_\_ at XXX-XXXX to obtain the password. This email and any attachments may contain information that is exempt from disclosure under applicable law. Do not release or disseminate without prior coordination with the OIIA.*

### **Release of Work papers and Audit Documentation:**

No workpapers will be released to anyone outside of the office without the Chief Audit Executive's (CAE) prior knowledge. Incomplete workpapers are generally not considered final and should not be released for fear of misinterpretation, etc. In the event that the CAE cannot be reached, workpapers that are open to the public may be copied at the expense of the requester, and the CAE should be immediately informed. No documents/workpapers should be released without also consulting the Office's General Counsel.

Workpapers and other audit documentation released internally that contain confidential, sensitive, and nonpublic information will be distributed using the following procedures:

- The documents should be marked confidential.
- The documents should be distributed to management via secure methods.
- The document should include the Office's confidential statement.

*CONFIDENTIALITY NOTICE: The Office of Independent Internal Audit intends for these documents to be used only by the person(s) or entity to which they are addressed. The documents may contain confidential, sensitive, nonpublic information or information that could put the County at risk. If the reader is not the intended recipient of this message or an employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that you are prohibited from printing, copying, storing, disseminating or distributing this communication. If you received this communication in error, please delete it from your computer and notify the sender by reply e-mail.*

### **Requests for the disclosure of information contained within, or referred to by, the audit report of the OIIA concerning security for the protection of confidential and exempt data, software support, authentication, logging and separation of duties.**

Preserving the confidentiality of sensitive documents is eminently reasonable, but nonetheless requires compliance with the Georgia Open Records Act (O.C.G.A. §50-18-70 through -77). The legislative findings of the Open Records Act include these statements of policy:

The General Assembly . . . finds and declares that there is a strong presumption that public records should be made available for public inspection without delay. This article [of the law] shall be broadly construed to allow the inspection of governmental records. The exceptions set forth in this article, together with any other exception located elsewhere in the Code, shall be interpreted narrowly to exclude only those portions of records addressed by such exception.

O.C.G.A. § 50-18-70 (a). In addition to this disclosure mandate, Section 10A(n)(9)(D) of the Organizational Act of DeKalb County (2015 Ga. Laws 3826) states unequivocally that the AOC to which the OIIA reports has the duty of "Ensuring that audit reports are transmitted to the governing authority and to the public."

This rule of disclosure has specific exceptions, one of which applies to data and other information needed for the protection of security operations for which access must be limited. Section 50-18-72(a) of Georgia's Open Records Act provides that public disclosure shall not be required for.

(25)(A) Records the disclosure of which would compromise security against sabotage or criminal or terrorist acts and the nondisclosure of which is necessary for the protection of life, safety, or public property, which shall be limited to the following:

- i. Security plans and vulnerability assessments for any public utility, technology infrastructure, building, facility, function or activity in effect at the time of the request for disclosure or pertaining to a plan or assessment in effect at such time.
- ii. Any plan for protection against terrorist or other attacks that depends for its effectiveness in whole or in part upon a lack of general public knowledge of its details.
- iii. Any document relating to the existence, nature, location, or function of security devices designed to protect against terrorist or other attacks that depend for their effectiveness in whole or in part upon a lack of general public knowledge.
- iv. Any plan, blueprint, or other material which if made public could compromise security against sabotage, criminal, or terroristic acts.
- v. Records of any government sponsored programs concerning training relative to governmental security measures which would identify persons being trained or instructors or would reveal information described in divisions (i) through (iv) of this subparagraph.

The plans, vulnerability assessments, records, documents, data, blueprints or other material to be shielded from disclosure must meet one or more of the criteria listed in O.C.G.A. § 50-18-72(a)(26)(A), set out above, to be properly withheld, in whole or in part, as necessary for the protection of County property and operations from hacking and related attacks.

The need for shielding the data and documents in question must be balanced with the obligations of our office under state law specific to the OIIA:

A final draft of the audit report shall be forwarded to the AOC, the CEO, the BOC, and the audited agency for review and comment regarding factual content prior to its release under Section 10A(j)(4) of the Organizational Act of DeKalb County.

To meet these competing requirements, we should invite members of the Board of Commissioners and the Audit Oversight Committee to our office to review the draft audit report with the specific issues identified that have been provided to appropriate DeKalb County management responsible for making corrections or other responses to the draft. **We should meet with the DeKalb County management responsible for this confidential and highly**



**sensitive data to discuss whether such information should be released for review. Copies, photos or any other record the confidential and highly sensitive data will not be allowed.** Our objective is to comply with the specific obligations of the OIA pursuant to the Georgia Open Records Act while maintaining the confidentiality and integrity of data and operations that protect against sabotage and other attacks against County property and operations.

# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

<b>Subject</b>	<b>Confidential and Non-Public Information</b>	<b>Procedure Number</b>	<b>1.06</b>
<b>References</b>	<b>GAS 8.132 – 8.139, Audit Documentation</b>	<b>Issue Date:</b>	<b>06/24/2019</b>
		<b>Effective:</b>	<b>07/01/2019</b>
<b>Approved: John L. Greene, Chief Audit Executive</b>		<b>Amended:</b>	

## Chapter 1

### Procedure 1.06 – TeamMate Audit Management Software Introduction

#### **Purpose:**

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To specify the policies and procedures that apply within the Office of Independent Internal Audit (OIIA) regarding the use of the TeamMate Audit Management (AM) software in the management of audit documentation. This policy is not intended and does not replace the available TeamMate User Manuals on *how* to perform tasks/activities referenced in this document.

#### **Authority:**

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office. GAS requires that auditors must prepare audit documentation related to planning, conducting, and reporting for each audit. GAS does not specifically require the use of electronic audit documentation/workpapers. However, OIIA utilizes the TeamMate AM primarily for management of audit documentation and quality control.

#### **Applicability:**

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Whenever a project is initiated by OIIA all stages of the project, including initial creation of project, planning, fieldwork, reporting and follow-up, along with all workpapers and related supporting evidence are documented in TeamMate AM. Audit management review/supervision of work done is also documented within TeamMate. The OIIA Policy and Procedures manual references the use of TeamMate AM where applicable in the performance of procedures and the management of audit workpapers. (*See also OIIA Policy and Procedure 3.03 Audit Workpapers.*)

## Custom TeamMate Policies that Impact Key Audit Activities

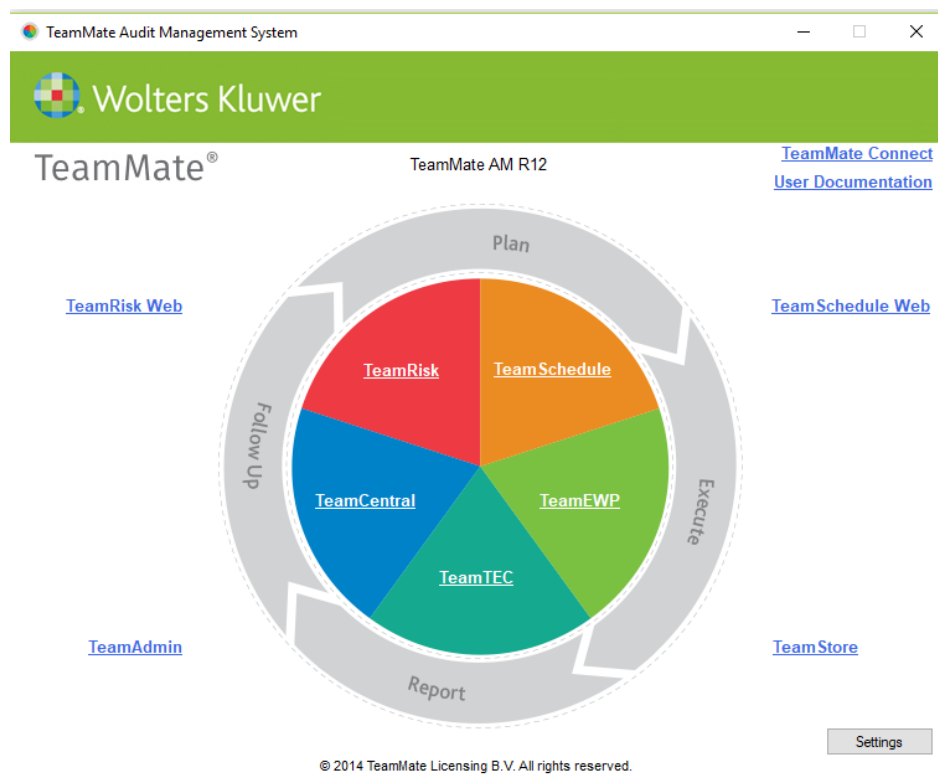
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### 1. Creating/Modifying User Profiles

- Only TeamMate Champions, who have administrative access to the 'TeamAdmin' module can add, deactivate and otherwise modify user profiles and application access rights. All user profile/access changes should have the prior authorization of the CAE. CAE authorization is documented using the [TEAMMATE ACCESS REQUEST/CHANGE FORM 1.06.01](#).
- The CAE, at least quarterly, shall review the TeamMate application access of users for any unauthorized changes.
- New users should only be added using the 'Add from Active Directory'. The 'Add User' link should not be used.
- User Authentication: TeamMate user login utilizes the Microsoft Windows Authentication process. TeamMate user identity will be automatically authenticated/verified via Windows Authentication whenever the TeamMate application/module is initialized

### 2. Application Access

In creating the user profile in TeamMate, the TeamMate Champions will also set/register the Application Access levels for each user, as authorized by the CAE. Users are granted various application access levels to TeamMate modules depending on their role in OIIA. The available TeamMate Application Modules are accessible from the TeamMate 'Launchpad' (see the screenshot below):



## User Application Access Policy

User	Application Access
Chief Audit Executive	User/Resource/Audit Management
Audit Manager	User/Resource/Audit Management
Senior Auditor / Auditor	User/Resource
TeamMate Champion	Administrator/Resource

For a description of each application access type please review the [TeamMate-AM-Roles.pdf](#) document.

## Application Access Table in TeamAdmin

**Add / Edit User**

**TeamAdmin - Add / Edit User Wizard**  
Step 3 of 3 - Register User for Application Access

<b>TeamAdmin</b> <input type="checkbox"/> Administrator <input type="checkbox"/> Agent	<b>TeamSchedule</b> <input type="checkbox"/> Administrator <input type="checkbox"/> Audit Management <input type="checkbox"/> Resource
<b>TeamEWP</b> <input type="checkbox"/> Administrator	<b>TeamRisk (select one)</b> <input type="checkbox"/> Administrator <input type="checkbox"/> Assessor
<b>TeamCentral (select one)</b> <input type="checkbox"/> Administrator <input type="checkbox"/> User <input type="checkbox"/> Audit Management	<b>TeamStore (select one)</b> <input type="checkbox"/> Administrator <input type="checkbox"/> User
<b>TeamTEC</b> <input type="checkbox"/> Administrator <input type="checkbox"/> Resource <input type="checkbox"/> Agent	<b>TeamCentral Reports (select one)</b> <input type="checkbox"/> Administrator <input type="checkbox"/> Auditor <input type="checkbox"/> Audit Management

< Back   Save   Cancel

## 3. Creating Project Master File

All OIIA projects should be registered/created in the TeamAdmin module. Audit Projects can **only** be created from within 'TeamAdmin' by the TeamMate Champion.

## Naming a Project

1. *Project Code format:* Audit Plan Year - **Project** number of audits for the year  
- Acronym representing responsible department to audit. For example:

**2019-001-WM**

2. *Project Name:* YYYY- and brief phrase indicating the nature of the project. YYYY = Audit Plan Year

## Project Details

3. *Audit Plan:* Audit should be assigned to the appropriate annual audit plan.
4. *Start Date:* Project Start Date – defined as the date when planning is anticipated to commence.

All project fields, such as 'Entities', 'Type' and 'Scope', as well as the tabs for "Background Information" and preliminary 'Engagement Objectives' should be completed **if known/info available at** this stage.

## Scheduling a project

OIIA policy – 'TeamSchedule' Module should be used to assign resources to a project. At a minimum, the Project Manager and Project lead should be designated. Only the TeamMate Champions, Audit Managers, and the CAE can schedule projects and assign projects in Team Schedule. The lead auditor can also schedule projects from within TeamEWP.

## Initializing Audit Projects in TeamMate EWP






Created Audit Projects should be initialized from the TeamMate EWP module. Policy: Only the assigned Project Manager or the Project Lead can initiate an Audit Project into EWP. TeamMate Champions can also initialize projects due to their administrative access, but should generally only initialize projects for which they are the Project Manager or auditor in charge or to help troubleshoot a TeamMate issue.

Other assigned project staff are not able to initiate a project from EWP. Once a project is initiated i.e. 'brought' into EWP, it will become visible/available to other projected members within EWP and will also become available for time tracking in TeamTEC, time tracking module.

Policy: Project members can only charge time to projects in TeamTEC after the project has been initiated / 'brought' into EWP. Note: if that project member's access is "read only" they will not be able to charge time to project.

#### 4. Assigning Project User Roles.

Project level roles assigned for users. The following are the standard project roles in TeamMate:

Icon	Team Role Description
	<b>Read Only</b> Has read only access to everything in the project file except schedules marked as 'confidential'. A Read Only user can open and view but cannot Add, Edit, Delete or Signoff. This role is traditionally assigned to 3rd-party reviewers and department members not on the direct project team, but needing to see project details. A Read Only user cannot be given a Level.
	<b>Preparer</b> Can Add, Edit, Delete (subject to certain controls) and Signoff schedules. This role is traditionally assigned to those team members who are executing the fieldwork.
	<b>Reviewer Only</b> Is able to Signoff schedules as Reviewed. They can Add, Edit, Clear and Delete Notes, but cannot Edit or Add other types of schedule. This role is traditionally assigned to those team members who do not need or wish to modify the project file – rather, they prefer to sign-off and request changes through Notes.
	<b>Preparer/Reviewer</b> Combines the abilities of the Preparer and Reviewer Only roles. A Preparer / Reviewer can Signoff schedules as both Prepared and Reviewed. They can Add, Edit and Delete (subject to controls) all types of schedule.  <div><b>NOTE:</b> If the user is only reviewing, do not select this combined role out of convenience. Since reviewing documents essentially opens them in Word, the user's "Recent Documents" list can fill with documents they have only reviewed. While typically this is only an irritation, select the role that applies to the user.</div>
	<b>Project Owner</b> Is sometimes known as a Project Administrator. They have all of permissions associated with a Preparer / Reviewer but they can also change Project Policies (unless Template policies restrict policies from being changed). A Project Owner cannot be given a Level. A Project Owner is automatically a member of the Project Ownership team.  <div><b>NOTE:</b> Although a default role is assigned to a user in the Centralized database these roles can be set on a per project basis.</div>

*TeamMate User Guide page 43.*

The OIIA default policy is to assign team members the project roles of Preparer/Reviewer for initialized projects. TeamMate Champions by default have the role of Project Owners/Administrators. The CAE by default is added to every initiated project with the role of 'Read Only'.

The following project roles should be assigned to staff:

Title	TeamMate Project Role
Chief Audit Executive	Read Only (default project template)
Audit Manager	Preparer/Reviewer
Auditor in Charge (Lead)	Preparer/Reviewer
Auditor	Preparer
Administrative Assistant	Preparer
Interns	Preparer
TeamMate Champion	Administrator / Project Owner (default project template)

## 5. Other Changes/Modifications to TeamMate Configuration

Any changes/modifications to TeamMate should be done only by the TeamMate Champions. All major changes/modifications should be first authorized by the CAE. CAE authorization for changes/modifications should be documented using the [TEAMMATE APPLICATION MODIFICATION REQUEST FORM 1.06.02](#). Major changes include changes to TeamMate system policy, major changes to EWP audit project template that involve new default procedures/steps. Adding an audit project, previously approved in the OIIA annual audit plan, to Teammate or correcting grammatical errors *does not* require the use of the TeamMate Application Modification Request Form.

## 6. User Manual References

Detail references on how to perform specific activities mentioned in this policy can be found in the TeamMate User Guides located here: [C:\Program Files \(x86\)\TeamMate\Help\](#) OR accessible via the link on the top right corner of the TeamMate 'Launchpad'.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Project Initiation and Planning	Procedure Number	2.01
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit; GAS 3.01-3.117- Ethical Principles, Independence, and Professional Judgement	Issue Date:	06/24/2019
		Effective: /	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 2

### Procedure 2.01 – Annual Audit Plan

#### Purpose:

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The purpose of the Office of Independent Internal Audit (OIIA) annual and long-term audit plan (commonly referred to as the OIIA Work Plan) is to identify, select, and plan the audits and reviews that provide the most benefit to the DeKalb County. Due care must be exercised in preparing the OIIA Work Plan to ensure that realistic, realizable goals are set.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by Georgia General Assembly signed into law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The Chief Audit Executive (CAE) is responsible for preparing and submitting an annual audit schedule.



## **Annual Audit Plan:**

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### **I. Introduction**

Each fiscal year, the CAE shall submit a one-to-five-year audit schedule to the audit oversight committee and the Commission for review and comment. The schedule shall include the proposed plan, and the rationale for the selections, for auditing departments, offices, boards, activities, programs, policies, contractors, subcontractors, and agencies for the period. This schedule may be amended after review with the audit oversight committee and the Board of Commissioners, but the CAE shall have final authority to select the audits planned.<sup>1</sup>

### **II. Risk Assessment and Annual Work Plan**

The OIIA Work Plan is based on a risk assessment, staffing allocation, and other factors. The CAE is responsible for preparing the draft of proposed activities, staffing allocation, and coordinating the risk assessment.

The CAE will prepare a staffing allocation based upon the staffing for the coming year and the hours estimated for OIIA Work Plan activities. The CAE shall consider work in progress, holidays, leave (annual, sick, and administrative), training, and establish an appropriate reserve for special projects. The CAE shall also consider the technical knowledge, skills, and experience of staff to ensure the staff collectively possesses adequate professional competence to perform Work Plan projects.

The risk assessment process shall include input from DeKalb County department managers and OIIA staff as well as a study of program areas, processes, and systems. The objective of the risk assessment and OIIA Work Plan development is to provide the greatest possible assurance that the audit services will benefit DeKalb County.

Although the risk assessment provides a base of information to identify areas that may need review, a high ranking in the risk assessment is not the only factor used to determine inclusion in the upcoming years' work plan schedules. Other factors include audits or reports required by law or statute, in-process audits that will be completed during the fiscal year, a reserve for future special requests by the Board of Commissioners, CEO, and others, the need for balanced coverage of the DeKalb County's program areas and available staff resources.

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<sup>1</sup> House Bill 599 (2015 Ga. Laws 3826) enacted by Georgia General Assembly signed into Law on May 12, 2015 and Incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit

The annual and long-range work plans are developed using the results of the risk assessment. The OIIA Work Plan describes the audit and other activities scheduled for evaluation and estimates of time available to complete the plan activities. The annual work plan also considers available staff resources and allows for unplanned projects or special assignments. The annual and long-range work plans must be submitted to the Board of Commissioners for review and to the Audit Oversight Committee for review and approval. The CAE has the final authority to select the audits planned.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Project Initiation and Planning	Procedure Number	2.02
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit; GAS 3.02-3.16-Ethical Principles, 3.17-3.108-Independence, GAS 4.02-4.15-Competence, GAS 9.10-9.17 Report Content	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	2/28/2020

## Chapter 2

### Procedure 2.02 – Staff Assignments, Independence, and Ethical Principles

#### Purpose:

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The purpose of staff assignments is to ensure that staff members assigned to a project collectively possess the knowledge, skills, and experience to perform the required tasks and are independent in fact and appearance and able to exercise objectivity and professional skepticism. In addition, ensure staff performs their work with consideration for the ethical principles described in Government Auditing Standards.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by Georgia General Assembly signed into law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

## **Applicability:**

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The Chief Audit Executive (CAE) assigns staff to projects based on the project's complexity and each individual's knowledge, skills, experience, interests, availability, and professional development needs, and goals. The CAE ensures that the staff assigned to each project is independent and competent to do the work. The CAE may hire consultants or specialists to assist on projects when additional knowledge and/or skills are needed.

## **Staff Assignments and Independence:**

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### **I. Introduction**

Audit staff members are individually responsible for notifying the CAE of threats to their independence as described in GAS 3.26-3.48 through annual disclosure, project-related disclosures, and ongoing throughout the year as circumstances arise. The CAE will evaluate the significance of the threats identified and apply safeguards as necessary to eliminate or reduce the threat to an acceptable level.

### **II. Disclosure of Threats to Independence**

Auditors and investigators will complete and provide their [Annual Independence and Objectivity Statement](#) and [Annual Independence -Investigative Statement](#) to the CAE to assist in identifying potential self-interest threats to independence, which are defined as financial or other interests that could inappropriately influence the auditor or investigator's judgment or behavior. Auditors and investigators are also responsible for notifying the CAE as circumstances arise if they or their spouse:

- a. have any relatives who are employed by the DeKalb County or its component units.
- b. serve on the board of directors of any agency that receives grants or other funding from the DeKalb County.
- c. have a financial interest or hold any position or office in any business that contracts with the DeKalb County.
- d. are seeking employment with another agency of the DeKalb County or its component units.

Auditors and investigators are also required to seek the CAE Approval prior to participating in paid employment outside of their DeKalb County job.<sup>1</sup> It is our policy not to assign auditors or investigators to projects where a potential self-interest threat exists.

At the beginning of each audit assignment, auditors are also responsible for assessing potential threats related to individual assignments, including:

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<sup>1</sup> See Personnel Code 20-22; Conflict of Interest 20-20 (E)

- Self-review – the threat that an auditor who has previously provided nonaudit services related to the assignment will not appropriately evaluate the results or judgments related to the earlier work that is significant to the audit.
- Bias – the threat that an auditor will fail to exercise objectivity because of political, ideological, social or other convictions.
- Familiarity – the threat that an auditor will fail to exercise objectivity because of aspects of a relationship with management or personnel of an audited entity.
- Undue influence – the threat that external influences or pressures will affect an auditor’s ability to make independent and objective judgments.
- Management participation – the threat that results from an auditor taking on the role of management or performing management functions on behalf of the agency under audit.
- Structural threat - the threat that an audit organization’s placement within a government entity, in combination with the structure of the government entity being audited, will impact the audit organization’s ability to perform work and report results objectively. **Georgia Law (2015 GA. Laws 3826) and DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A-Independent Internal Audit provides safeguards consistent with GAS 3.29c to mitigate structural threats to independence. (See Procedure 1.01 Internal Audit Authority)**

When assessing allegations, investigators are responsible for assessing potential conflicts of interests related to personal relationships or financial interests that could prevent the investigator from objectively collecting facts and assessing evidence. The investigator(s) document this consideration on the [Annual Independence - Investigative Statement](#) which is filed with the case notes.

