

House Bill 754

By: Representative Horner of the 3rd

A BILL TO BE ENTITLED
AN ACT

1 To amend an Act to reconstitute the Board of Education of Catoosa County, Georgia,
2 approved March 30, 1993 (Ga. L. 1993, p. 4258), as amended, so as to require an internal
3 audit function of the board and to establish the position of internal auditor; to provide for the
4 selection, powers, and duties of the internal auditor; to provide for internal cooperation; to
5 provide a sunset date on the provisions governing such internal auditor; to provide for related
6 matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 An Act to reconstitute the Board of Education of Catoosa County, Georgia, approved
10 March 30, 1993 (Ga. L. 1993, p. 4258), as amended, is amended by adding a new section to
11 read as follows:

12 "SECTION 7.1.

13 (a) There shall be an internal audit function of the board that falls under the supervision
14 of an internal auditor. The internal auditor may be either an individual employed by the
15 board or the account manager of a firm hired as provided for in this section. The internal

H. B. 754

16 auditor shall be appointed by the board from a list of nominations provided by the members
17 of the General Assembly that represent all or a part of the school district. All costs
18 associated with the internal auditor shall be paid from the local funds of the board.

19 (b) The internal auditor shall be a certified internal auditor or a certified public accountant,
20 demonstrating at least five years' experience.

21 (c) The internal auditor need not be a resident of the school district at the time of his or her
22 appointment or during the period of service as the internal auditor.

23 (d) The internal auditor shall not be involved in partisan political activities or the political
24 affairs of the school system.

25 (e) Within the budget approval process and established personnel policies for all
26 departments, the internal auditor shall, with board approval, have the power to appoint,
27 employ, and remove such assistants, employees, and personnel as he or she may deem
28 necessary for the efficient and effective administration of the office.

29 (f) The internal auditor shall be charged with, but not be limited to, the following duties
30 and responsibilities:

31 (1) To conduct one- and five-year performance and financial audits of the school system
32 and its departments, offices, and activities in order to independently determine whether:

33 (A) Implemented activities and programs have been authorized by the board, the
34 superintendent, state law, or applicable federal law or regulations and that the activities
35 and programs are being conducted and funds expended in compliance with applicable
36 laws;

37 (B) The department, office, or agency is acquiring, managing, protecting, and utilizing
38 its personnel, property, equipment, space, and other resources, including public funds,
39 economically, efficiently, and effectively and in a manner consistent with the objectives
40 of the authorizing entity or enabling legislation;

41 (C) The organizations, programs, activities, functions, or policies are effective,
42 including the identification of any causes of inefficiencies or uneconomical practices,

43 such as inadequacies in management information systems, internal and administrative
44 procedures, organization structure, use of resources, allocation of personnel, purchasing
45 policies, and equipment;

46 (D) The desired results or benefits are being achieved;

47 (E) Financial and other reports are being provided that fairly, accurately, and fully
48 disclose all information that is required by law, necessary to ascertain the nature and
49 scope of programs and activities, and necessary to establish a proper basis for
50 evaluating the results of programs and activities, including the collection of, accounting
51 for, and depositing of revenues and other resources;

52 (F) Management has established adequate operating and administrative procedures and
53 practices, systems, or internal control accounting systems and internal management
54 controls; and

55 (G) Indications of fraud or abuse or illegal acts are present;

56 (2) To submit an annual report to the board and each member of the General Assembly
57 representing all or a part of the school district, indicating audits completed, major
58 findings, corrective actions taken by administrative managers, and significant findings
59 which have not been fully addressed by management; and

60 (3) To perform such other duties and responsibilities as provided for by this Act or
61 directed by the board.

62 (g) All officers and employees shall allow the internal auditor immediate access to any and
63 all books, records, documents, and other requested information, including automated data,
64 pertaining to the business of the school system and within their custody regarding powers,
65 duties, activities, organization, property, financial transactions, contracts, and methods of
66 business required to conduct an audit or other official duties. In addition, such officers and
67 employees shall provide access for the auditor to inspect all property, equipment, and
68 facilities within their custody. Further, all contracts with outside contractors and
69 subcontractors shall provide for the auditor's access to all financial and performance related

70 records, property, and equipment purchased in whole or in part with system funds and
71 facilities.

72 (h)(1) The internal auditor shall present any confidential information to the board during
73 regularly scheduled closed executive sessions.

74 (2) The internal auditor shall have the opportunity to address the board at any meeting
75 of the board following the superintendent giving any reports to the board at such meeting.

76 (i) The internal auditor shall not publicly disclose any information received during an audit
77 that is confidential in accordance with any local, state, or federal law or regulation.

78 (j) Any reports issued by the internal auditor shall be made available for public inspection
79 or copying at a reasonable cost.

80 (k) The provisions of this subsection shall stand repealed on July 1, 2030."

81 **SECTION 2.**

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