Disclosure of threat(s) to independence must be addressed to the CAE and copy the Audit Manager in writing (memo). The memo should list the GAS category of threats to independence and an explanation of the threat or possible threat to independence.

**Auditor Assignment and Independence Statement.** The auditor will disclose any potential threats to independence on *attachments* to the Auditor Assignment and Independence Statement. The CAE/Audit manager and the auditor will assess whether any identified potential threat would affect the auditor’s ability to exercise objectivity and impartial judgment on issues associated with conducting and

reporting on the work and whether it could lead reasonable third parties to question the auditor's independence concerning the project. The audit team is responsible for documenting, in writing, safeguards applied to reduce or eliminate potential threats to independence, for example reassigning the auditor or limiting the auditor's involvement in the project to tasks that would not be affected. Auditors are responsible for alerting the CAE/Audit Manager of any potential threats to their independence or interference in completing work, including denials or excessive delays of access to records or individuals, that arise during an assignment or are identified after the audit is completed.

The CAE/Audit manager's signature on the form indicates that consideration has been given to staff qualifications and independence such that the assigned staff collectively possesses the knowledge and skills necessary to complete the assigned project and the CAE has evaluated threats to independence.

The lead auditor is responsible for ensuring the [Auditor Assignment and Independence Statement](#) (See *Procedure 2.03 Engagement Planning under Planning Templates for a Sample of the Statement*) is completed and filed in the audit working papers. When staff members are added to a project after it has begun, the newly assigned staff shall sign the statement prior to beginning work on the project and the CAE/Audit Manager will initial any changes to signify approval. Staff is responsible for reporting any threats to independence during the audit. If a project results in two or more reports, a copy of the statement shall be filed with the TeamMate electronic working papers.

**Reporting Impairments to Independence.** If a threat to independence exists and cannot be reduced to an acceptable level, the CAE will terminate the audit and communicate the reason with the Audit Oversight Committee or modify the scope of the audit and report the reason for the scope limitation in the public report. Whenever relevant new information about a threat to independence comes to the attention of the auditor during the audit, the auditor notifies the CAE and Audit Manager. The CAE or Audit Manager will evaluate the significance of the threat in accordance with the conceptual framework. Threats identified by other OIIA staff will also be evaluated by the CAE or the Audit Manager in accordance with the conceptual framework. Once the CAE or Audit Manager has evaluated the threat, the CAE or the Audit Manager will communicate the decision in writing (memo) the safeguards that will be taken to eliminate the threat or reduce the threat to an acceptable level.

If an auditor identifies a significant threat to independence after the audit report is released that occurred during the audit period, the CAE or Audit manager will assess

the effect on the report, as required by GAS 3.26. If the assessment determines that the impairment affected or could be perceived to have affected the auditor's objectivity or judgment in conducting the work or reporting the results, the CAE will notify in writing those to whom the report was distributed. The results of the assessment and the written notification, if required, will be retained in the audit working papers.

**Use of Consultants.** Qualified consultants or specialists will be hired in accordance with DeKalb County's contracting procedures, and any request for proposal will identify the specific knowledge, skills, and experience required. Consultants and specialists who are retained to assist with a project shall be subject to the same competence and independence requirements as OIIA staff. Consultants and specialists shall sign an independence statement as part of the contracting process.

**Reliance on Work Performed by Others.** When an audit team plans to use work performed by consultants, auditors, or other professionals outside of the OIIA, the audit team should assess the qualifications, independence, and quality assurance process being followed of the other party and the sufficiency, relevance, and competence of their evidence before the OIIA relies on their work.

The lead auditor will review relevant sections of Government Auditing Standards and assess whether the work performed is adequate for reliance in the context of the current objectives by considering the qualifications, independence, quality assurance process, and evidence followed for the work.

Based on the assessment of the work and any supplemental tests of evidence completed by the lead auditor and team, the Manager will decide on whether the audit team can rely on the work done by others, and if so, the extent of the reliance.

The lead auditor will document the assessment and the decision of whether to rely on the work in TeamMate.

If the decision is made to rely on the work, the lead auditor will disclose the reliance on work performed by others in the objective, scope, and methodology section of the report, and the Manager will verify that the disclosure is contained in the report.

## **Ethical Principles:**

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### **I. Introduction**

All employees shall also abide by the Ethical Principles promulgated by our office approved professional organization of which they are a member or have certifications, as long as it does not conflict with Government Auditing Standards or any applicable laws or regulations. They shall also adhere to the DeKalb County's DeKalb County Code of Ordinances/Organizational Act/Sec. 22A. - Code of ethics; DeKalb County Code of Ordinances/Chapter 2 - Administration/Article II. - Officers and Employees / Division 2. - Code of Ethics. Ethics violations are subject to disciplinary action up to and including termination of employment and/or prosecution.

### **II. Procedures**

A) Upon employment and annually, each employee shall review OIIA's Annual Ethical Principles Statement and sign the statement acknowledging that they have read the ethical principles and understand that it is a condition of employment that they abide by the ethical principles and the rules of conduct.

B) The administrative staff is responsible for obtaining signatures acknowledging review of the [Annual Ethical Principles Statement](#) annually from all employees.





# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Project Initiation and Planning	Procedure Number	2.03
References	GAS 8.01-8.19 – Planning; 8.33 -8.48 - Preparing a Written Audit Plan; 8.59- 8.67 Information Systems Controls Considerations; 8.68- 8.70 - Provisions of Laws, Regulations, Contracts, and Grant Agreements.; 8.71 8.76 – Fraud; 8.77- 8.79 - Identifying Sources of Evidence and the Amount and Type of Evidence Required	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 2

### Procedure 2.03 – Engagement Planning

#### Purpose:

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To document the audit planning process including the planning steps to be completed before the audit fieldwork begins.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Auditors must adequately plan the work necessary to address the audit objectives. Auditors must document the audit plan.

## **Audit Planning**

### **I. Introduction**

The engagement planning steps and related templates within TeamMate project planning work papers have been designed to document the following planning information:

- Gathering background information on the area being audited.
- Determining the audit objectives and scope of the unit being audited. If the objectives change during the engagement, the revised objectives and reasons for the changes must be documented and approved by the CAE.
- Obtaining a basic understanding of the audited entity's work processes, laws, rules, regulations, and policies and procedures.
- Assessing audit risks at the project level, identifying internal controls, and documenting preliminary audit concerns.
- Documenting the project kickoff meeting.
- Communicating with the functional management of the unit to be audited regarding the audit objectives.
- Documenting risk assessment, including fraud risk assessment.
- Estimating the time and resources necessary and specific milestones to meet the audit objectives.
- Documenting the preliminary assessment of the reliability of computer data.
- Developing and submitting for CAE approval a detailed audit/engagement program based on relevant criteria.

### **II. Planning Tools to Use**

The following engagement planning steps and related planning templates within TeamMate (under the Planning program group) should be used to document the planning process:

- Step 1 Project Administration.
- Step 2 Background Research on the Audit Topic.
- Step 3 Project Initiation.
- Step 4 Gain an Understanding.

- Step 5 Risk and Control Assessment.
- Step 6 Planning Results and Verification.
- Step 7 Draft Fieldwork Program.
- Step 8 Entrance Conference.

## **Project Administration**

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The Project Administration section ensures that administrative activities are completed and documented by the project leader or the audit manager. The following templates are to be completed.

- [Auditor Assignment and Independence Statement](#)
- [Engagement Assignment Sheet](#)
- [Engagement Budget and Work Plan](#)

## **Background Research on the Audit Topic**

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The audit team collects basic background information that is publicly available on the audit topic. At this stage, the entity to be audited should not be contacted to provide this information; rather, the team should gather information from available sources. For example,

- Prior audit reports on the program and/or process.
- Budget and staffing information from public budget documents or county databases. As a general rule, collect data for a 3-year period.
- Organizational information on the roles and responsibilities of potential key contacts within the agency to be audited or consulted.
- Key considerations regarding significance to the preliminary scope and objectives.
- Relevant County code, regulations, laws, contracts and agreements, policies, and guidelines.
- Peer review reports - should be obtained from an organization when OIIA will be utilizing the organization's work.

The will document the key background information within the "Background Research on the Audit Topic" sub-section of the TeamMate Planning section using the [Project Research Template](#) located within the Planning Templates.

## **Project Initiation**

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### **I. Introduction**

During the project initiation phase, the audit team discusses the reasons for the assignment and potential concerns of stakeholders to decide on:

- General scope and objectives.
- Type of work to be performed.
- Standards to be followed.

They will schedule a project kickoff meeting at the start of a project that should be attended by the audit team, audit manager, CAE, and/or Deputy CAE.

In addition, during the project initiation phase, the audited entity is briefed on the preliminary scopes and objectives.

## **II. Internal Project Kickoff Meeting**

The audit manager/project leader discusses the reason the audit was selected. Meeting participants develop statements that describe the value of the audit from a user/stakeholder perspective. This serves to identify potential areas of concern to stakeholders such as:

- Risk areas.
- Matters that have received media attention.
- Issues/concerns raised by the CEO, the BOC, agencies, or others.

During the kick-off meeting, participants will set the preliminary scope and objectives, determine the type of audit to be performed, and determine what standards to follow. Participants will usually follow performance audit standards and the team should document the decision to follow different standards in the workpapers.

## **III.External Project Kickoff Meeting**

The auditor arranges a meeting with the audited entity to discuss the preliminary scope and objectives and obtain key contacts. The auditor will use the [Project Initiation Memo](#) to facilitate the meeting. This is the first and last time the Project Initiation Memo is mentioned. If we start with the memo, it must have been created in another step,

## **Gain an Understanding**

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### **I. Introduction**

The purpose is for the auditor to gain an understanding of the nature of the program or program component under audit. During this step, the auditor should prepare process narratives or flowcharts to document the processes being audited based on discussions held with individuals familiar with the processes.

### **II. General Familiarization**

The auditor obtains documents that provide descriptions of services and operations. In addition, an on-site visit and walk-through of operations can help gain an understanding of the program and identify potential problems. During a walk-through,

auditors observe conditions and ask questions about workflow, filing systems, equipment usage, and so forth. Auditors are encouraged to meet with key personnel who are familiar with the process.

### **III. Interviews**

Interviews are held with key department personnel to gain familiarity with policies and practices, obtain written materials, and help to identify issues or problems. Knowledgeable persons from other County departments and individuals outside of the County government are also interviewed for their insights and suggestions.

The auditor should inquire with the management of the audited entity whether any investigations or legal proceedings significant to the audit objectives have been initiated or are in process with respect to the period under audit. Also, the project leader or audit manager should consult with the CAE on whether the auditor should contact the County's Legal Department.

### **IV. Criteria**

The auditor should identify and confirm with the audited entity relevant criteria based on the audit objectives. The criteria provide a context for evaluating evidence and understanding the findings, conclusions, and recommendations in the report. The following are examples of criteria:

- a. laws and regulations applicable to the operation of the audited entity;
- b. goals, policies, and procedures established by officials of the audited entity;
- c. technically developed standards or norms;
- d. expert opinions;
- e. prior periods' performance;
- f. defined business practices;
- g. contracts or grant agreements; and
- h. benchmarks against which performance is compared, including the performance of other entities or sectors.

## **Risk and Control Assessment**

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### **I. Introduction**

The auditor will review the audited entity's internal control structure. In doing this, the auditor will use a variety of tools and techniques to gather and analyze information about the operation. The review of internal controls helps the auditor determine the areas of highest risk and design tests to be performed during the fieldwork phase.

During this process, the auditor should evaluate the effect of initiated or in-process investigations or legal proceedings on the current audit. Additionally, evaluate whether the audited entity has taken appropriate corrective action to address findings and

recommendations from prior engagement(s) that are significant within the context of the audit objectives.

## **II. Determining Significance and Obtaining an Understanding of Internal Control**

Auditors should determine and document whether internal control is significant to the audit objectives. If it is determined that internal control is significant to the audit objectives, auditors should obtain an understanding of such internal control.

Some factors that may be considered when determining the significance of internal control to the audit objectives include:

1. The subject matter under audit, such as the program or program component under audit, including the audited entity's objectives for the program and associated inherent risks;
2. The nature of findings and conclusions expected to be reported, based on the needs and interests of audit report users;
3. The three categories of entity objectives (operations, reporting, and compliance); and
4. The five components of internal control (control environment, risk assessment, control activities, information and communication, and monitoring) and the integration of the components.

## **III. Brainstorming Meeting**

The brainstorming meeting is to solicit and document the "Corporate Knowledge" of OIIA staff on the assigned topic.

At the meeting the following work should be performed:

- CAE/Manager explains the purpose of the meeting and discusses the engagement origin, background, and preliminary scope and objectives.
- CAE/Manager explains some basic rules of an effective brainstorming session: Everyone should participate; Build on each other's ideas; Think outside the box; Do not overlook the obvious; Suspend judgment (all ideas are good ideas); Do not make negative remarks about others ideas; and do not stop to discuss in-depth.
- Everyone should consider potential fraud issues and provide ideas.
- Any applicable risks identified during the brainstorming meeting should be incorporated into the audit project.

The auditor should complete the [Brainstorming Session Template](#) located under the Planning Templates.

The project leader should document their understanding of internal controls and assessed risks and determination. The project leader should document the significance of internal controls to the audit objectives within the "Risk and Control Assessment" section of the TeamMate Planning program and using the Risk and Control module of TeamMate. Auditors may also use the [Project-Based Risk Assessment Template](#) to document risks before uploading to the TeamMate Risk and Control module.

## IV. Consideration of Fraud Risks

Auditors should assess the risk of fraud occurring that is significant within the context of the audit objectives. Audit team members should discuss with the team fraud risks, including factors such as individuals' incentives or pressures to commit fraud, the opportunity for fraud to occur, and rationalizations or attitudes that could increase the risk of fraud. Auditors should gather and assess information to identify the risk of fraud that is significant within the scope of the audit objectives or that could affect the findings and conclusions.

Assessing the risk of fraud is an ongoing process throughout the audit. When information comes to the auditors' attention indicating that fraud, significant within the context of the audit objectives, may have occurred, auditors should extend the audit steps and procedures, as necessary, to (1) determine whether fraud has likely occurred and (2) if so, determine its effect on the audit findings.

**Assessing Fraud Risks.** In assessing fraud, the audit team may consider various sources of information to determine the susceptibility of a program/process to fraud with significance to the audit objects and scope. This may include but is not limited to the following:

1. Review the Team Store Risk Library for applicable fraud risks and associated controls. See Team Store: ***Global Cabinets -> Fraud Considerations for relevant fraud risks programs, risks, and controls.***
2. Consider preliminary conversations with the management of the audited entity.
3. Review relevant [Fraud Risk Assessment Tools](#) examples located on the OIIA shared drive. Have management of the audited entity complete a fraud risk questionnaire to gain a better understanding of risks and related controls that are in place.
4. Review the Association of Certified Fraud Examiners (ACFE) fraud tree.
5. Consider any fraud risks identified in the Brainstorming session.
6. Review AU Section 316 Consideration of Fraud in a Financial Statement Audit Source: SAS No. 99; SAS No. 113, Effective for audits of financial statements for periods beginning on or after December 15, 2002, unless otherwise indicated. Also review GTAG13: Fraud Prevention and Detection in an Automated World published by the IIA in December 2009. The International Professional Practices Framework (IPPF)-Practice guide entitled Internal Auditing and Fraud published by the IIA in December 2009.

Assessing the risk of fraud is an ongoing process throughout the audit and relates not only to planning the audit but also to evaluating evidence obtained during the audit.  
*See Procedure 3.02, Auditor Responsibilities Regarding Fraud*

The auditor should complete the related engagement work paper in the TeamMate Project Planning step “Fraud Risk Consideration” to document the fraud risks identified. The auditor can utilize the [Fraud Risk Questionnaire Template](#) located within the Planning Templates. This questionnaire may be customized based on the specific subject area if required after reviewing step 3 above. The fraud risks identified during planning should be incorporated into the TeamMate Risk and Controls module used for documenting Risk and Control Assessment.

## **V. Information Systems Controls Considerations**

The effectiveness of significant internal controls frequently depends on the effectiveness of information systems controls. Thus, when obtaining an understanding of internal control significant to the audit objectives, auditors should also determine whether it is necessary to evaluate information systems controls.

When information systems controls are determined to be significant to the audit objectives or when the effectiveness of significant controls depends on the effectiveness of information systems controls, auditors should then evaluate the design, implementation, and/or operating effectiveness of such controls. This evaluation includes other information systems controls that affect the effectiveness of the significant controls or the reliability of information used in performing the significant controls. Auditors should obtain a sufficient understanding of information systems controls necessary to assess audit risk and plan the audit within the context of the audit objectives.

The auditor will complete the [Data Reliability Questionnaire](#) to determine the need for a data reliability assessment. If a data reliability assessment is necessary, the IT Audit Team will complete the assessment using the [Data Reliability Checklist](#).

## **Planning Results and Verification**

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The purpose of this process is to: summarize the results of the planning activities, assess the sufficiency of the evidence gathered, obtain agreement about whether the audit should be continued, and determine whether additional data collection or analysis is needed to determine to satisfy the audit objectives.

Issues identified during the planning phase of the project by the project leader should be communicated to and verified by audit entity management. The project leader will discuss with the audit manager the results of the planning activities and prepare a draft [Planning Results Review Meeting Template](#). The Planning Results Reviews Meeting document is discussed with the CAE and Deputy CAE during the project planning verification meeting. The document should be sent to the CAE and DCAE one week before the meeting. During the meeting the CAE and the Deputy CAE will:



- 1) Determine if a sufficient level of planning has been completed to move to the next phase of the audit.
- 2) Determine if the audit will be continued.
- 3) Review the audit engagement letter.
- 4) Review the draft fieldwork program.

### **Draft Fieldwork Program**

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Based on the results of the Project Planning Verification meeting and after the CAE has concluded that the audit is to proceed, the auditor will prepare a [Fieldwork Program](#) that outlines the fieldwork necessary to achieve the engagement objectives. After review and approval by the manager and CAE/Deputy CAE, the auditor will use the Fieldwork Program to populate the fieldwork program (B.1.PRГ) in TeamMate.

The preparation of the Fieldwork Program concludes the planning phase.

### **Entrance Conference**

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This meeting is used to communicate with audit entity management the reasons for the audit, describe the audit process, address management's questions or concerns, identify key contacts, and discuss logistics if necessary. (*See Procedure 2.05 – Entrance Conference for further guidance*)

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# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Project Initiation and Planning	Procedure Number	2.04
References	GAS 8.20-8.26, Auditor Communication (Performance Audits)	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	4/15/20

## Chapter 2

### Procedure 2.04 – Engagement Letter

#### Purpose:

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The purpose of the engagement letter is to let agency management and the Chief Operating Officer, Chief Executive Officer and Board of Commissioners and Audit Oversight Committee Chairperson know that the OIIA is starting an audit of the department, agency, or program; to provide general information about the audit; and to request an entrance conference. We communicate an overview of the planned audit to those charged with governance through our annual audit plan.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The engagement letter should describe the expected nature and focus of the work to the extent known, identify the audit team, state that we will schedule an entrance conference, and may request that some basic information be brought to the entrance conference such as an organization chart or staff directory.

## **Engagement Letter:**

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The lead auditor drafts an engagement letter to the head of the department or agency communicating an overview of the objectives, scope, and methodology and the timing of the performance audit and planned reporting (including any potential restrictions on the report) for the area under audit to avoid delaying the project. The head of the department or agency, the Chief Operating Officer or Chief Financial Officer should be copied when audits are of areas for which they are responsible.

The Audit Manager will format the letter, ensure names and titles are correct, get the CAE's signature, and distribute it to the recipients.

In addition, the template for **Engagement Letter** is located under the Planning Templates, Entrance Conference folder.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Project Initiation and Planning	Procedure Number	2.05
References	GAS 8.20-8.26, Auditor Communication (Performance Audits)	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	04/15/2020

## Chapter 2

### Procedure 2.05 – Entrance Conference

#### Purpose:

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The entrance conference is used to communicate with agency management the reasons for the audit, describe the audit process, address management's questions or concerns, identify key contacts, and discuss logistics if necessary.

#### Authority:

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Government Auditing Standards (GAS) also known as the "Yellow Book" promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The entrance conference should communicate an overview of the objectives, scope, and methodology and the timing of the performance audit and planned reporting (including any potential restrictions on the report).

#### Entrance Conference:

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##### I. Introduction

The lead auditor schedules the audit entrance conference within several days after the engagement letter has been distributed. Those who typically attend the audit entrance conference are:

- Agency head and key agency directors or managers for the audit topic area.
- Audit Manager and the audit team.

c. Chief Audit Executive.

The lead auditor prepares an agenda for the entrance conference, including:

- Introductions of the audit team and leadership and the agency management who are present.
- Describe the audit process, including estimated timing and dates for the audit survey.
- Obtain audit suggestions and input from agency management.
- Identify the key contact people from the agency.
- Determine the owners of key data and documents and how to obtain relevant information/data during the audit.
- Emphasize the need for responsiveness when the audit team requests data; consider requesting the agency head.

The audit team is responsible for recording who attended, matters discussed, and any decisions made. The record is kept as an attachment with the TeamMate Research and Planning program, Entrance Conference step.

## **II. Entrance Conference Tools to Use**

The entrance conference meeting should be documented in the TeamMate Research and Planning program group. The following tools should be used to document the entrance conference agenda and attendees:

- Entrance Conference Agenda.
- Entrance Conference Sign-In Sheet.

## **III. Copies of the entrance conference templates such as [Entrance Conference Agenda](#) and [Entrance Conference Sign-In Sheet](#) are also located under Planning Templates, Entrance Conference folder.**



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Fieldwork	Procedure Number	3.01
References	GAS 3.109 – 3.117, Professional Judgment GAS 8.77-8.79, Identifying Sources of Evidence and the Amount and Type of Evidence Required; GAS 8.90 – 8.107, Evidence; GAS 8.108 – 8.115 GAS 8.116 – 8.131, Findings	Issue Date:	08/24/2017
		Effective:	08/24/2017
Approved: John L. Greene, Chief Audit Executive		Amended:	05/17/2020

## Chapter 3

### Procedure 3.01 – Engagement Evidence and Fieldwork

#### Purpose:

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Audit fieldwork is to gather information and appropriate evidence to provide a reasonable basis for conclusions about the audit objectives.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The result of fieldwork is a body of workpapers including summaries of the audit team’s conclusions regarding each of the objectives.

#### Engagement Evidence:

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#### I. Introduction

Internal auditors must identify sufficient, reliable, relevant, and useful information to achieve the engagement’s objectives. Information should be collected on all matters related to the engagement objectives and scope of work.

## II. Types of Information

**Sufficient** information is factual, adequate, and convincing so that a prudent, informed person would reach the same conclusions as the auditor. Sufficiency is interdependent on the engagement scope. To determine if the evidence is sufficient, the auditor should use his or her judgment. To help the auditor in using judgment as the basis for determining whether the evidence is sufficient, the auditor should decide if there is enough information to support the findings or conclusions reached.

In cases where two sources of evidence conflict, the auditor should determine which is more precise keeping in mind that evidence must be impartially judged for significance and completeness.

**Reliable** information is best attainable using appropriate engagement techniques. As engagements are performed, the auditor should continuously assess the soundness and credibility of the evidence to help ensure the information is competent. Competent information is defined as the quality of evidence. For example, is the information valid, complete, and credible or are we sure that our information is accurate? When determining whether information received is competent, the auditor should keep in mind that evidence obtained from independent sources are more reliable than non-independent sources. Evidence developed under a good system of internal controls is more reliable than that obtained from a system that has weak or non-existent controls. Evidence obtained through physical examination, observation, computation, or inspection is more reliable than evidence obtained indirectly. These assumptions can be useful in judging whether evidence is competent.

**Relevant** information supports engagement observations and recommendations and is consistent with the objectives for the engagement. Relevancy refers to the relationship of evidence to its use. Does the evidence/information have a logical and sensible relationship to the engagement objective? If a logical sensible relationship exists, then the evidence is reliable. Generally, relevant evidence will have a logical relationship to the engagement subject, the time period, and the aspects of performance.

If the information is irrelevant it should not be included as part of the work papers. The following are general questions the auditor should ask in determining whether the information is relevant: Is the related to such factors as background, condition, criteria, effect, or cause and does the evidence make an asserted finding, conclusion, or recommendation more believable? If these conditions exist, the evidence is relevant.



**Useful** information helps the organization meet its goals. The gathering of engagement evidence that is useful to the organization is the main justification for the existence of an internal audit function. Useful information will depend on various factors such as cost/benefit and the needs of the users of the information.

Determining whether evidence is adequate for the auditor's purpose is a question of judgment and will depend on the type of engagement and the scope of work to be performed. The auditor must be aware that the judgment imposed must be objective and will vary based on the auditor's experience and training.

### III. Types of Evidence

Evidence may be categorized as a physical, documentary, testimonial, and analytical. These categories are important to auditors because they determine the competency of the evidence, the methods used to assure the competency of the evidence, and the methods for obtaining the evidence.

The team is responsible for deciding how to conduct the work necessary to complete the fieldwork. The audit approach and methodology the team selects should take into account our reasons for doing the audit, the audit objectives we decided on, the time and resources available, the types of data available, and the control environment.

Things to consider:

- What sources of data are available to address our objectives? Are data available for the different elements of a finding (condition, criteria, cause, effect, recommendation) that we plan to address?
- How are data collected, stored, verified, retrieved, and used? Are data accurate, timely, authoritative, and authentic? Being able to answer these questions helps to assess validity and reliability. Consider ways to test data reliability when deciding what data to collect including:
  - a. Corroborating the evidence (comparing to other sources for consistency).
  - b. Verifying the evidence (direct testing – confirming through other sources).
  - c. Validating the evidence (testing the control environment).
  - d. Obtaining additional evidence.
- Methods for collecting data and the extent to which we can rely on them depend on the type. Often, there are alternate sources of needed data and alternative ways to collect them. It's usually best to get the strongest evidence available – subject to resource constraints and considering our purpose and risk. From **strongest to weakest**, the types of audit evidence are:

- PHYSICAL EVIDENCE is obtained by direct inspection or observation of people, property, or events. It may be documented in memos, charts, or photographs.
- DOCUMENTARY EVIDENCE consists of already existing information such as letters, contracts, accounting records, invoices, spreadsheets, and management information on performance.
- TESTIMONIAL EVIDENCE is obtained through inquiry, interviews, or questionnaires.
- ANALYTICAL EVIDENCE derives from the auditors' analysis (such as computations and comparisons) and logical reasoning using data previously obtained. The strength of analytic evidence in supporting a conclusion depends on methodological soundness as well as the underlying data.

Analytical procedures should be used in the planning phase of the engagement and during the engagement to examine and evaluate information to support engagement results. The application of analytical procedures is based on the premise that, in the absence of known conditions to the contrary, relationships among information may reasonably be expected to exist and continue.

Analytical procedures provide the auditor with an efficient and effective means of assessing information collected during the engagement. The assessment results from comparing such information with expectations identified or developed by the internal auditor.

Analytical procedures are useful in identifying, among other things:

- Differences that are not expected.
- The absence of differences when they are expected.
- Potential errors, irregularities, or illegal acts.
- Other unusual or nonrecurring transactions or events.

Internal auditors should consider the following factors in determining the extent to which analytical engagement procedures should be used:

- The significance of the areas being examined.
- The adequacy of the system of internal control.
- The availability and reliability of financial and non-financial information.
- The precision with which the results of the analytical procedures can be predicted.
- The availability and comparability of information regarding the industry in which the organization operates.

- The extent to which other engagement procedures provide support for engagement results.

#### **IV. Standards of Audit Evidence**

Audit standards (GAS 8.90-8.107) require that auditors obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions.

- Appropriateness considers the quality of evidence, including relevance, validity, and reliability.
  - Relevant data are logically related to the issue being addressed.
  - Valid data are accurate/sound – measures what it purports to measure.
  - Reliable data are consistently measured, complete, and verifiable.
- Sufficiency considers the quantity of evidence. Is there enough appropriate evidence to address the audit objectives and support the findings and conclusions? Note that sufficiency depends upon appropriateness – volume doesn't make up for lack of relevance, validity, or reliability. The fieldwork plan directs the audit team to obtain and evaluate evidence that will ultimately support their audit judgments and conclusions about the audit objectives.

The approach to assessing appropriateness and sufficiency of evidence depends on the source of information that constitutes the evidence.

- Data gathered by the auditors. This evidence is the audit team's own observations and measurements, usually gathered through questionnaires, structured interviews, direct observations, and computations. Auditors exercise professional judgment to ensure that this evidence is appropriate and sufficient.
- Data gathered by management. If the audit team uses data gathered by officials of the audited entity, they should determine its validity and reliability by direct testing of the data. The entity's internal controls over the validity and reliability of that data can be tested to establish this.
- Data gathered by third parties. The auditors' evidence may also include data gathered by third parties, such as outside audit reports, our legal counsel interpretation on complex laws or regulations, etc. Auditors should assess the competence or credibility of the party that gathered the information and/or assess the methodology used.

#### **V. Fieldwork**

The fieldwork phase includes performing and documenting the planned engagement program. It is during the fieldwork phase that the auditor determines whether the controls identified during the planning phase are effective. The fieldwork phase concludes with findings and recommendations from which the auditor will prepare the engagement report.

Fieldwork is the process of gathering evidence, analyzing, and evaluating that evidence. The engagement objectives, steps, and procedures should be prioritized so that the most important and most significant are performed and completed first. This will assist the auditor in keeping focused on completing the engagement by developing sufficient information to reach conclusions throughout the engagement process.

Some of the procedures conducted during fieldwork are:

- Gaining an understanding of the activity, system, or process under review and the policies, procedures supplementing and continuing to build upon the information already obtained in the preliminary work/survey.
- Observing conditions or operations and interviewing people.
- Examining assets, accounting business, and other operational records.
- Reviewing systems of internal control and identifying internal control points.
- Evaluating and concluding on the adequacy (effectiveness and efficiency) of internal controls.
- Conducting compliance and substantive testing.
- Determining if appropriate action has been taken regarding significant engagement concerns and corrective actions reported in prior engagements.

## VI. Audit Sampling

Sampling is the application of audit procedures to less than 100 percent of the items within the population. For some types of testing, the sample may be unnecessary because the use of computer software allows the audit team to test 100 percent of the population. In addition, computer software can be used to reduce the size of the population sampled by selecting data with certain characteristics.

When sampling is used, the appropriate selection method will depend on the audit objectives. When a representative sample is needed, the use of statistical sampling approaches generally results in stronger evidence than that obtained from nonstatistical techniques. When a representative sample is not needed, a targeted selection may be effective if the auditors have isolated risk factors or other criteria to target the selection. (GAS 8.107)

- **Statistical sampling** is a sampling of units that must be randomly selected and quantitatively evaluated through the application of probability theory. The random sample seeks to represent, as closely as possible, the population from which it was drawn. The results of the sample are projected to the entire population. In addition, statistical sampling permits the auditor to measure sampling risk - that is the risk that a sample will not represent the population.
- **Nonstatistical (judgmental) sampling** based on the auditor's professional judgment and meant to focus and confirm a condition that is reasonably thought to exist. It occurs if units cannot be randomly selected or quantitatively evaluated. The audit team determines sample size and

evaluates results based on subjective audit experience. Conclusions may be drawn from the results of the sample only about the sample population. In addition, judgmental sampling permits an auditor to select items at random without attempting to draw statistical inferences about the entire population.

The audit workpapers should include sufficient detail to describe clearly the sampling objective and the sampling process used. The workpapers should include the source of the population, the sampling method used, sampling parameters (e.g., random start number or method by which random start was obtained and sampling interval), items selected, details of audit tests performed, and conclusions reached.

## **VII. Exercising Professional Judgment**

Auditors are responsible for exercising professional judgment in conducting fieldwork. Professional judgment requires auditors to conduct work diligently in accordance with professional standards and ethical principles; objectively evaluate evidence as it is gathered; to exercise professional skepticism; and to refrain from assuming that management is either honest or dishonest. In addition, professional judgment should be used to determine whether evidence gathered is sufficient, reliable, relevant, and useful to conclude on the established objectives. Judgment should be based on the information available. Reassess the engagement objectives, scope, and procedures to ensure efficient use of engagement resources.

## **VIII. Resolving Access Problems**

The manager is responsible for alerting the Chief Audit Executive timely of problems that could affect the project schedule, such as lack of cooperation or access to needed information. HB 599 (2015 Ga. Laws 3826) and DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit provides for officers and employees of DeKalb County shall furnish to the OIIA unrestricted access to employees, information, and records including electronic data within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. In addition, they shall provide access for the OIIA to inspect all property, equipment, and facilities within their custody. If such officers or employees fail to provide or produce such access and information, the OIIA may initiate a search to be made and exhibits to be taken from any book, paper, or record of any such official or employee or outside contractor or subcontractor, except as governed by statute. The CAE shall have the authority to issue subpoenas and may apply to the Superior Court of DeKalb County for the enforcement of any subpoena issued by the CAE.

As a rule of thumb, the CAE should be made aware when the audited entity doesn't respond to requests for information after one week. If the audited entity requires longer than one week to produce requested data or schedule an interview, the team should draft a confirmation memo documenting what we requested, when we made the request, and our understanding of why the audited entity is unable to comply with the request promptly. The memo should be addressed to the head of the agency with responsibility for the area under audit, from the CAE and the Audit Oversight Committee and the responsible executive (Chief Financial Officer, Chief Operating Officer, or county attorney) should be copied. A copy of the memo and any related correspondence should be retained in the audit workpapers.

#### **IX. Communicating with Audited Entity Management During Fieldwork**

The Project Leader is responsible for periodically briefing audited entity management or the designated point-of-contact on the status of the audit work and tentative conclusions. However, the team must avoid reporting audit findings or making recommendations to the audited entity during fieldwork because our final findings and recommendations reflect the judgment of the audit organization as a whole, not just the team, and are based on an overall assessment of the evidence. The Project Leader should schedule a meeting with the CAE and the Audit Manager in cases where the team thinks circumstances warrant providing management with findings and recommendations before fieldwork is complete. We'll decide at the meeting whether to issue an interim report.

#### **X. Fieldwork Tools to Use**

Fieldwork should be documented in the TeamMate Fieldwork program within the related fieldwork steps.



# +Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Fieldwork	Procedure Number	3.02
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit; GAS 8.27-8.28 Investigations or Legal Proceedings GAS 8.71-8.77, Fraud GAS 9.35-9.39, Reporting on Noncompliance with Provisions of Laws, Regulations, Contracts, and Grant Agreements; GAS 9.40-9.44, Reporting on Instances of Fraud GAS 9.45-9.49, Reporting Findings Directly to Parties outside the Audited Entity	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/20

## Chapter 3

### Procedure 3.02 – Auditor Responsibilities Regarding Fraud

#### Purpose:

Conducting a performance audit in accordance with standards provides reasonable assurance – but no guarantee – that auditors will detect illegal acts or fraud related to the audit objective(s).

#### Authority:

House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into law on May 12, 2015<sup>1</sup> and Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

<sup>1</sup> Incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit

## **Applicability:**

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Fieldwork standards for performance audits require auditors to assess risks of fraud throughout the project.

## **Auditor Responsibilities Regarding Potential Fraud:**

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### **I. Introduction**

Fieldwork standards for performance audits require auditors to assess risks of fraud throughout the project. When auditors identify fraud risks that are significant within the context of the audit objectives, they should design procedures to obtain reasonable assurance of detecting fraud (GAS 8.72). When information comes to the auditors' attention that fraud may have occurred that is significant within the context of the audit objectives, standards require auditors to extend audit steps to determine whether fraud has likely occurred and, if so, its effect on audit findings (GAS 8.76). Auditors must use professional judgment in pursuing indications of possible fraud so as not to interfere with investigations or legal proceedings (GAS 8.27- 8.29).

### **II. During Fieldwork**

If during fieldwork, the audit team becomes aware of situations or transactions that could indicate fraud, the Project Leader/manager is responsible for meeting with the CAE to decide whether to extend audit steps or to report the potential fraud (See *Procedure 2.03, Planning*).

### **III. Reporting Fraud to Officials in the Organization**

If the CAE becomes aware of abuse or illegal acts or indications of such acts that could affect the governmental entity, the CAE shall report the irregularities to the audit oversight committee, the Chief Executive, and the Commission. If a member of the governing authority is believed to be a party to abuse or illegal acts, the CAE shall report the acts directly to the audit oversight committee, the Chief Executive, and the Commission.

GAS requires auditors to use judgment in reporting instances of fraud or likely fraud to officials of the audited entity. Auditors should include information in the audit report about the fraud or likely fraud unless public reporting would compromise investigative or legal proceedings (GAS 9.39-9.41). If public reporting could compromise proceedings, the auditor should limit the extent of reporting to information that is already part of the public record (GAS 9.44). When auditors



detect instances of fraud that do not warrant the attention of those charged with governance, the auditors' determination of whether and how to communicate such instances to audited entity officials is a matter of professional judgment (GAS 9.43).

#### **IV. Reporting Fraud to a Third Party**

Audit teams should avoid interfering with ongoing investigations or legal proceedings. In addition, audit teams should be alert during an audit to situations or transactions that could be indicative of possible illegal acts or fraud and communicate the observation to the manager who will work with the CAE to assess how to proceed. In some cases, laws or regulations require the audited entity to report fraud directly to outside parties such as a federal inspector general or state attorney general. If it appears that the irregularity is criminal in nature, the CAE shall notify the district attorney in addition to those officials previously identified in Section III.

If management fails to report the fraud as required, the CAE needs to communicate this failure to the governing body. If the audited entity does not then make the required report as soon as possible, the auditor is required to report the fraud directly to the specified external agency (GAS 9.46-9.49). Auditors should also report fraud directly when they cannot confirm through evidence that entity officials reported the fraud as required (GAS 9.47). Auditors should first communicate the failure to report requirements to those charged with governance when audited entity management fails to:

- a) satisfy legal or regulatory requirements to report such information to external parties specified in law or regulation; or
- b) take timely and appropriate steps to respond to noncompliance with provisions of laws, regulations, contracts, and grant agreements or instances of fraud that
  - i. are likely to have a significant effect on the subject matter and
  - ii. involve funding received directly or indirectly from a government agency.

If the audited entity still does not report this information to the specified external parties as soon as practicable after the auditors' communication with those charged with governance, then the auditors should report the information directly to the specified external parties. (GAS 9.45).

#### **V. Tools to Use**

The TeamMate Fieldwork steps should be used to document the fieldwork process.

# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Fieldwork	Procedure Number	3.03
References	Georgia Open Records Act; GAS 5.46 Monitoring of Quality, GAS 8.08-8.10 - Planning; GAS 8.49 – 8.53 Assessing Internal Control; 8.54 – 8.58 Internal Control Deficiencies Considerations; GAS 8.132 – 8.141, Audit Documentation	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 3

### Procedure 3.03 – Audit Workpapers

#### Purpose:

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Workpapers serve as tools to aid the auditor in performing his work and written evidence of the work done to support the auditor's report. The information included in work papers must be sufficient, reliable, relevant, and useful to achieve the engagement's objectives.

#### Authority:

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The Georgia Open Records Act and the Government Auditing Standards (GAS) also known as the "Yellow Book" promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Internal auditors must document relevant information to support the conclusions and engagement results of appropriate analyses and evaluations.

#### Audit Workpapers

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#### I. Introduction

The purpose of audit workpapers is to:

- a. Provide a systematic, written record of the work performed to fulfill the audit objectives (i.e., the what, why, how, when, and by whom) that ultimately links the evidence obtained to the reported findings and conclusions.
- b. Facilitate supervision and internal and external quality control reviews of audit work.
- c. Help ensure that we are following GAS in conducting and reporting on the work.
- d. Document formal communications with management, data requests, potential scope impairments or impairments to independence and our efforts to resolve them, and other administrative matters.

## **II. Principles**

Audit documentation serves to (1) provide the principal support for the audit report, (2) aid auditors in conducting and supervising the audit, and (3) allow for the review of audit quality.

Auditors must prepare audit documentation related to planning, conducting, and reporting for each audit. Auditors should prepare audit documentation in sufficient detail to enable an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the nature, timing, extent, and results of audit procedures performed; the evidence obtained; and its source and the conclusions reached, including evidence that supports the auditors' significant judgments and conclusions. The lead auditor is responsible for ensuring the audit workpapers are complete, accurate, and logically organized. The audit team and audit organization as a whole are responsible for safeguarding confidential information and complying with the Georgia Open Records Act requirements.

## **III. Content**

Audit workpapers should be prepared professionally, free of extraneous personal comments, easily followed, and understood by an experienced auditor unfamiliar with the engagement details. The key to good workpapers is to ensure they document the following aspects of the engagement process:

- 1) Planning.
- 2) The examination and evaluation of the adequacy and effectiveness of the system of internal control.
- 3) The engagement procedures performed, the information obtained, and the conclusions reached.
- 4) Review.
- 5) Communication.
- 6) Follow-up.

The information in working papers should be restricted to information pertinent to the engagement objectives.

Auditors should design the form and content of audit documentation to meet the circumstances of the particular audit. The audit documentation constitutes the principal record of the work that the auditors have performed in accordance with standards and the conclusions that the auditors have reached. The quantity, type, and content of audit documentation are a matter of the auditors' professional judgment. In addition, work papers should be uniform in composition and organization. In addition, workpapers should:

- 1) Be complete and include support for engagement conclusions reached. Work papers must be able to "stand-alone." This means that all questions must be answered, all points raised by the reviewer must be cleared, and a logical, well thought out conclusion must be reached for each audit phase.
- 2) Contains evidence that supports the findings, conclusions, and recommendations before they issue their report.
- 3) Auditors should document the following: (GAS 8.135):
  - a. The objectives, scope, and methodology of the audit;
  - b. The work performed and evidence obtained to support significant judgments and conclusions, as well as expectations in analytical procedures, including descriptions of transactions and records examined (for example, by listing file numbers, case numbers, or other means of identifying specific documents examined, though copies of documents examined or detailed listings of information from those documents are not required); and
  - c. Supervisory review, before the audit report is issued, of the evidence that supports the findings, conclusions, and recommendations contained in the audit report.
- 4) When auditors do not comply with applicable GAGAS requirements because of law, regulation, scope limitations, restrictions on access to records, or other issues affecting the audit, the auditors should document the departure from the GAGAS requirements and the impact on the audit and the auditors' conclusions. (GAS 8.136)

#### **IV. Clear and Objective**

Workpapers form the basis for our conclusions and therefore must be objective and factual. Auditors should write clearly and avoid adjectives or adverbs that imply value judgments. An active voice is usually easiest to understand. Auditors should write summary workpapers or use cross-references to support conclusions based on multiple workpapers. Cross-referencing identifies other relevant documents or sources of data. For example, a summary spreadsheet that pulls together data from multiple spreadsheets should be cross-referenced to the documents that

provide the source of the data; interviews with different people on a related topic should be cross-referenced to support overall conclusions. The [Lead Sheet Template](#) can be used to summarize workpapers.

## **V. Avoid Creating Unnecessary Workpapers**

Auditors should design the form and content of audit documentation to meet the circumstances of the audit. The audit documentation constitutes the principal record of the work that the auditors have performed in accordance with standards and the conclusions that the auditors have reached. The quantity, type, and content of audit documentation are a matter of the auditors' professional judgment.

To be concise, auditors must have a clear understanding of why they are performing a specific audit task and how the task will satisfy the audit objectives before undertaking the work. The project leader should provide guidance and feedback to auditors conducting the work. Auditors should seek direction when an assignment is unclear. Clear descriptions of the purpose of the workpaper help ensure a common understanding of what the work is intended to achieve.

## **VI. The workpapers must be complete**

The workpapers must contain sufficient information to demonstrate that we complied with GAS in planning, conducting, and reporting the audit. Additionally, workpapers must be linked with significant findings and conclusions as evidence and must be understandable without supplementary explanations. However, "complete" does not mean self-contained. Auditors need to exercise judgment in deciding what to include in the workpaper file. It's helpful to write summaries instead of scanning voluminous documents in the file. Readily available documents (e.g., the Code of Ordinances, Comprehensive Annual Financial Report, budget) should be referenced instead of scanned for inclusion in the workpapers. When using other reference materials or reports, auditors can include a sample page, or copies of only the title page and the other relevant pages from a document.

## **VII. Confidential Records and Sensitive Information**

Workpapers sometimes include information that is exempt from release under the Georgia Open Records Act, including legal advice or personal information, such as social security numbers or banking information. Auditors should use judgment when preparing workpapers and not include personal information unless it is relevant to the purpose and necessary to establish sufficiency or competence of the evidence presented. Refer to Procedure 1.05: Handling Confidential and Sensitive Information or Information Exempt from Public Disclosure (Requesting, Maintaining, Communicating and Reporting).

## VIII. Format

While the content of workpapers will vary, the format should be consistent to facilitate review and enhance their usefulness in completing the project. Although consistency is important, auditors should exercise judgment in preparing workpapers and avoid emphasizing form over substance.

Workpapers are stored electronically in TeamMate Audit Management Software, TeamEWP (Electronic Working Papers) module. All important information such as program steps, issues, notes, sign-offs, and edit histories are contained in database tables, which allow real-time, team-based use, facilitate filtering and sorting of key information. (See *Procedure 7.03, Workpaper Retention*)

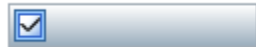
The page of each workpaper lists:

- **Auditor**– the name of the person who is assigned to the audit step should be selected within TeamMate. Once the audit step is completed (or a revision made) the auditor should click the “*prepared by*” button:



to indicate the date and time of completion and to notify the manager of the required review and sign-off.

- The Project review notes are used to document any comments by the reviewer. The reviewed by button



- should be clicked by the audit manager to indicate the date and time when the workpaper was last reviewed/sign-off.

- **Type** – The type of audit procedure should also be selected from the dropdown within the TeamMate procedure/step, for example:
  - Administrative.
  - Planning.
  - Walkthrough/Observation.
  - Inspection/Examination
- **Purpose** – a narrative description of why the work was completed. It's often useful to write the purpose as a question or series of questions/steps that the work is intended to answer. Located under the “Audit Step” tab under within the TeamMate procedure. The questions/audit steps should be consistent and referenced to the approved audit program developed during Planning step # 20: *Prepare draft audit/engagement program CAE review*. In addition, audit steps *must* be referenced/hyperlinked to the related risk and controls that the procedure seeks to address/evaluate.

- **Source/References** – the source of the information contained in the workpaper with enough detail so that a reviewer can assess the competence of the evidence presented.
  - Identify Standards Used.
  - Document – include the title of the document and location where it was obtained or the name and position title of the person who provided it (include the telephone number for non-county staff).
  - Analysis – the source of the data used in the analysis and how it was obtained or where it can be found.
  - Observation – location and date.
  - Interview – name and position title of the person interviewed (include the telephone number of non-county staff and for all telephone interviews).

In TeamMate EWP this is documented under the “*Source of Information*” tab. Please note that in TeamMate the “References” tab is auto populated with all hyperlinked documents uploaded to all other tabs in that audit procedure.

- **Scope & Methodology** – a description of what the auditor did to complete the work. The description should be clear enough that a reviewer can assess the competence of the evidence presented. The rule of thumb is that an experienced auditor unfamiliar with the topic should be able to understand what was done without additional explanation. A description of the method generally isn’t necessary for interviews and may not be necessary for reviews of documents unless the auditor used to search or decision criteria for deciding what and how to review. For TeamMate data analytics or other work that is developed iteratively, it is helpful to outline the sequence of steps in the method, so a reviewer can retrace the steps to arrive at the conclusion. In TeamMate EWP this is documented under the “*Work Performed and Conclusion*” tab.
- **Conclusion** – a brief summary of the auditor’s conclusions based on the information contained in the workpaper or cross-referenced when multiple workpapers support a conclusion. The conclusion should be related to the purpose and appropriate to the level of evidence contained in the workpaper. The conclusion should document their assessment of the design, implementation, and/or operating effectiveness of such internal control to the extent necessary to address the audit objectives. Also, evaluate and document the significance of identified internal control deficiencies within the context of the audit objectives. In TeamMate EWP this is documented under the “*Work Performed and Conclusion*” tab.
- **Results** – usually include any additional workpapers linked to this workpaper to reflect the auditor's work or links to information obtained

from the audited entity. In TeamMate EWP this is documented under the “*Results*” tab.

Please note that the above references the use of electronic workpapers in TeamMate but at times it may be necessary to develop a workpaper using MS Word and/Excel (for example, for data analytics/computations, etc.). These linked workpapers should also be able to stand on their own, even when it is hyperlinked to a procedure in TeamMate. Each page of the workpaper should also document at a minimum the areas outlined above.

Workpapers should reflect professionalism. Because we work in teams, workpapers need to be useful to other people. Keep in mind also that audit files are subject to review by external auditors, peer review teams, and anyone outside of the OIIA who requests to review them, including members of the media, after an audit report is released.

## **IX. Organization**

Workpapers should be organized logically as the audit progresses and stored electronically within TeamMate.

### **Steps in setting up a project within TeamMate.**

The TeamMate Administrator creates new engagements within TeamMate Admin module. *(Security groups are created and maintained in TeamAdmin, including adding and removing team members, but the security groups are associated with Projects in EWP. Members of the Project Ownership team can only add or remove groups from a Project.)* The project is assigned to the appropriate annual audit plan year. A project code is assigned in the following format: 2019-001-WM [Audit plan year - sequential audit project number-letters indicating the name of the primary department]. A title/project name is also assigned to the project using calendar year and brief phrase indicating the nature of the project. (2016 – Water billing project).

The audit manager will then schedule the project and assign the project leader and team members within TeamMate Schedule module.

The auditor-in-charge or audit manager will then “pull in/initiate” the project within TeamMate EWP assigning the appropriate TeamMate project template. The project template will contain the base program groups, audit steps, project folders, and sub-folders and related tools/templates for the engagement.

TeamEWP work program allows for individual sign-off of each procedure within a multiple-step program. This allows team members to work on different steps within the same work program and sign-off electronically on their steps.



Functional access levels within TeamEWP provide for distinct levels of authorization based upon your 'role' on a given project. For example, a preparer cannot sign-off on electronic workpapers as reviewed and a read-only team member can view the project file but not make changes. When the preparer signs off on a document, audit step, audit program, or issue, the preparer's initials are recorded with the date and time. When the reviewer signs off on any document the reviewer's initials are also recorded with the date and time.

Workpapers should be made available in accordance with Georgia Opens Records Act. (*See Procedure 7.02, Open Records Request*).

The team should create additional fieldwork sub-folders within the fieldwork project folder to organize work. The workpaper index below provides an overview of the baseline project template, a uniform method for organizing working papers common to all audit projects and suggests methods for organizing the workpapers for audit fieldwork. Using the index facilitates review and retrieval while allowing flexibility to meet the needs of the audit. (*See Procedure 1.06, TeamMate Audit Management Software*)

Workpaper Index		
Abbrev.	TeamMate Folder Title	Contents
PA.	Project Administration	Administrative documents, such as: <ul style="list-style-type: none"> <li>• Auditor Assignment and Independence Statement.</li> <li>• Engagement Assignment Sheet.</li> <li>• Engagement Budget and Work Plan.</li> <li>• Engagement Initiation.</li> <li>• Engagement Letter.</li> <li>• Independent Quality Control Review.</li> <li>• Confidential.</li> <li>• Communication with Client.</li> </ul>
A.	Project Planning & Research	<ul style="list-style-type: none"> <li>• Step 1 Project Administration.</li> <li>• Step 2 Background Research on the Audit Topic.</li> <li>• Step 3 Project Initiation.</li> <li>• Step 4 Gain an Understanding.</li> <li>• Step 5 Risk and Control Assessment.</li> <li>• Step 6 Planning Results and Verification.</li> </ul>

		<ul style="list-style-type: none"> <li>• Step 7 Draft Fieldwork Program.</li> <li>• Step 8 Entrance Conference.</li> </ul>
B.	Fieldwork Wrap-Up	<p>Documentation of audit work necessary to support findings and recommendations. Depending on the size and complexity of the project, the team may create sub-folders for tasks related to specific objectives or types of testing.</p> <ul style="list-style-type: none"> <li>• Exceptions Noted Communicated with Management.</li> <li>• Clear all Review Notes.</li> <li>• Develop Finding Summary.</li> <li>• Fieldwork Verification Conference.</li> </ul>
C.	Reporting and Wrap-Up	<p>Only the most current electronic version of each of these drafts should be kept in the project folder on the server to ensure that changes and corrections are made to the correct draft.</p> <ul style="list-style-type: none"> <li>• Prepare Draft Report.</li> <li>• Deputy Chief Audit Executive Review.</li> <li>• Technical Review of Draft Report.</li> <li>• Quality Control Review.</li> <li>• Chief Audit Executive Review.</li> <li>• Audit Documentation Follow-up.</li> <li>• Exit Conference and Issue Draft Report.</li> <li>• Client Management Responses.</li> <li>• Issue Final Report.</li> <li>• Post Engagement Client Survey.</li> <li>• Project Close-Out and Finalization.</li> </ul>

**Revising work paper files within TeamMate.** Auditors should not revise workpapers stored in the project files after the audit manager or project leader has approved (signed off). Avoid keeping multiple versions of each document. Generally, only the final version should be retained.

#### **X. Sharing Workpapers with the Audited Entity**

It is sometimes helpful to audited entity staff or management the results of an analysis to get their input. In doing so, however, we should communicate to the

audited entity that the work is in progress and subject to change. Check with the CAE or audit manager before sharing workpapers with the audited entity. Work should undergo supervisory review before it is shared and should be marked, "Confidential – For Discussion Only." Our general practice is to retain copies of workpapers that we share in the meeting.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Fieldwork	Procedure Number	3.04
References	GAS 3.109 – 3.117, Professional Judgment; GAS 8.15 – 8.16 Planning; GAS 8.90 – 8.107 Evidence; GAS 8.108 – 8.115, Overall Assessment of Evidence; GAS 8.116 – 8.131, Findings	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 3

### Procedure 3.04 – Fieldwork Verification Conference

#### Purpose:

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Assess the evidence gathered, agree on the major findings and conclusions, and determine whether additional data collection or analysis is needed based on our overall assessment of evidence including the significance of the evidence to the audit objectives and the sufficiency or appropriateness of the evidence to mitigate audit risk.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Internal auditors must document relevant information to support the findings and conclusions.

## Fieldwork Verification Conference

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### I. Introduction

The fieldwork verification conference is to assess the evidence gathered, agree on the major findings and conclusions, and determine whether additional data collection or analysis is needed based on our overall assessment of evidence, significance, and audit risk.<sup>1</sup> The result of fieldwork verification conference is agreement on the overall “message” of our work and a summary of finding elements that lay the foundation for the draft report. The format and nature of the report can vary depending on timing requirements and user needs. Regardless of whether our final product is a bound report, briefing slides, memo, or an email, we recognize that our value to the DeKalb County government will be judged largely by the quality of our reports.

The audit manager, CAE, and/or Deputy CAE should be in attendance. The auditor-in-charge or other designated team members will facilitate the meeting.

Formulate the message to be reported. The facilitator will use some type of structured process for group decision-making so participants will:

- Formulate each element of the finding. (What we know).
- Match relevant data to each finding. (How we know it).
- Identify solutions (potential recommendations).

### II. Overall Assessment of Evidence

As we formulate the elements of our findings, we'll assess whether our evidence as a whole is appropriate and sufficient to support the findings and conclusions given the expected significance and audit risk. Evidence is not sufficient or not appropriate when:

- Using the evidence carries an unacceptably high risk that it could lead to an incorrect or improper conclusion.
- The evidence has significant limitations.
- It doesn't adequately support the findings and conclusions.

While working together to develop findings and assess the evidence, participants need to exercise professional skepticism, draw conclusions based on the evidence that we've collected, explicitly consider alternative explanations, and recognize when we need more information. Everyone is expected to participate. We encourage the free and open exchange of information and ideas and will not judge the merit of ideas

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<sup>1</sup> Before the fieldwork verification conference, the auditor must informally discuss the findings with the audited entity, so they can present any additional information to the auditor that may resolve the finding.

based on hierarchy. Dissent and conflict are a valuable part of the process – surfacing and resolving potential weaknesses in our evidence and overall conclusions strengthen our work. To be constructive, participants must be prepared to articulate their reasons for agreement or disagreement. The strength of the agreement or disagreement is a starting point for discussion, not the final argument.

### **III. Audit Documentation**

The auditor-in-charge is responsible for documenting the date, who attended the fieldwork verification conference, and decisions made regarding audit findings. (See *Procedure 3.03, Audit Workpapers*).

### **IV. Attributes of a Well-Developed Audit Finding**

Findings are pertinent statements of fact. Those findings necessary to support or to prevent misunderstanding of the internal auditor's conclusions and recommendations should be included in the final audit report. Less significant information or findings may be communicated orally or through informal correspondence.

Attributes to be discussed for every Office of Independent Internal Audit finding are:

- A. Condition (What does exist).
- B. Criteria (What should exist).
- C. Cause (Why the difference exists).
- D. Effect or potential effect (The impact of the difference).
- E. Recommendation (This is technically not an element of a finding but provides details of what should/could be done to address the finding.)

#### **A. Condition:**

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The statement of condition identifies the nature and extent of the finding or unsatisfactory condition. It is the facts. It often answers the question: "What is wrong?"

Normally, a clear and accurate statement of condition evolves from the internal auditor's comparison of results with appropriate evaluation criteria.

## **B. Criteria:**

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This attribute establishes the legitimacy of the finding by identifying the evaluation criteria, and answers the question: "By what standards was it judged?"

In operational or management audits, criteria could be management objectives, plans, industry or company standards, contracts, policies, procedures, guidelines, laws or regulations, and expectations for efficiency, effectiveness, and economy.

In financial audits, criteria could be accuracy, materiality, consistency, or compliance with applicable accounting principles and legal or regulatory requirements.

In audits of efficiency, economy, and program results (effectiveness), criteria might be defined in mission, operation, or function statements; performance, production, and cost standards; contractual agreements; program objectives; policies, procedures, and other command media; or other external sources of authoritative criteria.

## **C. Cause:**

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This attribute identifies the underlying reasons for unsatisfactory conditions or findings, and answers the question: "Why did it happen?"

If the condition has persisted for a long period of time or is intensifying, the contributing causes for these characteristics of the condition should also be described.

Identification of the cause of an unsatisfactory condition or finding is a prerequisite to making meaningful recommendations for corrective action. The cause may be quite obvious or may be identified by deductive reasoning if the audit recommendation points out a specific and practical way to correct the condition. However, failure to identify the cause in a finding may also mean the cause was not determined because of a limitation in audit work performed.

An internal auditor's failure to thoroughly investigate the real root cause can also contribute to a less-than-adequate recommendation, possibly fixing the wrong thing, or correcting the symptom rather than the real cause. Frequently, the real root cause is a "soft" issue which otherwise would not be addressed.

#### **D. Effect:**

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This attribute identifies the real or potential impact of the condition and answers the question: "What effect did/could it have?"

The significance of a condition is usually judged by its effect. In operational audits, reduction in efficiency and economy, or not attaining program objectives (effectiveness), are appropriate measures of effect. These are frequently expressed in quantitative terms; e.g., dollars, number of personnel, units of production, quantities of material, number of transactions, or elapsed time. If the real effect cannot be determined, potential or intangible effects can sometimes be useful in showing the significance of the condition.

Accurate evaluation of the real or potential effect is crucial in determining the effort, resources, or control that should be applied to improve the situation, as well as in getting management's agreement on the issue.

#### **E. Recommendations:**

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This final attribute identifies suggested improvement action and answers the question: "What should be done?"

The relationship between the audit recommendation and the underlying cause of the condition should be clear and logical. If a relationship exists, the recommended action will most likely be feasible and appropriately directed. The quality and sustainability of the improvement activities will be significantly enhanced if the audited entity is brought into the discussion and takes part with the OIIA in jointly developing the solution.

Recommendations in the audit report should state precisely what improvement action has been agreed upon. More generalized recommendations (e.g., greater attention be given, controls are reemphasized, a study be made, or consideration be given) should not be used in the audit report, although they are sometimes appropriate in summary reports to direct top management's attention to specific areas.

Unless the benefits of taking the recommended action are very obvious, they should be stated. Whenever possible, the benefits should be quantified in terms of additional revenue, lower costs, or enhanced effectiveness or efficiency. The cost of implementing and maintaining recommendations should always be compared to risk.



Recommendations should be directed to the individual with both adequate knowledge and effective responsibility, or authority, to ensure implementation of improvement activities.

## **V. Development of the Report Structure**

We structure our reports to meet the needs of readers. The key elements of a reader-based report are:

- Title.
- Summary.
- Headings.
- Topic sentences/key support.
- Graphics.

These elements allow non-expert, busy readers to understand our message by just skimming the report. Note that the structure moves from the whole (the overall message) to the parts (the supporting detail). Some people are more comfortable writing from the detail and building up to the conclusion.

We should exercise care in developing the report when our findings include fraud, illegal acts, waste, abuse, or significant violations of contracts or grant agreements. Prior to developing the report, we should have already determined our responsibility to notify management, officials, or third parties (*See Procedure 3.02 Auditor Responsibilities Regarding Fraud*). The information in our public report should be limited so as not to interfere with an ongoing investigation or legal proceeding. Our practice is to seek legal advice if there's a question of what we can responsibly report.

The report should describe significant deficiencies in internal controls related to our objectives. These will be part of our findings and developed as part of the message rather than a separate section.

The CAE will decide the kind of product that best communicate results. Usually, if we plan to issue a memo or briefing slides instead of a report, we will have made this decision when setting the scope. GAS identifies timeliness as an element of a quality report and defines timeliness as providing relevant information in time to respond to legislative officials and other users' legitimate needs. We can be most responsive to timeliness needs when we identify them early. However, if we become aware of timeliness issues later in the audit process, we'll tailor the report format and outline to respond to user needs while still following standards.

## **VI. Summary**

Well-written internal audit findings should result in recommendations that add value by including the nature of the findings, the criteria used to determine the existence of the condition, the root cause of the condition, the significance of its impact, and what the internal auditors (with management's input) recommend should be done to improve the situation.

In describing each of the attributes, the use of audited entity-related terminology, and avoidance of internal audit "lingo" will enhance understanding of the finding.

Fully developed findings containing each of the five attributes are easily understood, convey impact and significance to appropriate management, and enhance the likelihood and sustainability of improvement action.

The team should schedule an exit briefing with program managers of the area under audit on our conclusions and recommendations to get their input and identify additional relevant information. Communicating with program managers before drafting the report should help ensure that the report is accurate, fair, complete, and objective, and gives the audited entity more time to prepare its response.

## **VII. Tools to Use**

The auditor should use the *Issues Viewer* in TeamMate to add issues/findings and link those issues/findings to the appropriate audit procedure in TeamMate using two way linking.

The auditor may use the [Fieldwork Verification Template](#) to summarize issues before entering into the teammate Issue viewer.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Communicating Results	Procedure Number	4.02
References	GAS 9.03-9.05, Reporting Auditors' Compliance with GAGAS; GAS 9.06-9.09, Report Format; GAS 9.10-9.49 Report Contents	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 4

### Procedure 4.01 –Draft Report

#### Purpose:

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The report is to communicate our audit results to a broad audience.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The audit team is responsible for drafting a report that follows the format and content guide, outlined in the standards, that provides convincing support for findings, and is consistent with our report template.

#### Draft Audit Report:

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##### I. Introduction

The audit team uses the audit report template to write the first draft of the report. The first draft is subject to change based on editing and technical review. The first draft should include:

- **Background** - This section contains an introductory paragraph that states the overall nature and purpose of the audit, an explanation of why we did the

audit, and enough background information about the area under audit to provide context for the reader to understand our findings. Shorter is better. Avoid putting conclusions in the background.

- **Audit Objective** - This section contains a statement about the audit objective as outlined in the engagement letter and previously communicated to the audited entity.
- **Scope and Methodology** - This section contains a description of the scope – the timeframe being reviewed – and objectives and the major steps we completed to conduct the audit. We also include:
  - A statement that we conducted the audit in accordance with generally accepted government auditing standards. If we did not follow auditing standards or any other standard, we disclose the standard(s) that we did not follow and the likely impact it would have on our report.
  - Disclosure of any scope or independence impairments (*See Procedure 2.02 Staff Assignments, Independence, and Ethical Principles*).
  - A statement that we omitted information from the report, when applicable, and the reasons for the omission. Most omissions will be related to ongoing investigations or legal proceedings, confidential, or sensitive information protected under Georgia’s Open Records Act. It is our practice to seek legal advice if there is a question of whether information should be omitted.
  - Description of interim reports or separate communications of deficiencies to management that was not significant to the audit objectives if applicable.
- **Audit Results** - This section lays out our findings, conclusions, and recommendations and is the primary focus of the message development meeting. The draft should be consistent with the format and content outlined in the standards and meet the quality elements identified in Reporting Standards for Performance Audits (GAS 9.17). The extent to which a report meets the quality elements is a matter of professional judgment. We recognize the inherent tensions between the elements (accurate, objective, complete, convincing, clear, concise, and timely) and will draw on our different strengths and work as a team to balance them.
  - **Accurate** – The report must be factual. Even fairly minor inaccuracies can cast doubt on the entire audit and damage the credibility of the office. Keep in mind that misplaced precision – while accurate – can detract from our meaning.

- **Objective** – The report should be balanced in content and tone. Findings should be kept in perspective. Avoid unnecessary adjectives and adverbs.
- **Complete** – The report should contain enough evidence to support our conclusions and provide context and perspective about the significance of the findings. One example of a minor deficiency is not enough evidence to support a broad conclusion. We will have discussed support for our conclusions in the fieldwork verification and message development meetings.
- **Convincing** – The report should be presented persuasively with conclusions and recommendations following logically from the facts. Techniques to express the relationships between main ideas within and among paragraphs (parallel structures; coordination, subordination, and transition phrases; and running heads) help make the report convincing. The key controlling idea should be in the first sentence of the paragraph to help make a clear and convincing case.
- **Clear** – The report should be easy to read and understand. Use the active voice. Avoid acronyms and jargon. Define technical terms or abbreviations at their first use in the text or a glossary if they are essential to understanding (but it's better to avoid using them). Simple sentence structures are usually easiest to understand (subject-verb-object). Put statements in positive form (what is, rather than what isn't). Graphs, charts, maps, and other visuals also aid in clarity.
- **Concise** – The report should be no longer than necessary to convey and support the message. Shorter is better as long as the report is complete. Too much detail can obscure our message. Omit needless words. Using strong verbs and limiting adverbs and noun phrases help with clarity and conciseness.
- **Timely** – For the report to be of maximum use, the information in the report is more helpful if it is current. Also, the timely issuance of the report should be an important reporting goal. During the audit, the auditors should provide interim reports of significant matters to the appropriate process owners and oversight officials. Such communication alerts officials to matters needing immediate attention and allows them to take corrective action before the final report is completed.
- **Appendices** - Information that would be useful to some readers but is too detailed to include in the body of the report may be attached as appendices. Examples include the full text of an Administrative Order or a technical

description of an audit method – such as sampling, forecasting, or modeling. Interim reports to management are included as appendices in most cases. Number each appendix sequentially and refer to each in the body of the report.

For specific guidance on report formatting and writing, audit teams should refer to the [OIIA Audit Report Template](#).

The team/auditor submits the first draft to the auditor's manager for paragraph-level editing and sentence structure, and then to the CAE for a quick read, mainly for clarity and coherence of structure.

A 'cold' read/review by audit manager/auditor who is independent of the project team should be performed. In addition, we send a draft out to the Audit Committee to review before we hold the exit conference with the audited entity.

**Audit Transmittal Email.** The CAE prepares a transmittal email when sending the draft report to the AOC, the CEO, the BOC, and the audited agency for review and comment. The email briefly states the reason we conducted the audit and the 60-day statutory deadline date.

**Management's response.** The CAE sends the draft to management for review and comment (*See Procedure 4.03 Exit Conference and Issuing Draft Report, Section I*). The team scans management's final response into the report, once we receive it, and ensures that the formatting and pagination are correct. (*See Procedure 4.03, Exit Conference and Issuing Draft Report, Section IV & V*)

**Retaining drafts in the workpapers.** Avoid keeping multiple versions of the report draft in the workpapers (*See Procedure 3.03 Audit Workpapers*). The audit team should keep in the copies of the workpaper files of the outline, if applicable, the technical review draft, the draft that was sent to management, the draft that was sent to the audit committee, and the final published report. Only the most current electronic version of the draft should be kept in the project folder on the server to ensure that changes and corrections are made to the correct draft. Auditors may keep electronic files of previous drafts in their personal folders for reference if desired.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Communicating Results	Procedure Number	4.03
References	GAS 5.02 – 5.95, Quality Control and Peer Review GAS 8.108 – 8.114 Overall Assessment of Evidence GAS 9.17 Report Content	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 4

### Procedure 4.02 – Technical Review of Draft Report

#### Purpose:

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The technical review is to ensure that the report accurately and objectively conveys the results of the work and that findings and conclusions in the report are based on sufficient, appropriate evidence.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Completion of technical review documents the overall assessment of the collective evidence used to support findings and conclusions.

#### Technical Review of the Draft Audit Report:

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##### I. Introduction

The technical review involves lead auditor cross-referencing the draft report to supporting workpapers and the audit manager, checking the references to confirm that support is sufficient and appropriate. All reviewer reference points should be resolved during the review. Auditors must exercise professional judgment in

conducting all aspects of technical review to remain aware of the purpose and avoid a form over substance mentality.

Technical review does not substitute for and should not duplicate supervisory review of workpapers (*See Procedure 5.01, Roles and Responsibilities in Quality Control and Assurance*).

## **II. Referencing**

The audit lead is responsible for referencing the draft report to the workpapers. Referencing (sometimes called indexing or cross-referencing) is the process in which the auditor notes on the draft report the workpaper source for each fact, figure, date, or other pieces of evidence described in the report. Referencing should be complete and accurate. The project leader is responsible for correcting the report as they find errors to ensure that it is consistent with the evidence in the workpapers.

Each major section of the draft report should be referenced to the workpapers including the appendices. Summary paragraphs should be referenced to the relevant text in the body of the report, which is referenced to the workpapers. Some sentences or ideas in the Background and Introduction Section do not directly relate to a specific workpaper and may be referenced as the conclusion, statement, recommendation, or calculation. All findings must be referenced with the corresponding issues in TeamMate, which must be linked to the audit procedures that contain the relevant supporting workpapers.

## **III. Checking references**

The audit manager is responsible for checking each reference to confirm that the source supports each fact, figure, and the date and that the conclusions in the report are based on sufficient, appropriate evidence. The audit manager should be thorough in checking references, raise substantive issues and avoid writing points related to text editing, except to the extent that word choices affect meaning.

## **IV. Answering and resolving points**

The project leader will answer all points of referenced the draft report. Responses should be brief and constructive. The audit manager will check the responses including revised text and references and indicate that the issue was satisfactorily resolved. If the auditor and audit manager can't agree, the CAE will make the final decision.

Completion of technical review documents the assessment that evidence is sufficient and appropriate to support the findings and conclusions in the report.

The referenced draft report and referencing notes are maintained in the workpaper files.



The project leader is responsible for ensuring that substantive changes to the draft report that occurs after technical review are referenced. For example, if we add information to the report following management's or the Audit Oversight Committee's review, any fact, conclusion, or statement we add must be referenced.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Communicating Results	Procedure Number	4.04
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal GAS 9.06-9.09, Report Format; GAS 9.18 – 9.27, Reporting Findings, Conclusions, and Recommendations; GAS 9.50- 9.55 Obtaining Views of Responsible Officials	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 4

### Procedure 4.03 – Exit Conference and Issuing Draft Report

#### Purpose:

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Providing management with a draft audit report for review and comment serves three primary purposes. First, it helps to ensure that the report is accurate, fair, complete, and objective. Second, providing management’s written response in the published report promotes transparency and helps the reader assess whether the report is fair and credible. Finally, management’s specific response to recommendations provides the basis for later follow-up on the implementation of recommendations.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The review is to ensure that the draft audit report is clear, objective, and balanced.

## **Exit Conference and Issuing Draft Audit Report:**

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### **I. Sending the Draft Audit Report to Management for Review and Comment**

Once editing and formatting are completed, the project leader will contact the head of the audited entity to schedule an exit conference. Based upon the agreed-upon exit conference dates with the audited entity, an Outlook invite is sent to the CAE, CEO, COO, and CFO (if applicable). In addition, others are copied on the invite when audits involve areas for which they are responsible. (Rule-of-thumb – whoever received the engagement letter should also receive the draft report.) Primarily, a pdf copy of the draft report is attached to the email invite. In cases where the report contains confidential information, a pdf copy will not be attached.

### **II. Exit conference**

The purpose of the exit conference is to discuss management's questions, concerns, and proposed changes to the draft report before asking for their written response to the recommendations. The exit conference is usually in the OIIA conference room to enable access to workpapers.

The exit conference meeting should be documented in the TeamMate Reporting and Wrap-up program group. The following tools should be used to document the exit conference agenda and attendees:

- [Exit Conference Agenda](#)
- [Exit Conference Sign-In Sheet](#)

Auditors should carefully assess management's comments and concerns and decide whether and how to revise the report. The audit team is responsible for recording attendance, matters discussed, and decisions made. The team keeps the record in the administrative files of the audit documentation.

Following the exit conference, the audit team is responsible for making agreed-upon revisions to the report and referencing substantive change.

### **III. Final Draft Audit Report**

The final draft of the audit report shall be forwarded to the audit oversight committee, the Chief Executive, the Commission, and the audited agency for review and comment regarding factual content before its release.

The draft report should be issued to the audited agency by email stating that they shall respond in writing, specifying the agreement with audit findings and recommendations or reasons for disagreement with findings and recommendations, plans for implementing solutions to issues identified, and a timetable to complete such activities. The response shall be forwarded to the OIIA within 60 days.

#### **IV. Obtaining the Views of Responsible Officials**

When management's response contains comments that are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, the manager and CAE will evaluate the validity of management's comments. If the manager and the CAE disagree with management's comments, the project leader will document the reason for disagreement in TeamMate workpapers and the report. Conversely, if the audit team and CAE determine management's comments are valid and supported by sufficient, appropriate evidence, the report will be modified to reflect the comments.

#### **V. When Management Doesn't Respond Timely**

If management refuses to respond or is unable to respond within a reasonable timeframe, the OIIA shall note that fact in the audit report and the transmittal email that management did not respond; and shall release the audit report.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Communicating Results	Procedure Number	4.05
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 9.56, Report Distribution; GAS 9.68 Discovery of Insufficient Evidence after Report Release	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	5/13/2020

## Chapter 4

### Procedure 4.04 – Issuing Final Audit Report

#### Purpose:

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Final reports are provided to officials responsible for oversight and decision-making, as well as to the public to promote accountability and transparency in DeKalb County government and to protect our independence.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Each audit shall result in a final report, in written or some other retrievable form.

## Issuing the Final Audit Report:

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### I. Introduction

The report shall contain relevant background information, findings, recommendations, and shall communicate results to the Audit Oversight Committee (AOC), the audited agency, and the governing authority.

### II. Issue Report

The OIIA shall include the response from the audited entity in the audit report. The CAE prepares the transmittal e-mail and if no response is received from the audited entity, that fact shall be noted in the report that the audited entity did not provide comments. (*See Procedure 4.03 Exit Conference and Issuing Draft Report, Section V*)

The transmittal email should:

- State that the report has been released (with title and project number).
- Give a brief synopsis of the audit that includes the purpose and what was examined.
- State the result of the engagement and what the conclusion was relative to the objective.
- Attach a pdf copy of the report to the email.
- The project leader should ensure that a copy of the transmittal email is filed with the audit documentation.

The final report is posted to the OIIA website after copies are distributed to the AOC, CEO, Board of Commissioners (BOC), and the audited agency.

As part of the quality assurance and improvement program, there is a survey to obtain feedback from stakeholders that pertain to the performance of the recently completed services and associated report. The audit survey template is titled “**OIIA Post Engagement Client Survey**” (*See Procedure 5.06, Post Engagement Client Survey*). It can be accessed from TeamMate EWP within the project, under the tab “Teammate”. Click the button “Survey” then select “Templates” and then create a survey from the template. The project leader should send out the survey once the final report is issued to the audited entity.

### III. Errors and Omissions:

After the final report has been released and the CAE determines the report contains a significant error or omission, the OIIA will communicate the corrected information to all parties who received the original report. The date of the report should be the revised issue date. (*See GAS 9.68*).



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Communicating Results	Procedure Number	4.05
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 9.56 Report Distribution; GAS 9.68 Discovery of Insufficient Evidence after Report Release	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 4

### Procedure 4.05 – Issuing Final Audit Report

#### Purpose:

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Final reports are provided to officials responsible for oversight and decision-making, as well as to the public to promote accountability and transparency in County government and to protect our independence.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

---

Each audit shall result in a final report, in written or some other retrievable form.

## Issuing Final Audit Report:

---

### I. Introduction

The report shall contain relevant background information, findings, recommendations, and shall communicate results to the Audit Oversight Committee (AOC), the audited agency, and the governing authority.

### II. Issue Report

The staff ensures that the Report Activity and Approval log is completed. The OIIA shall include the response from the auditee in the audit report.

The CAE prepares the transmittal e-mail and if no response is received from the auditee, that fact shall be noted in the transmittal e-mail. (*See Procedure 4.04 Exit Conference and Issuing Draft Report, Section V*)

The transmittal email should:

- State that the report has been released (with title and project number).
- Give a brief synopsis of the audit that includes the purpose and what was examined.
- State the result of the engagement and what the conclusion was relative to the objective.
- Attach a pdf copy of the report to the email.
- The team leader should ensure that a copy of the transmittal email is filed with the audit documentation.

The final report is posted to the OIIA website after copies are distributed to the AOC, CEO, Board of Commissioners (BOC) and the audited agency.

As part of the quality assurance and improvement program, there is a survey to obtain feedback from stakeholders that pertain to the performance of the recently completed services and associated report. The audit survey template is titled “**OIIA Post Engagement Client Survey**” (*See Procedure 5.06, Post Engagement Client Survey*). It can be accessed from TeamMate EWP within the project, under the tab “Teammate”. Click the button “Survey” then select “Templates” and then create survey from template. The auditor-in-charge should send out the survey once the final report is issued to the auditee.

### III. Errors and Omissions:

After the final report has been released and the CAE determines the report contains a significant error or omission, the OIIA will communicate corrected information to all parties who received the original report. The date on the report should be the revised issue date. (*See GAS 9.68*).





# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	4.06
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 3.85f, 3.93-3.95, Quality Control and Assurance	Issue Date:	06/12/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	6/23/2020

## Chapter 4

### Procedure 4.06 – Post Engagement Client Survey

#### Purpose:

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The post client survey is intended to solicit the client's feedback on the performance of the audit, value of the audit report, client engagement, and interaction. The results of the survey should be considered and action plans developed to address identified areas of improvement for the OIIA.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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This procedure applies to all OIIA audit projects and supports ongoing performance monitoring and improvement. Each member of the OIIA plays a role in ensuring quality.

## Post Engagement Client Survey (TeamMate):

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### I. Introduction

After the project is complete and the final report is issued, a Post Audit Client Survey should be administered to the key contact(s) engaged during the audit to solicit feedback on their experience during the audit and suggestions for improvement.

### II. Administering the Survey

The survey should be sent after the final report is issued but before the project completion and close out step and before the project is finalized and sent to Team Central. The following steps should be performed by the Audit Manager of the project.:

1. From within Teammate EWP module, select the 'Review' tab/ribbon.
2. Select the Survey Manager button | from the Survey manger pop-up window select "Create Survey" button and select available Post Client Survey with title: *"OIIA Post Engagement Client Survey"*.
3. The default end date is 14 days from the date the survey is created. This should be adjusted as needed.
4. Select project contacts to receive survey.
5. Click "Next", review details then click "Publish".

**Note:** Next, complete the "Audit Satisfaction Survey" procedure under the Reporting and Wrap-up Program group in EWP. Enter the date the survey was sent and estimated end date. The Audit Manager is responsible for verifying that survey has been sent to client before approving step. All survey sent can be seen verified in Team Central module.

**Important** – to increase survey responses, the Client should be informed at least during the exit conference that they will receive a post engagement survey and the importance of completing the survey. After the survey is sent, the Audit Manager should follow-up with the client to confirm receipt and address any questions or issues the client may have.

### III. View/Access Surveys Results

Survey results are reported/recorded in the Team Central Module. Open Team Central and click "Survey" from menu. Locate the survey with project title and open.

The CAE, Managers and project staff can view survey results; however, the survey results cannot be edited and **should never be deleted**.

Note: There is no automatic notification for receipt of survey results. The auditor should make periodic checks in Team Central

#### **IV. Survey Result Impact / Action Plans**

The CAE is primarily responsible for reviewing survey responses. The Audit manager should also review survey results and meet with the CAE and project team members to review the results and discuss opportunities for improvement. A comprehensive log of areas of improvement identified across projects should be maintained by the CAE with supported by managers. Action plans should be put in place to address issues as needed.

At least annually, the CAE should review the log of survey identified opportunities to identify issues/themes common across projects/teams. Actions plans should be developed to address systemic issues as necessary, which may require staff (re)training, clarification of OIIA manual, etc.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.01
References	GAS 5.02-5.03, Quality Control and Assurance; GAS 5.04, System of Quality Control; 5.05-5.07, Leadership Responsibilities for Quality within the Audit Organization	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 5

### Procedure 5.01 –Roles and Responsibilities in Quality Control and Assurance

#### Purpose:

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The Quality Control and Assurance system encompasses the organization's leadership, emphasis on performing high-quality work, and policies and procedures designed to provide reasonable assurance of complying with professional standards (GAS) and applicable legal and regulatory requirements. Additionally, it includes organizational and personnel management structures, forms, templates, and monitoring tools to help accomplish this goal.

#### Authority:

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Government Auditing Standards (GAS) also known as the "Yellow Book" promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Each member of the OIIA plays a role in ensuring quality. Quality is essential in conducting audit work in compliance with GAS standards and the CAE and other members of audit management are ultimately responsible for the system of quality control.

## **Roles and Responsibilities in Ensuring Quality:**

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### **I. Introduction**

Key elements of quality assurance include:

- Policies and procedures.
- Chief Audit Executive review.
- Project Management.
- Conferences.
- Technical review.
- Post-project evaluation.
- Continuous development of staff (on-the-job training, coaching, performance assessments, and CPE).
- Informal communication and collaboration.

All OIIA employees are responsible for remaining aware of current procedures and why these procedures must be followed and emphasizing the spirit of complying with the procedures.

### **II. Policies and Procedures**

Written policies and procedures have been established for all phases of the audit process and for the key administrative functions within the OIIA to help ensure the achievement of office responsibilities and effective quality control and assurance.

Policies and procedures are communicated to OIIA personnel, readily available on the office's internal SharePoint site, and periodically reviewed during staff meetings and other office gatherings to ensure continued effectiveness and applicability.

### **III. Chief Audit Executive Role**

The CAE is responsible for the overall direction and management of the office.

Specific duties include:

- Developing an annual audit plan considering risks to the County and capabilities and resources of the OIIA to conduct the work.
- Assigning staff members that collectively possess the necessary knowledge and skills to conduct the projects and who are independent.
- Setting overall expectations for performance of critical job elements and conduct.
- Participating in internal project meetings to decide on audit scope and objectives.

- Meeting regularly with the audit team to ensure audits are progressing satisfactorily.
- Reviewing and approving the draft outline, report drafts, and the final report.
- Compiling the results of individual auditors' post-project reviews to fulfill County requirements for an annual performance evaluation.
- Representing the OIIA to the Audit Oversight Committee, County officials and external stakeholders.

#### **IV. Audit Manager's Role**

- The Audit managers assist the CAE in day-to-day management of the office. Specific duties include:
- Supervising team leaders (providing guidance and direction, communicating expectations).
- Monitoring project status and assisting audit teams to manage the projects.
- Reviewing key audit documentation such as referencing review notes and support for complex or sensitive findings.
- Editing draft reports.
- Preparing an annual summary and analysis of the effectiveness of ongoing monitoring procedures.
- Developing procedures, templates, and other tools to guide/aid audit teams.
- Participating constructively in team meetings and internal project reviews.
- Monitoring project status on a day-to-day basis.
- Communicating expectations to audit team members.
- Assigning tasks to balance workload.
- Providing opportunities for professional development.
- Providing feedback to audit team members on how well they meet expectations.
- Directing and instructing audit team members on the conduct of their work.
- Ensuring completed workpapers are accurate, complete, and within the scope of the audit.
- Facilitating internal project meetings or designating a facilitator.
- Documenting timely supervisory review of workpapers (see below).
- Modeling good practices in conducting audit work.
- Establishing a working relationship with auditees.
- Communicating project status and significant impediments to the CAE.
- Evaluating audit team members' individual performance once the project is complete.

## **V. Auditor's Role**

Members of the audit team are responsible for completing assigned work tasks in accordance with policies and procedures. Specific duties include:

- Preparing administrative documents, such as the Auditor Assignment and Independence Statement, Engagement Assignment Sheet, Engagement Budget and Work Plan, Engagement Initiation, Engagement Letter, and key meeting invitations, client communications, milestone summaries, budget and actual analysis, and meeting agendas.
- Defining and completing tasks to achieve goals.
- Documenting work completed by preparing workpapers consistent with policies and procedures.
- Communicating audit progress and significant problems to the audit manager, team leader, and other team members.
- Communicating issues that may require follow-up to the Audit Manager and other team members.
- Establishing a working relationship with audit clients.
- Managing time to meet established deadlines.
- Participating constructively in team meetings.

## **VI. Supervision of the Audit:**

Managers are responsible for ensuring that staff is provided with appropriate tasks, given their skills and proficiencies, and that proper supervision is provided during all phases of an audit. They are responsible for overseeing the individual development of staff through coaching, observation, providing timely feedback, and rating performance.

Manager reviews ensure:

1. Individual workpapers have:
  - a clear purpose that is relevant to the audit objective(s)
  - a clear description of the methodology used
  - a conclusion that addresses the purpose and is consistent with and supported by the type and amount of evidence presented
  - accurate data entry and calculations
2. The body of audit workpapers is complete, accurate, and logically organized.

Workpapers with these characteristics allow readers to draw sound conclusions based on appropriate evidence and to systematically link findings and recommendations to the work conducted.

Managers must review audit documentation in a timely manner. Timeliness depends on the nature of the work and the experience level of the staff members conducting the work. Work conducted by less experienced staff and complex work or work that provides the basis for additional steps should be reviewed within a few days of completion. Managers should review audit documentation as soon as practical.

Auditors are responsible for promptly addressing and resolving questions and concerns raised in their manager's review. Managers must ensure all outstanding questions or comments have been satisfactorily resolved before approving a workpaper. Managers should document the extent to which they verified data entry, calculations, formulas, query language, and other content that forms the basis of conclusions using tick marks or other notations on the workpaper. Documents such as agency manuals or regulations need not be individually signed. Documents in the administrative binder that the team prepares for internal or external communication (such as internal meeting documents or engagement letters) do not require evidence of management review.

#### **Other Key Elements of OIIA's Quality Control and Assurance System:**

- Internal meetings help to ensure audit quality by drawing on the strengths of each member of the team to identify risks, develop sound methodologies, and determine and resolve potential weaknesses in evidence and conclusions.
- The Audit Manager is responsible for ensuring the audit is conducted in accordance with GAS standards and internal policies and procedures.
- Technical review of the draft report ensures that the report accurately and objectively conveys the results of the work and that findings and conclusions in the report are based on sufficient, appropriate evidence.
- Project closeout reviews help to ensure our controls are working effectively and provides the basis, along with post-project evaluations, to annually review, assess and identify opportunities for improvement.
- Post-project evaluation of the audit manager and the auditors working on the project helps to provide feedback to resources participating on the project and to identify strengths and weaknesses of individual projects to facilitate individual and organizational learning.
- Staff development helps to ensure audit quality by ensuring staff members are competent and motivated.





## 6/Office of Independent Internal Audit

### Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.02
References	GAS 5.01 – 5.06, Quality Control and Assurance; GAS 8.87-8.89 Supervision	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	6/23/2020

## Chapter 5

### Procedure 5.02 – Post-Project Evaluation

#### Purpose:

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Post-project evaluations are to facilitate individual and organizational learning by assessing individuals' strengths in performing primary job duties, identifying opportunities to strengthen performance, and systematically identifying situational factors that help or hinder performance.

#### Authority:

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Government Auditing Standards (GAS) also known as the "Yellow Book" promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Audit projects do not end with the issuance of the audit report. Post project reviews and evaluations apply to all audit projects and are important in ensuring quality control and assurance. Each member of the OIIA plays a role in ensuring quality. The CAE and other members of audit management are ultimately responsible for the system of quality control.

#### Post Project Evaluation:

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#### I. Introduction

Post-project evaluations:

- Provide the employee with structured feedback on performance to supplement on-going, informal coaching and feedback.
- Provide the employee an opportunity to assess his/her performance.
- Provide the employee an opportunity to give feedback on performance management and systems and team performance.
- Provide a basis for the CAE to compile annual performance reviews to fulfill County requirements.
- Serve as a mechanism to monitor whether our controls are working effectively.

The quality of work products is assessed through documentation of review and the quality of process participation is assessed through observation. The identification of expectations for both work products and process participation are essential because both are important aspects of performing quality audits within the context of teamwork where successful performance requires interaction. Assessment of outcomes alone rarely provides useful diagnostic information.

## II. Roles

The audit manager and the CAE are jointly responsible for documenting discussions with auditors regarding performance of their primary job duties at the close of each project. The use of the form for self-assessment and structured feedback throughout the project are encouraged. The audit manager should generally schedule review meetings within four weeks of the date on which the report will be released to the public.

The audit managers should use [the EMPLOYEE PROJECT EVALUATION FORM and the CAE and/or DCAE should use the MANAGER PROJECT EVALUATION FORM](#) and provide structured feedback throughout the project.

### Steps in Post-Project Review

1. Ensure the Customer Satisfaction Survey has been completed by the audit client.
2. Incorporate feedback from the survey into the post project evaluation where appropriate.
3. Schedule the meeting. (Audit Manager)
4. Identify tasks that the employee worked on during the project.
5. Review expectations related to each job activity and audit phase.
6. Summarize perceived strengths and opportunities for improvement related to each job activity/audit phase in post-project review.
7. Focus on primary duties.
8. Consider both outcomes and processes.
9. Provide specific examples from work products/observations.
10. Describe performance in terms of quality and timeliness expectations, not compared to another employee's performance.

11. Note factors that helped or hindered the individual's performance, which can include others' performance, management support, technical support, adequacy of materials and equipment, etc.
12. Hold meeting and explain the purpose of the meeting:
  - a. Have formal documentation of the employee's performance on each project.
  - b. Allow employee the opportunity to assess his/her own performance and compare.
  - c. Allow the employee the opportunity to share information on project management, use of systems, and overall team performance.
  - d. Use this information as a basis for the annual performance appraisals to fulfill County requirements.
13. Share assessments of strengths, opportunities for improvement, and factors that helped or hindered performance. Discuss:
  - a. Differences in perception of performance.
  - b. Factors supporting most successful efforts.
  - c. Challenges/obstacles.
  - d. How the organization can support efforts to strengthen work performance.
14. Close the discussion.
  - a. Summarize key points of meeting and areas of agreement and disagreement.
15. When Meeting is completed.
  - a. Make copies of forms for audit manager, auditor, and team members.
  - b. Review to identify developmental needs and consider other ways to better support performance.
16. Use the review to prepare the annual review to fulfill County requirements.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.03
References	HB 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 4.01 – 4.53 Competence and Continuing Professional Education (CPE)	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	6/23/2020

## Chapter 5

### Procedure 5.03 –Continuous Development and CPE

#### Purpose:

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Continuous development and/or the attainment of Continuing Professional Education (CPE) credits are necessary ensure staff develop and maintain professional competence to effectively perform critical job tasks.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Every member in the OIIA is required to play a role in their continued professional development. Participating in creating their professional development plan ensures the employee is invested in achieving plan goals.

## **Continuous Development and CPE:**

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### **Continuous Professional Development**

On-the-job training and other work activities intended to meet an individual's professional development goals.

HB 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit describes certification requirements for the CAE. Acceptable OIIA certifications include:

- CFE (Certified Fraud Examiner).
- CGAP (Certified Government Audit Professional – No longer offered by the IIA).
- CGFM (Certified Government Financial Manager).
- CIA (Certified Internal Auditor).
- CISA (Certified Information Systems Auditor).
- CPA (Certified Public Accountant).
- CRMA (Certification in Risk Management Assurance).

To support audit staff in becoming certified, the OIIA will provide current study guides and allow auditors up to ten hours of scheduled work time per exam part to prepare for a certification exam. The time must be scheduled through the auditor's manager to avoid conflict with key deadlines. Additional in-office study hours will not be granted for re-taking any portion of an exam. Four (4) days of approved Administrative Leave with pay will be granted- three (3) days for exam prep and one (1) day to take the exam.

The OIIA will reimburse one-half of the fees for each part of the exam after the staff member has passed a part. Reimbursement is allowed only once per part; fees for repeating a part will not be reimbursed. In addition, the OIIA will reimburse one-half of the initial registration fees after the staff member has passed the entire exam. Employees can request reimbursement by completing the CERTIFICATION REIMBURSEMENT REQUEST FORM 5.03.01.

Employees that receive reimbursement under this policy must sign an agreement to the following conditions, in a form acceptable to OIIA and HR:

1. An employee who voluntarily separates from, retires, or is terminated for cause from employment with the County less than two years after completing

the exam or parts thereof, will be required to return the percentage of the reimbursement amount that is shown, in the manner described herein.

2. Repayment will be due on the final day of employment, and/or deducted from any payments due the employee, i.e., leave payout or paycheck, to the extent permitted by law. If such amounts are not repaid and cannot be recovered from the employee's final paycheck or payout, the County may take legal action to recover the amount that the employee owes but has not returned. Employee must return the percentage of the reimbursement funds indicated in the chart below if the employee separates from employment within the following numbers of months after completing the last exam for which reimbursement was received:

**Repayment Schedule if Employee Terminates:**

Months	Percentage
Under 12 months	100%
12 months - under 18 months	50%
18 months - under 24 months	25%

**Certification and License Incentive Pay.** Auditors who attain a professional certification or license from the list approved by the CAE shall receive an increase in pay for each certification and/or license. The amount of increase or decrease will be consistently applied in accordance with a pre-established schedule. *(5% for CIA, CISA, and CPA. 2.5% for other certifications that apply to auditor's job).* Failure to maintain the certification could result in a commensurate reduction in salary.

**Additional certifications.** Auditors who attain additional, approved certifications receive incentive pay as described above.

**Membership in Professional Organizations.** Auditors are encouraged to participate in the activities of professional organizations that are related to government or auditing, such as:

- Association of Local Government Auditors.
- American Society for Public Administration.
- Association of Airport Internal Auditors.
- Association of Certified Fraud Examiners.
- Association of Government Accountants.

- Georgia Society of Certified Public Accountants.
- Government Finance Officers Association.
- Information Systems Audit and Control Association.
- Institute of Internal Auditors.
- Institute of Management Accountants.
- National Association of Black Accountants.
- National Forum for Black Public Administrators.
- Information Systems Security Association.

Participation may include attendance at local chapter meetings or serving on a committee or board of a professional organization. The OIIA holds group memberships in the Association of Local Government Auditors and the Institute of Internal Auditors. Upon approval by the CAE, the OIIA will pay the annual membership dues for auditors who belong to other professional organizations based on a pre-established amount and available budget resources each year. Auditors may submit reimbursement for membership fees by submitting the [MEMBERSHIP REIMBURSEMENT REQUEST FORM 5.03.02](#). Auditors should ensure that publications and other resources that are benefits of membership are shared within the office. Place periodicals in the library.

### **Continuing Professional Education**

For the OIIA, CPE refers to individual or group structured educational activities with learning objectives designed to maintain or enhance participants' knowledge and skills relevant to government performance auditing. All audit staff are required to comply with the GAS CPE requirement that auditors should complete at least 80 hours of CPE every two years. At least 24 of the 80 hours of CPE should be in subjects directly related to government auditing, the government environment, or the specific or unique environment in which the audited entity operates. At least 20 of the 80 hours should be completed in any 1 year of the 2-year period. The OIIA budgets funds annually to provide opportunities for CPE and monitors individual and organizational compliance with GAS requirements. The OIIA will also budget funds to provide opportunities for auditors to earn CPE required to maintain their professional certification or license, but auditors are responsible for monitoring and reporting CPE to the certifying body.

**Identifying CPE opportunities.** The audit managers consult with the CAE and audit staff to identify training opportunities. Our goal is to average at least 40 hours of training per auditor per year. The audit manager and CAE will ensure that training is

in subject matters that meet GAS requirements. Auditors are responsible for being aware of training requirements related to their professional certifications. If the certification is a requirement of the position or the auditor received incentive pay when certification was obtained, the auditor must ensure that the certification remains active and that they comply with all related requirements.

The auditor will complete and submit a [TRAINING REQUEST FORM 5.03.03](#) for approval by audit manager and CAE for any training they plan to attend.

**Measurement period.** The OIIA uses a fixed measurement period to monitor CPE compliance. For example, calendar year 2017-2018 is one measurement period while 2019-2020 is another measurement period. The requirements for auditors not on staff during the entire measurement period are prorated. Auditors hired or assigned to a GAGAS engagement after the beginning of an audit organization's 2-year CPE period may complete a prorated number of CPE hours, the CAE will define a prorated number of hours based on the number of full 6-month intervals remaining in the CPE period. For example, if the CAE assigns a new auditor to a GAGAS engagement in May 2019 during the 2-year CPE period running from January 1, 2019, through December 31, 2020. OIIA may calculate the prorated CPE requirement for the auditor as follows:

- a. Number of full 6-month intervals remaining in the CPE period: 3
- b. Number of 6-month intervals in the full 2-year period: 4
- c. Newly assigned auditor's CPE requirement:  $\frac{3}{4} \times 80 \text{ hours} = 60 \text{ hours}$

Also, when auditors are newly hired or newly assigned to GAS engagements and have had some previous CPE, the CAE has the flexibility of choosing between using a pro-rata approach or evaluating whether, and to what extent, any CPE already taken in that period would satisfy GAS CPE requirements.

**Tracking.** Auditors are responsible for giving their CPE Certificates, which should include the type of training activity, date, sponsoring organization, title/subject of training, and the number of government-related and nongovernmental hours, to the OIIA Administrative Assistant. The Administrative Assistant will maintain a spreadsheet of every training session that an employee attends in preparation for the OIIA peer review. OIIA's practice is to consider training that is sponsored by a government organization, attended primarily by government auditors, or contains a subject matter that clearly relates to government in order to fulfill the 24-hour requirement.

The CAE will check the completeness of the spreadsheet and spot-check accuracy quarterly.



If auditors are requesting CPE for preparing course material or publishing an article, the record should include:

- A written statement of the number of hours claimed.
- Contact information for the publisher or sponsor of the training.
- A copy of the materials prepared or article published.

GAO's guidance describes how to calculate CPE hours for training courses and preparing materials for presentation or articles for publication.

The auditors should use professional judgment and consult with their audit manager and the CAE when determining what specific subjects qualify for the CPE requirement. When approving training requests, the audit manager and the CAE may consider probable future engagements to which the auditor may be assigned to satisfy the 24-hour and the 56-hour CPE requirements.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.04
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 5.01 – 5.59, Quality Control and Assurance	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	06/23/2020

## Chapter 5

### Procedure 5.04 – Quality Control Review Process

#### Purpose:

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The purpose of this document is to define the engagement Quality Control Review process. An audit organization conducting engagements in accordance with GAGAS, must establish and maintain a system of quality control that is designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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The Quality Control Review Process applies to the work of all OIIA employees and is designed to ensure work performed on all OIIA projects is consistent with the standards recommended by GAGAS and OIIA policies and procedures. All documentation of compliance with OIIA policies and procedures and audit standards should be maintained according to the County’s retention guidelines as outlined in *Procedure 7.03*,

*Workpaper Retention*, to enable those performing monitoring procedures and peer reviews.

## **Quality Review Process:**

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### **I. Introduction**

This procedure applies to all working papers and reporting products prepared by OIIA audit staff. Comprehensive review of working papers and report drafts is one of the most important quality controls and is an integral part of producing a quality product. Each staff member associated with an engagement<sup>1</sup>, at all levels within the OIIA, is responsible for preparing quality products.

Key control steps and deliverables have been identified in the process. These steps are:

- Project Initiation and Administration.
- Audit Planning
- Audit Fieldwork.
- Communicating Results.

The quality control review is initiated after the fieldwork phase prior to the exit conference and is finalized after the final report is issued. The quality control review is documented within TeamMate using the Quality Control Checklist.

### **II. Working Paper/ Report Review**

Working papers and draft products shall be reviewed by the Lead Auditor, personnel of equal or higher experience, and/or the Audit Manager. The reviewer shall ensure the working papers comply with GAGAS standards and OIIA policies, and procedures. The purpose of the review is to ensure:

- Accuracy.
- Reasonableness of performance (i.e., were steps performed correctly?).
- Reasonableness of judgments.
- Completeness of steps.
- Recording and validation of exceptions.
- Questions are answered.
- Issues are resolved.
- Inappropriate generalizations and/or extrapolations are avoided.

Working papers should provide a reasonable basis for conclusions. Therefore, evidence in working papers should be sufficient, competent, and relevant.

The reviewer is expected to:

- Give an appraisal about the overall performance of the working papers and/or product.
- Explain what should be done to correct the working papers and/or product.
- Use the review to develop staff.
- Start and end on a positive note.

The reviewer should:

- Focus on quality and not quantity.
- Avoid comparing the work of one auditor to that of another - audit work should be reviewed objectively on its own merits and deficiencies.
- Evaluate the work against established standards and practices.
- Give appropriate compliments/criticism openly, honestly, and timely.
- Document work that needs to be completed or corrected – the reviewer should not complete or correct the work of the auditor.
- Verify that review notes are appropriately addressed before signing off on the working paper(s).

The frequency and nature of management's review will depend on the experience levels of staff as well as the complexity and anticipated duration of the engagement.

The manager of each engagement should conduct informal status meetings with the staff. These status meetings are used to maintain appropriate supervisory review of the engagement and the working papers. The status meeting notes constitute evidence of engagement supervision and review required by professional standards.

Reviews of the working papers and draft products must be documented by each reviewer to ensure communication with staff, and compliance with supervision and review requirements. Reviews should be performed and documented periodically throughout the engagement, not just during the final review.

Review notes should be positive in tone, clear, and include instructions needed to make corrections. In general, four methods are acceptable:

1. Prepare review notes in a single document.
2. Prepare review notes in individual work papers using embedded comments.
3. Prepare handwritten notes. This method is least acceptable but may be used if circumstances dictate.
4. Prepare notes in TeamMate for auditors to address in the workpapers or respond to in the workpapers.

Auditors shall address and respond to all review notes. In some cases, an appropriate action is to respond with "Noted." All review note responses shall include the auditor's initials and the date the review note was addressed. It is essential that the reviewer follow up on all review notes to make sure changes are appropriate and adequate. Once this step is complete, the reviewer should sign-off/approve the working papers and/or product.

The lead auditor's and manager's review of working papers is documented in the form of review notes (as discussed above.) If the review of working papers took place during a status meeting, the manager will prepare a "Note to the File" documenting the extent of the review. This review includes the working papers, draft release, distribution list and final report.

### **III. Quality Control review**

Quality control review is a mandatory engagement program step of the Reporting phase. A quality control review is conducted to ensure:

- The objectives of the assignment were achieved.
- The conclusions expressed are consistent with the results of the work performed.
- The work was performed according to professional standards and OIIA requirements.
- The work performed and the results obtained are adequately documented and support the auditor's opinion.
- All significant matters were resolved.

This review should be performed prior to completing the draft report. The manager will decide who will conduct the quality control review based on the engagement scope and complexity, staff experience level, and workload. For engagements that result in an audit report or advisory memorandum, the audit report will be reviewed by an audit manager who is not involved in the audit project.

The working papers and the report may be submitted for quality control review by another senior auditor if the finding and recommendations are complex and need another detail review to verify the findings and recommendations are supported.

#### **IV. Product Review Objectives**

The manager is responsible for reviewing end products, including all working papers. For complex audit engagements or findings, the CAE will instruct another manager unassigned to the project to review crucial audit documentation. The objectives of product reviews are to ensure that:

- Products are accurate, objective, clear, concise, constructive, complete, convincing, and timely.
- Products are in proper format and comply with GAGAS audit standards and OIIA policies and procedures.
- All elements of an audit finding (condition, criteria, cause, effect and recommendation (if applicable)) are present for each finding.
- The working papers fully support the findings.
- The working papers and report or memorandum meet GAGAS professional standards.

#### **V. Chief Audit Executive Review**

The Chief Audit Executive will review all significant work products. The results of the quality control and product review will be completed prior to the CAE review and the documentation of the results of these reviews should accompany the request for the CAE review. The CAE's review includes approval of the draft release, distribution list, and final report. This review will typically be confined to the report, as working paper issues should be resolved by this point.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.05
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 5.01-5.59, Quality Control and Assurance	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 5

### Procedure 5.05 – Annual Internal Quality Assurance Self-Assessment

#### Purpose:

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To ensure the Office of Independent Internal Audit (OIIA) is operating in compliance with professional standards, laws, codes, ordinances, and OIIA policies and procedures.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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This procedure is performed on an annual basis and applies to all audits and reviews performed by the OIIA. In addition, this procedure applies to administrative functions of the OIIA.

## Annual Internal Quality Assurance Self-Assessment:

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### I. Introduction

The OIIA is dedicated to the performance of the highest quality work in fulfilling its responsibilities. To ensure a high level of quality is maintained, a quality assurance program will be followed. This program includes the following:

- A system of quality control emphasizing high quality work and providing reasonable assurance of compliance with professional standards and applicable legal and regulatory requirements. The Chief Audit Executive (CAE) is responsible for ensuring the quality of audits and other engagements and for ensuring staff is knowledgeable about the OIIA's policies and procedures relating to quality.
- Quality control reviews of each assignment by appropriate levels of staff and management.
- Internal quality assurance reviews of audit reports, working papers, office administration and operational activities performed by personnel within the OIIA.
- The audit activities of the OIIA shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA).

The quality control review process is detailed in ***“Procedure 5.04 – Quality Review Process”*** of the OIIA Procedure Manual.

### II. Annual Internal Quality Assurance Self-Assessment Program

Annually, the OIIA will conduct an Internal Quality Assessment utilizing tools from the Peer Review Guide issued by the Association of Local Government Auditors. These reviews are conducted to:

- Ensure compliance with GAS standards and OIIA policies and procedures.
- Evaluate the use of audit tools and assignment methodology.
- Provide recommendations for improving OIIA functions;
- Provide insight into the level of effectiveness and efficiency;
- Prepare the OIIA for the external peer review



- A. Ongoing assessments are conducted through:
1. The use of checklists to assist the reviewer in determining whether processes adopted by the audit activity (e.g., as documented in OIIA's Policies and Procedures Manual) are being followed;
  2. Feedback from audit customers and other stakeholders;
  3. Quality control reviews of each engagement;
- B. Annual internal assessments are conducted using a program based on the Association of Local Government Auditors Peer Review Guide. This program has been loaded into TeamMate.
1. The CAE will select a manager to complete the self-assessment;
  2. The manager will select audits to include in the assessment that were not under their management;
  3. A draft report will be prepared with the results of the assessment and this report will be distributed to the CAE for a response. Once the CAE prepares a response the final report will be distributed to the:
    - a. Chief Audit Executive
    - b. Audit Oversight Committee
- C. The OIIA will obtain an independent assessment (peer review) every three years (**See procedure 5.06, Peer Review**). The CAE will schedule and arrange the review and ensure results are communicated to the:
1. Chief Audit Executive
  2. Audit Oversight Committee
  3. Board of County Commissioners
  4. OIIA staff



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.06
References	House Bill 599(2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS, Quality Control and Peer Review	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 5

### Procedure 5.06 – Peer Review

#### Purpose:

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The peer review is performed to get an independent assessment of whether OIIA's internal quality control system is adequately designed and was followed over a defined period to provide reasonable assurance that its work complied with GAS.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the "Yellow Book" promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Peer reviews apply to all OIIA audit activities and the system of quality control followed by employees during engagements. They provide an opportunity to obtain constructive feedback from other audit professionals on practices that are functioning well and opportunities for improvement.

## Peer Review:

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The audit activities of the Office of Independent Internal Audit shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA).

The peer review will use applicable government auditing standards to evaluate the quality of audit effort and reporting. Specific quality review areas include staff qualifications, adequacy of planning and supervision, sufficiency of work paper preparation and evidence, and the adequacy of systems for reviewing internal controls, fraud and abuse, program compliance, and automated systems. The peer review also assesses the content, presentation, form, timelines, and distribution of audit reports. The Commission will pay for the costs of the peer review.

The peer review should be sufficient in scope to provide a reasonable basis for determining whether, for the period under review, (1) OIIA's system of quality control was suitably designed and (2) OIIA is complying with its quality control system so that it has reasonable assurance that it is performing and reporting in conformity with professional standards and applicable legal and regulatory requirements in all material respects.

A copy of the written report of such independent review will be furnished to the:

1. Audit Oversight Committee
2. Board of County Commissioners
3. Chief Audit Executive
4. OIIA Staff

The CAE is responsible for scheduling and arranging the review and communicating results to the Audit Oversight Committee and Board of County Commissioners. Reviewers will be provided full access to documents and staff needed to conduct the review.

OIIA will carefully review the opportunities for improvement with the peer review team and take steps to correct deficiencies in a timely manner.

The CAE strongly encourages the audit staff to obtain the appropriate training and to participate in peer reviews of other organizations.

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# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.07
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 3.82b, 3.96-3.104, Quality Control and Assurance	Issue Date:	08/24/2017
		Effective:	08/24/2017
Approved: John L. Greene, Chief Audit Executive		Amended:	05/17/2019

## Chapter 5

### Procedure 5.07 – Project Completion & Closeout

#### Purpose:

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The project closeout is to prepare working papers for archiving and to provide a mechanism to monitor whether our quality control procedures are being effectively applied in each engagement to reasonably assure compliance with GAS.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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This procedure applies to project completion and finalization and supplements ongoing monitoring.

## Project Closeout:

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### I. Introduction

Project closeout checklists provide the basis, along with post-project evaluations, to annually review and assess our quality assurance system to identify opportunities for improvement.

### II. Project closeout checklist **This is currently being developed (as of 6/30/20)**

The audit manager is responsible for completing or delegating completion of the project closeout checklist. The Lead Auditor should complete the checklist as part of preparing post-project evaluations (see Procedure 5.02 Post-Project Evaluation). The completed checklist is reviewed/signed-off by the project manager.

The checklist summarizes GAS requirements and our procedures for meeting requirements. The team auditor should link to workpapers where applicable to document that the team followed the procedure in conducting the audit. Note that not all our procedures will have documentation within the workpaper files – some records, such as the CPE log and annual financial disclosures, are maintained centrally. Some documents will only be applicable in certain cases, such as when the team identifies indicators of potential fraud during the course of audit work.

The audit manager assesses whether the team followed our procedure, didn't follow the procedure, or whether the procedure was not applicable to the engagement, and provides explanatory comments, particularly when the procedure wasn't followed. One of the audit managers not assigned to the project should review the completed checklist review within 4 weeks of an audit's public release.

The completed Project Closeout Checklist should be uploaded to the related step in the project Reporting & Wrap-up program group in TeamMate.

If we find a significant error after the report is released, we will assess the impact of the error on the overall report with the CAE and Audit Oversight Committee to determine how to correct the report. We will follow the same report distribution policies with a correction or revision as we did with the initial report.

## Project Finalization (TeamMate):

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### I. Introduction

Project finalization occurs when the fieldwork and final reports have been issued. TeamMate EWP contains a finalization process that checks each procedure step, procedure summary, exception, supporting workpaper, and coaching notes for preparation and review sign-offs.

**Note:** Prior to finalization, the Audit Manager must review the 'Sign-off Status' to ensure that all procedures, schedules, coaching notes have been signed-off as

prepared and reviewed. It is also OIIA policy to discontinue finalization if, during the finalization process, TeamMate detects any of the following:

- Procedure steps not signed-off as prepared or reviewed.
- Work papers not signed-off as prepared and/or reviewed.
- Exceptions not signed-off as prepared and reviewed.
- Coaching notes not addressed and cleared.

As a policy, coaching notes are **not** deleted during finalization of OIIA projects. The finalization process converts all team roles to read-only status. Only a team member with *Reviewer* rights, at a minimum, can perform the finalization process. In the unlikely event that changes to the project file are required after finalization, TeamMate also creates an emergency back-up copy of the master file that can be restored.

First step, the project “Milestones” under the EWP “Home” tab should be updated to reflect actual dates.

The project ‘Status’ under the “Home” tab in EWP will be updated as follows, no steps should be skipped:

- *Post Fieldwork (Draft Report)* – the project file will be scanned to verify that all schedules and procedures have been signed-off and coaching notes do not remain open. If schedules and procedures are not signed-off, or coaching notes remain open, a warning will be displayed listing the items not meeting the scan criteria. The preparer must stop at this point and address any identified issues before proceeding.
- *Responses Accepted* – set the actual date for this status.
- *Issued (Final Report)* – set the actual date for this status. Also changes the entire project to read-only status. All issues are included in TeamCentral reports but are not yet released to TeamCentral Implementation Tracking.
- *Implementation Tracking (Released to TeamCentral)*. the project status is set to Implementation Tracking, and the project is sent to/available in TeamCentral.

## **II. TeamStore Sharing (Optional – requires Manager/CAE Approval Only)**

TeamMate can help to promote consistency and improve efficiencies by allowing you to share information between teams and projects. If approved by the Manager and CAE, Work Programs, Work Papers, Issues, Risks and Controls can be made available in the for use by other teams and projects. This is done through the TeamStore.

To send to TeamStore:

1. Go to the Review ribbon | TeamStore Sharing panel and then select Send Programs, Send Work Papers, Send Issues, Send Risks or Send Controls.
2. Complete the selections in the TeamStore Send Wizard. You can select **All** or include only the items you need. Click Next to page through the options.
3. Select the Destination.
4. Select the replace Options at the bottom of the page and then click Finish.
5. This place the information in a 'holding cabinet, which is later reviewed by the Project Manager/CAE. Once items have been reviewed and approved, they are moved to the current database (OIIA Team Store).





# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Quality Assurance	Procedure Number	5.08
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 3.85f, 3.93-3.95, Quality Control and Assurance	Issue Date:	
		Effective:	
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 5

### Procedure 5.08 – Post Engagement Client Survey

#### Purpose:

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The post client survey is intended to solicit the client feedback on the performance of the audit, value of audit report, client engagement and interaction. The results of the survey should be considered, and action plans developed to address identified areas of improvement for the OIIA.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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This procedure supports on-going performance monitoring and improvement. Each member of the OIIA plays a role in ensuring quality.

## Post Engagement Client Survey (TeamMate):

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### I. Introduction

After the project is complete and the final report is issued, a Post Audit Client Survey should be administered to the key contact (s) engaged during the audit to solicit their feedback on their experience during the audit and suggestions for improvement.

### II. Administering the Survey

The survey should be sent after the final report is issued but before the project completion and close out step and before the project is finalized and sent to Team Central. Use the following steps should be performed by the auditor in charge of the project.:

1. From within Teammate EWP module, select the 'Review' tab/ribbon.
2. Select the Survey Manager button | from the Survey manger pop-up window select "Create Survey" button and select available Post Client Survey with title: *"OIIA Post Engagement Client Survey"*.
3. The default end date is 14 days from the date the survey is created. This should be adjusted as needed.
4. Select project contacts to receive survey.
5. Click "Next", review details then click "Publish".

**Note:** Next complete the "Audit Satisfaction Survey" procedure under the Reporting and Wrap-up Program group in EWP. Enter the date the survey was sent and estimated end date. The Audit Manager is responsible for verifying that survey has been sent to client before approving step. All survey sent can be seen verified in Team Central module.

**Important** – to increase survey responses the Client should be informed at least during the exit conference that they will receive a post engagement survey and the importance of completing. After the survey is sent the client should be follow-up with to confirm receipt and address any questions or issues the client may have.

### III. View/Access Surveys Results

Survey results are reported/recorded in the Team Central Module. Open Team Central and click "Survey" from menu. Locate the survey with project title and open.

The CAE, Managers and project staff can view survey results; however, the survey results cannot be edited and **should never be deleted**.

Note: There is no automatic notification for receipt of survey results. The auditor should make periodic checks in Team Central

#### **IV. Survey Result Impact / Action Plans**

The CAE has primary responsibility for review survey. The project manager also reviews results and should meet with the CAE and project team members to review results, identify areas for improvement. A comprehensive log of areas of improvement identified across projects should be maintained by the CAE with supported by managers. Action plans should be put in place to address issues as needed.

At least annually the CAE should review the log of survey identified opportunities to identify issues/themes common across projects/teams. Actions plans should be developed to address systemic issues as necessary, which may require staff (re)training, clarification of OIIA manual, etc.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Audit Follow-up	Procedure Number	6.01
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinances / Organizational Act; GAS 3.72, Other Services Provided by Government Audit Organizations	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	06/02/2020

### Chapter 6 Reviewed by John Greene on 6/2/20

## Procedure 6.01 – Audit Follow-Up (*Monitoring Progress of disposition of Audit Results*) and Reporting

### Purpose:

The CAE establishes a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. The follow-up process is conducted as “*Other Services Provided by Government Audit Organizations*” that provides independent verification of the implementation status of management action plans outlined in the management response to the audit report.

When the CAE concludes that management has accepted a level of risk that may be unacceptable to the organization, the CAE will report the matter with senior management. If the CAE determines that the matter has not been resolved satisfactorily, the CAE must communicate the matter to the Audit Oversight Committee, the CEO, and the Board of County Commissioners.

### Authority:

House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A- Independent Internal Audit. Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

## **Applicability:**

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Following up on the status of audit recommendations and management action plans documented in management's response to the audit report helps ensure that management has taken effective action to address significant risks to the organization. While the resolution of the risk is not the responsibility of the CAE, the audit organization should identify the risk accepted by management through monitoring progress on actions taken by management to address prior audit findings and recommendations.

## **Audit Follow-Up and Reporting:**

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### **I. Introduction**

One of the OIIA duties under House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, and incorporated into DeKalb County, Georgia – Code of Ordinances / Organizational Act Section 10A-Independent Internal Audit is the CAE shall submit an annual report to the Audit Oversight Committee, Chief Executive, and the Commission indicating audits completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management. The annual report, in written or some other retrievable form, shall be made available to the public through the county website within ten days of submission to the Commission.

The OIIA has developed a database to track internal audit reports, recommendations, and management action plans outlined in their response. The TeamMate Central system contains:

- Audit report titles.
- Recommendations and owners.
- Management responses and action plans.
- Target and actual implementation dates.
- Follow-up plans.
- Implementation status (Implemented/Partially Implemented/Not Implemented/In Progress/Follow-up Pending/No Verification).
- Follow-up status (Open/Closed).
- Analysis.
- Future notes.
- Next follow-up.
- Type of risk.
- Level of management agreement.

## **II. Follow-up and Reporting**

The CAE has developed a dashboard to fulfill HB 599 annual reporting requirement. The dashboard contains data on implementation status, follow-up status, management agreement, and aging. Additionally, a downloadable spreadsheet contains analysis about each recommendation and the CAE maintains a spreadsheet about the finding and the status of reporting on them.

Audit staff should become familiar with the follow-up database - TeamMate Central Implementation tracking. The TeamMate Central Implementation tracking database Instructions document, which is available on Teammate by pressing "F1" while in TeamMate Central.

These procedures supplement the technical instructions to summarize auditors' responsibilities for entering information into the database and how the information will be used.

## **III. Updating the Database and Communicating Follow-Up Schedule to Auditee Management When Reports are Issued**

During the course of the audit, the audit team will request the estimated timeline for management to complete the action plan documented in the response. The audit follow-up will be scheduled based on the timeline management has indicated. If the audit manager believes this date is unreasonable, it will be brought to the attention of the CAE and discussed with management to determine the final follow-up date. The final follow-up date determined by the CAE and the audit manager will be communicated to management before the final report is issued. The audit lead is responsible for entering the required data into the database within one week after the report is issued.

The normal monitoring process for audits will follow the schedule outlined below:

1. Twelve months after the report is issued or immediately after the anticipated completion date supplied in management's response, communication will be initiated with the program area to identify the status of the management action plans included in the management response. This may be done by sending an email with the spreadsheet where management will provide the status of the management action plan. (See Follow-up OIIA Audit Findings Status Update Form)
2. The auditor should request all documentation which supports the current status of the management action plan. This information will be used to verify the information provided by management in the status update. The CAE will issue a report on the status of the recommendation to the auditee, CEO and BOC and post of the OIIA website.
3. If management action plans are still open after the second follow-up 24 months, the audit lead will notify the audit manager, the audit manager and the CAE will evaluate the situation and conclude regarding additional follow-ups.
4. If the CAE concludes that the issue will most likely not be resolved, a report communicating the status of the findings and that management has accepted the risk of the unresolved findings will be issued. The report will be distributed to

senior management, the Audit Oversight Committee, and the Board of Commissioners.

As an example, if a report is issued in March, the twelve-month follow-up process will be scheduled for the beginning of April. Once the follow-up work is complete, the CAE will issue a report to management, CEO, BOC, and AOC regarding the status of each finding. If there are management action plans that are still outstanding after 24 months, the CAE will determine whether to perform additional follow-ups or report that management has accepted the risk associated with the open action plans.

The audit team is responsible for communicating the follow-up schedule to the auditee at the completion of the audit, documenting work to determine the implementation status, follow-up status, and to summarize auditor analysis of the recommendations. If the management action plans remain open, the audit team is responsible for updating management intent, future notes, and next follow-up date. The audit manager and CAE are responsible for documenting approval of the implementation status and follow-up status.

The audit team is responsible for completing the follow-up communications template and submitting it to the CAE. The CAE is responsible for reviewing the communication and sending it to management.

The audit team is responsible for updating the follow-up sections under management data and auditor data within one week after the CAE communicates the results to management.







# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Record Retention	Procedure Number	7.01
References	GAS 5.06; GAS 6.36; Georgia Open Records Act	Issue Date:	08/24/2017
		Effective:	08/24/2017
Approved: John L. Greene, Chief Audit Executive		Amended:	05/17/2019

## Chapter 7

### Procedure 7.01 – Open Record Requests

#### Purpose:

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Comply with Georgia Open Records Act to support transparent, accountable government.

#### Authority:

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Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office and Georgia Open Records Act.

#### Applicability:

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Audit workpapers for completed projects generally meet the definition of a public record open to the public for inspection.

#### Open Record Requests:

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#### I. Introduction

Workpapers sometimes contain information that is specifically exempted from the open records act, such as social security numbers, an individual’s medical history, bank account numbers, information related to pending investigations, information related to pending real estate acquisitions, cost estimates or bids prior to the final award, and privileged attorney-client communications.

Audit staff should be familiar with the general requirements of the Georgia Open Records Act. All requests for copies of workpapers should be directed to the CAE or Audit Manager for guidance on how to respond. We will seek guidance from the Audit Oversight Committee Attorney to ensure that we fully comply and only release allowable information.

When requested workpapers contain information exempted from the Georgia Open Records Act, audit staff will copy the document(s) containing exempted information, redact the exempted information, and substitute the redacted copy for the original copy in the workpapers. The original copy of the documents will be moved to a separate file and retained. The working paper index should be annotated to indicate which documents have had information redacted from them.

Audit staff is responsible for coordinating with their audit manager to estimate the cost of searching, retrieving, and copying documents and providing that information to their audit manager or CAE for communication to the requestor prior to fulfilling the request. The administrative assistant will prepare an invoice for the allowable charges to the requestor and will provide copies of the requested working papers to the requestor after receiving approval for their release from the CAE or Audit Manager.

The act does not require requestors to make their request in writing or to mention the Georgia Open Records Act. It is preferable to get the request in writing to avoid misunderstanding.

The act does not require agencies to summarize, compile or produce reports or information not in existence at the time of the request or to provide access to computer systems or programs.

## **II. Key Parts of the Georgia Open Records Act**

**Broad definition of public record.** The act defines 'public record' to mean all documents, papers, letters, maps, books, tapes, photographs, computer based or generated information, or similar material prepared and maintained or received in the course of the operation of a public office or agency. O.C.G.A. § 50-18-70 (a).

**Narrow interpretation of exemptions.** Exemptions are interpreted narrowly so as to exclude from disclosure only that portion of a public record to which an exclusion is directly applicable. The agency having custody of a record is required to provide all other portions of a record for public inspection or copying. O.C.G.A. § 50-18-72 (g).

**Three business days to respond to the request.** The individual in control of such public record or records shall have a reasonable amount of time to determine whether or not the record or records requested are subject to access under this article and to permit inspection and copying. In no event shall this time exceed three business days. O.C.G.A. § 50-18-70 (f). If records exist and are subject to production, but

cannot be made available within three (3) business days, the OIIA will respond in writing to the Open Records Act Requestor within three (3) business days, describing the responsive records and communicating a timeframe for their availability.

**Agency can recover direct costs of complying with the request.** Any agency receiving a request for public records shall be required to notify the party making the request of the estimated cost of the copying, search, retrieval, and other administrative fees authorized by Code Section 50-18-71 as a condition of compliance with the provisions of this article prior to fulfilling the request as a condition for the assessment of any fee. O.C.G.A. § 50-18-71.2.

(c) Where no fee is otherwise provided by law, the agency may charge and collect a uniform copying fee not to exceed 25 cents per page.

(d) In addition, a reasonable charge may be collected for search, retrieval, and other direct administrative costs for complying with a request under this Code section. The hourly charge shall not exceed the salary of the lowest paid full-time employee who, in the discretion of the custodian of the records, has the necessary skill and training to perform the request; provided, however, that no charge shall be made for the first quarter hour.

(e) An agency shall utilize the most economical means available for providing copies of public records.

(f) Where information requested is maintained by computer, an agency may charge the public its actual cost of a computer disk or tape onto which the information is transferred and may charge for the administrative time involved as set forth in subsection (d) of this Code section. O.C.G.A. § 50-18-71.

[OPEN RECORDS REQUEST SAMPLE LETTERS 7.01.01](#) should be used when responding to Open Records Request.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	Record Retention	Procedure Number	7.02
References	Georgia Open Records Retention Schedule; GAS 5.46	Issue Date:	08/24/2017
		Effective:	08/24/2017
Approved: John L. Greene, Chief Audit Executive		Amended:	06/12/2020

## Chapter 7

### Procedure 7.02 – Workpaper Retention

#### Purpose:

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Comply with State and county regulations regarding record retention and “Yellow Book” requirements.

#### Authority:

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Georgia Records Retention Schedule and the Government Auditing Standards (GAS) also known as the “Yellow Book” promulgated by the Comptroller General of the United States and published by the United States Government Accountability Office.

#### Applicability:

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Applies to all audit reports and audit workpaper files. We retain completed audit reports permanently and we retain workpaper files for 5 years or two successive audits, whichever is longer, as required by state regulation.

#### Workpaper Retention:

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#### I. Introduction

The audit organization should establish policies and procedures that require retention of engagement documentation for a period of time sufficient to permit those performing monitoring procedures and peer review of the organization to evaluate its

compliance with its system of quality control or for a longer period if required by law or regulation.<sup>1</sup>

The Office of Independent Internal Audit must comply with State laws and county ordinances regarding record retention. Audit workpapers meet the definition of records that must be retained for at least 7 years.

<b>Internal Auditing Records</b>	<b>Description</b>	<b>Retention Period</b>	<b>Source</b>	<b>Date</b>
	Records documenting the conduct of an internal review of agency financial accounts and processes	5 years or two successive audits, whichever is longer	LG-08-003- Internal Auditing Records	Updated October 20, 2016

*Source: Georgia Archives-University System of Georgia retention schedule for local government records*

Workpaper retention should consider changes made in the original operating system, other software, and hardware to ensure the continued retrievability of electronic working papers throughout the retention cycle.

## **II. Records Retention**

The office Administrative Assistant serves as the OIIA records officer and is responsible for creating and updating an annual inventory of the department/unit's records; developing and maintaining a current retention schedule for the department/unit's records; working with the Finance- Risk Management, Records Manager to ensure the appropriate and timely transfer of OIIA records to the DeKalb County Records Center; and working with the Records Manager to ensure OIIA records are maintained and ultimately destroyed in accordance with the approved departmental retention schedules. The Administrative Assistant keeps an inventory of records stored on and off site and prepares the necessary forms for transferring, retrieving, and disposing of records.

The Administrative Assistant prepares the boxes for transfer to the Records Center, numbering the boxes consecutively with a felt tip marker starting with the number 1 for the first cardboard storage carton in each shipment and noting the contents on Records Transfer Form. The number should be written in the upper right-hand corner of the small end of the cardboard storage carton.

## **III. Finalization – Archiving of electronic files (Teammate EWP)**

Once a project is completed, the file can be cleaned up by finalizing the project.

**Finalizing the Project.** The Finalize process prepares the project file for archiving purposes. It is not a mandatory process. Project files should only be finalized when

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<sup>1</sup> GAS 5.46

the work has been completed and no more changes are necessary as once the project file has been finalized it will be marked as Read Only to everybody –regardless of their role.

The Finalization process:

- Checks the status of work papers and schedules.
- Provides the option to remove Review Notes. – *Select to keep*.
- Provides the option to removes Edit Histories of work papers. - *Select to keep*.
- Makes the project file 'Read-Only'.
- Marks the project file as 'Finalized'.

Our policy is to **not** remove review notes and edit histories of work papers.

The Finalize Wizard will guide you through the multi-step process. The wizard performs a number of checks on the project and, depending on the policies set, allows the finalization process to continue or not continue.

To Finalize a project, go to the Review ribbon | Wrap-up panel and select Finalize.

**NOTE:** In TeamMate Explorer, a checkered flag next to the status indicates the Project is Finalized. In addition, Finalized / Archived projects are in a read only state. No changes can or should be made to the project at this point.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	General Administrative	Procedure Number	8.01
References	House Bill 599 (2015 Ga. Laws 3826); DeKalb County, Georgia – Code of Ordinance/Organizational Act Section 100A-Independent Internal Audit; Human Resources and Merit System Policies and Procedures; GAS 4.04 Competence, 5.15-5.19 Human Resources	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 8

### Procedure 8.01 – Recruiting and Professional Development

#### Purpose:

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Establish a process for recruitment, hiring, continuous development, and evaluation of personnel so that the Office of Independence Internal Audit (OIIA) has the essential knowledge, skills, and abilities necessary to conduct engagements.

#### Authority:

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House Bill 599 (2015 Ga. Laws 3826) enacted by the Georgia General Assembly signed into Law on May 12, 2015, Human Resources and Merit System Policies and Procedures and the Government Auditing Standards (GAS), GAS 4.04 Competence; GAS 5.15-5.19 Human Resources.

#### Applicability:

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Professional Development procedures apply to hiring, recruiting, and development of OIIA staff.

## **Hiring and Recruiting:**

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### **I. Introduction**

When the Office of Independent Internal Audit has a vacancy, we follow the DeKalb County's Human Resources and Merit System Department (Human Resources) recruiting and hiring guidelines.

### **II. Recruiting**

To recruit qualified candidates, OIIA's administrative assistant or the manager creates a requisition in Taleo. Taleo is an applicant tracking system that DeKalb County Government utilizes to recruit and hire prospective employees. Once the requisition has been created, an email notification is sent to each person listed as an approver. After all approvals have been accepted, the Human Resources Generalist assigned to OIIA will open the Requisition and post it to DeKalb County's Human Resources' website and external career sites. In some cases, positions may be posted to the Institute of Internal Auditors (IIA), IIA-Atlanta Chapter and/or Information Systems Audit and Control Association (ISACA) websites. Positions are advertised with a variety of educational and professional organizations. The [Internal Auditor Series 8.01.01](#), [Internal Audit Manager Series 8.01.02](#) and [Chief Audit Executive 8.01.03](#) job specifications are located under OIIA's shared drive.

### **III. Hiring**

The Chief Audit Executive (CAE) designates a hiring panel for each open position that generally consists of members from the management team and sometimes one other senior employee. The Manager and administrative assistant are responsible for coordinating hiring efforts and ensuring that OIIA follows all applicable County policies and retaining appropriate documentation. The designated hiring panel is responsible for screening candidates, conducting interviews, and identifying finalists to be interviewed by the CAE. The CAE is responsible for the final decision on all hiring.

## **Employee Orientation**

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### **I. Introduction**

All new employees shall receive orientation specific to the OIIA.

### **II. Employee Orientation**

- 1) The CAE, Managers, and Administrative Assistant should utilize the New Employee Checklist prior to the new employee start date to ensure a smooth transition into the office.
- 2) Prior to the new employee's start date, the Manager will consult with the CAE to assign a mentor for the new employee.



3) The new employee is required to attend the following:

1. Countywide Orientation:

The DeKalb County new employee orientation is conducted by the Human Resources and is typically provided on the first day of employment for regular status employees. DeKalb County new employee orientation is not necessary if the new employee is already employed with the County employee (i.e., has transferred to the office from another department). In addition to countywide orientation, each new employee should also participate in County Ethics training within 90 days of countywide orientation.


2. Office Orientation:

Timing will vary depending upon office priorities, but orientation should begin and end within a reasonable timeframe related to the employee's start date. The level of training will be tailored to the individual depending on the new employee's previous experience.

Orientation will occur in two phases:

First, the new employee will be onboarded beginning on the second day of employment and will be required to complete the tasks on the [Welcome Letter and Onboarding Checklist 8.01.04](#) and [New Employee Checklist 8.01.05](#). The new employee and their assigned Manager should meet to discuss the materials in this folder. Completion of all tasks will likely take 1-3 weeks.

Second, the new employee will be required to complete the OIIA New Employee Training which lasts approximately 8 weeks. OIIA New Employee Training is mandatory and usually held once per week. Below are the class topics that make up the program:

- i. Introduction to Auditing
  - ii. Auditing Standards
  - iii. DeKalb County Board of Commissioners (BOC), Clerk to the CEO and BOC
  - iv. DeKalb County Organizational Chart
  - v. Key County Departments (CEO, Finance, Human Resources, Watershed Management)
  - vi. Audit Oversight Committee
  - vii. OIIA Basics (Organizational Act-Independent Internal Audit, Charter, etc.)
  - viii. OIIA Procedures Overview
  - ix. Audit Process Overview
  - x. Planning and Risk Assessment
  - xi. Audit Fieldwork (Methods)
  - xii. Audit Findings and Reporting
- 
- TeamMate

### xiii. Audit Tools and Techniques

Upon hiring, as part of the onboarding activities described above, each new employee should review OIIA Procedures Manual and Government Auditing Standards on impairments to independence and discuss any potential impairments with their assigned manager. The employee should ensure that any impairments identified are communicated to the CAE and Manager in writing for consideration in project assignments. In addition, new employees will be required to sign an acknowledgement form confirming their understanding of the OIIA Procedures Manual, which incorporates Government Auditing Standards.

## Performance Appraisals

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### I. Introduction

All OIIA employees shall adhere to a set of performance expectations that address professional skills and behavior. All employees shall regularly receive feedback from their managers regarding their performance, as well as guidance and support for agreed-upon areas of focused development. Members of the management team and office administrative staff will receive performance appraisals in accordance with the County's Performance Management Plan (PMP). Managers, auditors, investigators, and administrative staff will receive performance appraisals using OIIA's performance expectation and evaluation process described below.

### II. Performance Appraisals

The County has established the following universal annual PMP timelines:

#### Timelines

*Appraisal Period:* October 1, 20XX to September 30, 20XX

*Appraisal Period After October 1:* Date of Hire to September 30, 20XX

*Human Resources Due Date:* October 31, 20XX

#### **Annual and Interim Appraisals**

- 1) After hiring, each manager, auditor, investigator, or administrative assistant will receive a Performance Management Plan, which outlines the job expectations based on the job title.
- 2) Once a year, after September 30, but no later than October 31, each auditor or investigator will receive an annual evaluation from their manager. The appraisal will factor in all project appraisals received during the evaluation period and will be discussed with other managers working with the employees during the evaluation period.
- 3) Two weeks prior to the Appraisal Period end date, the CAE or Manager (evaluator) will email an electronic copy of the Performance Evaluation Form to the Manager, auditor, investigator or administrative assistant (evaluatee) for feedback on their performance

during the appraisal period. The Chief Audit Executive or manager shall also complete the Performance Evaluation Form to provide feedback utilizing the PMP timelines. Evaluator should also give specific examples of performance for each performance category listed on the performance evaluation form. The remainder of this policy applies to auditors and investigators.

In conducting appraisals, the evaluator will use the following latest approved appraisal templates.

[Performance Evaluation Form Internal Auditor 8.01.06](#) – Internal Auditor position

[Performance Evaluation Form Internal Auditor Senior 8.01.07](#) – Internal Auditor Senior position

[Performance Evaluation Form Manager 8.01.08](#) – Internal Audit Manager

- 4) Annual appraisals will include an overall rating and a rating for each category as assessed by the manager providing the evaluation. The possible ratings are: Far Exceeds Standards, Exceeds Standards, Consistently Meets Standards, Marginal Standards, and Below Standards.
- 5) Prior to providing an annual or interim appraisal, the manager will share the appraisal with the CAE for review.
- 6) Throughout the year, each manager should perform periodic feedback on an interim appraisal form. This review should provide the bases for the annual appraisal and to demonstrate that communication regarding performance is occurring with the employee throughout the year.

### **Audit Project Appraisals**

- 1) Once the final audit report has been issued and the project has been finalized in TeamMate EWP, the manager will ensure that the Auditor-in-Charge and each team member charging 80 or more hours to the project receives a project appraisal utilizing the approved appraisal templates. A Manager may also provide a project appraisal of by another Manager to be incorporated into an annual appraisal, if the manager participates as a team member on a project. In conducting this appraisal, the appraiser will use Research and Reporting Phase Form (*See Procedure 5.02 Post-Project Evaluation*).
- 2) Unless otherwise determined by the Manager, the Auditor-in-Charge will provide a project appraisal to each team member after the Manager reviews it and the Manager will provide a project appraisal to the Auditor-in-Charge after the CAE reviews it. These appraisals should be shared in person. Each team member will provide an upward appraisal to the Auditor-in-Charge and the Auditor-in-Charge will provide one for the Manager that incorporates any comments from team members.

## **Pay Progression**

- 1) Pay progression decisions will be made by the CAE based on auditor/investigator performance, organizational need, and affordability. At the completion of each annual appraisal, the responsible manager will make a recommendation to the CAE regarding movement to the next level for an employee that is consistently exceeding expectations. The CAE will discuss this recommendation and any other pertinent information with the management team, consider organizational need and available funding, and determine the appropriate action.
- 2) Movement based on performance will be suspended temporarily when sufficient funding is not available.

## **Development Improvement Plans**

If an auditor or investigator receives an overall rating of Marginal Standards or Below Standards, the manager will work with the auditor or investigator to develop a [Development Improvement Plan 8.01.09](#) in accordance with Human Resources procedures. If an auditor or investigator receives an overall rating of Consistently Meets Standards, or above but does not receive a Consistently Meets Standards rating or above for one or more performance category, the manager will work with the auditor/investigator to identify relevant development opportunities and incorporate them into the auditor or investigator's Development and Training plan.

## **Development and Training Plan**

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### **I. Introduction**

OIIA shall utilize a systematic approach to identify training and development needs for each employee and track related progress.

### **II. Overall Office Assessment**

- 1) As part of Annual Work Plan development (*See Procedure 2.01 Annual Audit Plan*), the CAE will work with the management team to conduct an overall skills assessment to identify any areas where further training or competency building are necessary.
- 2) Following this assessment, the management team will identify in-house training (by office employees, Human Resources, or by external parties) to be provided during the calendar year. This may be general training or project-specific training.

### **III. Individual Development and Training Plan**

- 1) An individual [Development and Training Plan 8.01.10](#) will be created for each auditor/investigator after their annual appraisal. This plan should reflect agreed-upon areas for training and development based on past performance, development needs, office need (e.g. areas identified through the annual audit planning process), and employee's development objectives.
- 2) The auditor/investigator will propose their Development and Training Plan, using the recommendations by level documented for reference.

- 3) The responsible manager will review and agree to the plan, then track projects and refer to plan for subsequent evaluations. Priority for training will be given to training identified in the plan.
- 4) Each employee is responsible for tracking Development and Training Plan progress and each manager is responsible for monitoring Development and Training Plan progress for the employees that report to them.
- 5) Upon hiring, new employees will go through an onboarding process that will serve as a tool for their development through the first year of employment.

## **Requesting, Reporting, and Monitoring Training**

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### **I. Introduction**

OIIA employees shall request approval from their manager to attend any training course not offered through Human Resource, Organizational and Employee Development Division, using the OIIA Training Request Form (*See Procedure 5.03 Continuous Development and CPE*). OIIA shall maintain records related to training hours obtained by employees and periodically review those records for accuracy and completeness. The office shall also periodically monitor to ensure compliance with Government Auditing Standards for continuing professional education.

### **II. Requesting Training**

- 1) Each employee is responsible for completing an OIIA Training Request Form and submitting it to their supervisor for approval. The employee should ensure that requested training has been researched and corresponds with their training plan, applicable professional certification requirements, and/or a specific office need.
- 2) The manager will review the request based on the purpose, cost, and other office priorities, and will consider the requesting employee's training history and annual Development and Training Plan.
- 3) If approved by the manager and training costs exceed \$250.00 per day or includes overnight travel must be approved by the CAE. Approval of the request will be based on availability of funds and needs of the office.
- 4) Once the training has been approved, the Administrative Assistant will enroll the requestor in the respective training course and process the payment for the training.

### **III. Reporting Training**

- 1) After training completion, the attending employee will provide the certificate of completion to Administrative Assistant as soon as possible after taking the training.
- 2) The Administrative Assistant will enter the information from the training course certificates into the OIIA Training Record Log spreadsheet and file the certificates in the employee's training files.

#### **IV. Monitoring Training Records:**

- 1) All employees are responsible for coordinating with the Administrative Assistant to check their progress toward meeting Government Auditing Standards requirements in terms of the number of government-related hours obtained, total hours, and minimum hours per year.
- 2) The CAE will conduct a review of training records at least twice a year, including verifying that:
  - a. Training records listed on the spreadsheet can be substantiated with appropriate certificates.
  - b. Certificates contained in employee files are properly represented in the spreadsheet.
  - c. Training records in the spreadsheet are accurate and complete.
  - d. Each employee is making appropriate progress toward meeting Government Auditing Standards requirements.
  - e. Any employees leaving the office have met Government Auditing Standards requirements prior to their last day of employment.
- 3) Afterwards, the CAE shall import the training records into an [Employee Training Records Log 8.01.11](#) for review and acknowledgment by the employee. *(Note: Required Continuing Professional Education hours will be prorated for newly hired staff)*

### **Employee Separation**

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#### **I. Introduction**

The management team will take steps to ensure transfer of knowledge and safeguarding of OIIA's resources when an employee leaves OIIA. For voluntary separations, the management team will collect feedback from departing employees regarding their experience in the office to facilitate and improve OIIA management in accordance with the procedures below. For involuntary separations, the management team will work with Human Resources to address the separation in accordance with the County's policy and procedures.

#### **II. Prior to the Employee's Last Day of Employment**

- 1) When an employee first informs OIIA management of their intention to leave, the employee's manager should work with the management team and separating employee to confirm and document the employee's current assignments (including audits, internal projects, and other duties).
- 2) The management team should meet to discuss how to transition those assignments to others, and how to handle any gaps in technical specialties and/or skills that OIIA may lose when the separating employee departs.
- 3) If applicable, the manager should notify other County employees (i.e. auditees/audit client) that responsibilities for specific tasks have transitioned from the separating employee to the newly assigned employee.

- 4) The manager should confirm with the office Administrative Assistant that the separating employee's training is up-to-date and in compliance with Government Auditing Standards.
- 5) If not already provided, the manager should obtain from the separating employee a letter of resignation stating his/her last date of employment with OIIA. The manager should provide the details on the employee resignation for an announcement to OIIA staff.
- 6) Administrative Assistant shall complete a Personnel Action (PA) Form, to update Human Resource system (PeopleSoft) in accordance with the County's policies. In addition, the Administrative Assistant shall open a help desk ticket to the Department of Innovation and Technology (DoIT) to request that system(s) access be removed at the time of the employee's separation. This access includes removal from applications, emails account, shared drive, etc.
- 7) CAE should ensure a member of the management team meets with the separating employee to conduct an exit interview. At that time, the manager should explain the purpose of the Employee Separation Survey and request the separating employee complete the survey prior to their separation.
- 8) The manager should send the [Employee Separation Survey 8.01.12](#) electronically (Jotform.com) to the separating employee at least three days prior to that employee's last date of employment with OIIA.
- 9) The separating employee should be prompted by his/her manager to remove any unnecessary files from their computer and ensure all files and relevant to work are saved in places accessible to OIIA team members.

### **III. On the Employee's Last Day of Employment**

- 1) Administrative Assistant will meet with the separating employee to obtain office items in accordance with the [County Property Inventory Form 8.01.13](#).
- 2) Administrative Assistant will confirm the separating employee's office is clean and all office-owned items are accounted for prior to the employee's departure.

### **IV. After the Employee's Last Day of Employment**

- 1) The management team shall confirm that the separated employee's essential assignments have been transferred to other employees.
- 2) The CAE and Manager should meet to analyze the results of the Employee Separation Survey.
- 3) Administrative Assistant shall confirm that the separated employee no longer has access to County's systems and applications.





# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	General Administrative	Procedure Number	8.02
References	DeKalb County KRONOS Policy; DeKalb County Ordinance Sec. 20-161. - Hours of work; Administrative Procedures to DeKalb County Personnel Code Chapter 20; Flexible Work Schedule Policy	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 8

### Procedure 8.02 – Time Keeping and Flexible Work Schedule

#### Purpose:

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OIIA adheres to DeKalb County's personnel time keeping practices and uses the KRONOS system to report hours to the County's Finance- Division of Risk Management & Employee Services (Payroll Unit). DeKalb County personnel code allows for Flexible Work Schedule to increase productivity and improve work-life balance.

#### Authority:

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DeKalb County KRONOS Policy, DeKalb County Ordinance Sec. 20-161. - Hours of work, Administrative Procedures to DeKalb County Personnel Code Chapter 20, and Flexible Work Schedule Policy.

#### Applicability:

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Each member of the OIIA is responsible for reporting time and managing their established work schedule. DeKalb County Personnel Code Section 20-161 does not specifically address an employee flexible work schedule but is broad enough to allow Flexible Work Schedule or teleworking.



## **Time Keeping and Flexible Work Schedule:**

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### **I. Introduction**

County utilizes the KRONOS time keeping system for tracking and paying overtime eligible (“non-exempt”) employees. Employees who clock in/out are required to have and utilize the DeKalb County Human Resources issued identification cards. Each employee must use his or her own card to clock in/out.

FLSA exempt employees (exempt employees) do not clock in or out using KRONOS. Exempt employees’ timecards are automatically populated in KRONOS with 40 hours for each week.

“Flexible scheduling promotes employee engagement by providing increased personal control over work schedule, while the County gains through increased employee morale. Other benefits can include reduced absenteeism, tardiness and turnover, and extended hours of operation to serve customers. In the interest of promoting employee work-life balance, the implementation of flexible work schedules makes good business sense.”<sup>1</sup>

### **II. Time Keeping and Payroll**

Biweekly, employees should enter their hours on any one of the applicable [TIMESHEET 8.02.01](#) spreadsheets, print their timesheets, and attach the required [LEAVE REQUEST FORM 8.02.02](#) and other documentation such as jury summons, verification of the death for bereavement leave, etc. to support non-working hours. Employees are responsible for ensuring they have adequate vacation and/or sick hours available when requesting leave. Managers are responsible for verifying that employees have sufficient earned hours when approving leave request on time reports. Employees should then submit their timesheets to their Managers for review on the Friday ending the pay period.

The Manager should review their assigned employee’s timesheets, checking the accuracy of hours worked by the employee, that the correct payroll codes are used, the accuracy of the accumulated and used compensating time, and that all necessary supporting documentation is approved and attached to the timesheet(s). The Manager should then sign the timesheets and submit the timesheet to Administrative Assistant by 10:00am on the Monday after pay period ended or unless notified to do so earlier. If the Administrative Assistant identify any issue with the employee’s timesheet, it is to be returned to the manager. If the manager is not available, the timesheet is to be returned to the DCAE or the CAE. The manager, DCAE or CAE will coordinate with the employee to make the necessary corrections and ensure approval.

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<sup>1</sup> DeKalb Flex Work Schedule Policy 8 20 13

The Administrative Assistant should ensure that timesheet processing complies with DeKalb County requirements. This includes entering timesheets into the KRONOS system, review them for accuracy, and submitting them electronically to the Finance-Division of Risk Management & Employee Services (Payroll Unit). Timecards should be completed and signed off on by the Administrative Assistant by Tuesday at noon. At the end of each pay period, the Administrative Assistant should obtain a leave report and a compensation time report and submit to the DCAE. The DCAE will review and reconcile the information with the Office's internal payroll records. The deadline date may change when a holiday occurs during the pay period. Advance notification will be provided by - Division of Risk Management & Employee Services (Payroll Unit) when changes occur.

### **III. Compensatory Time (Comp Time)**

#### *Overtime and Comp Time for Employees Non-Exempt from FLSA*

"As amended, the Fair Labor Standards Act allows local governments to compensate overtime-eligible (non-exempt) employees for hours worked in excess of the standard work period by giving them time off in lieu of cash overtime payments. The Board of Commissioners amended the DeKalb County Personnel Code to enable use of compensatory time in lieu of cash compensation for overtime. Employees in the regular pay plan, scheduled for 40 hours per week, may accrue compensatory time up to a maximum of 240 hours unless otherwise stipulated in these procedures."<sup>2</sup>

OIIA will report comp time accrual and usage by FLSA non-exempt employees in KRONOS. To compensate FLSA non-exempt employee hours worked in excess of the standard work period with comp time off, the OIIA will code excess hours worked as "006" (Comp Time Accrual) in KRONOS. When comp time is taken, it will be coded in KRONOS as "017" and reported on the actual day taken.

#### *Comp Time for Employees Exempt from FLSA – DeKalb Ordinance Section 20-161(c)*

"Department heads at their discretion may grant compensatory time at up to an hour-for-hour rate to FLSA-exempt employees who work substantially beyond their normal work schedules during an emergency or in connection with a special project that requires hours beyond the standard. FLSA-exempt employees must use compensatory time within one calendar year of the date granted and are not eligible to receive cash compensation, at separation or otherwise, for any amount of unused compensatory time accrued while FLSA-exempt. FLSA-exempt employees may not claim a balance of more than 160 compensatory hours at any time."<sup>3</sup>

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<sup>2</sup> Administrative Procedures to DeKalb County Personnel Code Chapter 20, page VIII-4

<sup>3</sup> Administrative Procedures to DeKalb County Personnel Code Chapter 20, page VIII-5

All accrued comp time is subject to the prior approval by CAE and/or Audit Manager. Once the scheduled time off has been approved by the manager, a copy of the approved requests should be submitted to the Administrative Assistant and the DCAE. When scheduling the use of comp time as any other types of leave, OIIA management must consider the workload and scheduling concerns when approving use of accrued comp time. The DeKalb County encourages employees to use accrued comp time as soon as possible after it is earned. Since comp time for FLSA-exempt employees is not accrued in KRONOS, the Administrative Assistant will track comp time for FLSA-exempt using a spreadsheet. When comp time is taken, it will be coded in KRONOS as "071" and reported on the actual day taken.

#### **IV. Vacation, Sick, and Other Leave**

Vacation and other planned time off from the office must be approved in advance by your manager and in some cases by the CAE. If your time off will result in you being out of the office for more than one week, will conflict with any office work, or will result in you receiving leave without pay, you will need to obtain prior approval from the CAE as well as your manager. Also, if your time out of the office results in leave without pay, this will need to be reviewed and discussed with the CAE prior to obtaining your manager's approval. All requests for vacation and planned time off should be submitted to the Administrative Assistant as soon as the leave requests has been approved. A copy of the leave request should also be forwarded to the DCAE, once it has been approved by the CAE, so that the internal payroll records can be updated.

Sick or unplanned leave requests should be completed immediately upon your return to the office. It is important that these documents are submitted for review and approval timely. Each manager is responsible for notifying the DCAE or the CAE when employees are away from the office on unplanned leave. An email should be sent as soon as the employee communicates with the manager.

## V. Work Schedules and Work at Home

Employees shall request using the [DeKalb Flexible Work Agreement Form 8.02.03](#) and, if approved, maintain an established work schedule and manage that schedule by providing proper notification(s) when deviations are made. OIIA provides the opportunity for permanent employees in good standing to telework when appropriate, as a means of contributing to County initiatives to reduce air pollution and traffic congestion. Employees are responsible for following the County's Personnel Policies and related guidance in establishing and managing their schedule.

**Work Schedules.** All employees are required to submit a written request to their manager to establish or change their work schedule.

The appropriate manager will consider and either approve the schedule or request modifications based on office needs.

Employees will make a good faith effort to schedule internal team meetings to accommodate established work schedules.

Employees should work with their Manager to coordinate hours scheduled on and around official County holidays, training days, or other similar circumstances, as appropriate, to assure that work schedules are adjusted to accommodate the remaining work hours within the two-week pay period.

Employees should keep their schedule up to date in Microsoft Outlook.

When a work schedule has been established, employees shall minimize deviations from the established schedule. In the event that an employee must deviate from their established schedule, the employee shall follow applicable County Personnel Policies and communicate or make arrangements to communicate with their manager and affected internal and external staff, as appropriate.

**Telework.** Permanent employees who are in good standing can request to telework by sending an email to their manager and copying other managers they are working with at least one day in advance. The request should include the proposed work hours and an overview of the work to be accomplished. The manager will approve or deny the request by email.

After receiving approval to work offsite, the employee should place an appointment on their Outlook calendar indicating the day/hours approved for teleworking. Upon returning to the office, the employee should be prepared to discuss work conducted with their manager.

Telework can be recurring or one-time. For example, an employee could ask to work remotely for two hours each morning (e.g. 8 am to 10 am), could ask to work remotely every Wednesday, or could ask to work remotely for a particular Wednesday.

As with any alternative work schedule, the employee will need to accommodate scheduled internal and external meetings as needed. In addition, employees who telework are expected to be accessible (by phone and email) during the hours they work offsite.



# Office of Independent Internal Audit

## Audit Function

### Procedures Manual

Subject	General Administrative	Procedure Number	8.03
References	DeKalb County Emergency Evacuation Plan; Safety and Loss Prevention Manual	Issue Date:	06/24/2019
		Effective:	07/01/2019
Approved: John L. Greene, Chief Audit Executive		Amended:	

## Chapter 8

### Procedure 8.03 – Safety Policy

#### Purpose:

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Office of Independent Internal Audit (OIIA) employees adheres to DeKalb County's safety policies established by the County's Finance- Division of Risk Management & Employee Services (Safety & Loss Prevention Unit), OIIA's Safety Policy and Accident Prevention Plan.

#### Authority:

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[DeKalb County Occupant Emergency Plan](#), [Safety and Loss Prevention Manual](#), and Other County Safety polices and/or procedures.

#### Applicability:

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Each member of the OIIA is committed to providing a work environment that is reasonably free from recognized and potential hazards that could damage office property or cause injury to any person that may work in, visit, or enter our workplace.

#### Safety Policy:

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It is our policy to conduct and manage our business operations in a manner that protects employees and persons that may be affected by our operations.

The Chief Audit Executive (CAE) will ensure safety-related materials (including the OIIA's [Accident Prevention Plan 08.03.01](#) and the Continuity of Operations Plan

(COOP) are routinely updated and significant changes to these plans are communicated to employees (see current plans embedded at end of policy).

The CAE assigns the Office Safety Coordinator. As needed, the CAE may assign employees serving on the Safety Team member.

The roles and responsibilities of the Office Safety Coordinator include, but are not limited to:

- Coordinating with Finance-Risk Management safety drills as well as emergency events. This includes informing individuals of the nearest exits and assembly areas, instructing individuals to use the stairwells and proper exits, and walking the assigned area in approximately 60 seconds or less to inform all occupants of the evacuation notice.
- Ensuring all new employees receive safety information as part of their initial orientation.
- Ensuring employees receive ongoing updates regarding safety and any related changes.
- Serving as the point of contact for employees to contact when they have safety-related concerns and/or questions.
- Communicating concerns or deficiencies to Facilities Management and/or Finance- Risk Management and Employee Services.
- Keeping OIIA management apprised of potential safety threats.