



ADMINISTRATIVE PROCEDURES

TITLE: Annual Audits		PROCEDURE #: 407-A
DEPT: Finance		PROGRAM: N/A
EFFECTIVE DATE: 06/19	REVIEWED:	REVISED:

OBJECTIVE: To establish procedures for the conduct of annual audits in accordance with state requirements.

REFERENCE: Policy #407

POLICY STATEMENT: The accounts and fiscal affairs of the county and its component units shall be audited each fiscal year in accordance with Municipal Audit Law, ORS 297.405 to 297.555, and Minimum Standards for Audits of Oregon Municipal Corporations, OAR 162-010-0000 to 162-010-0330.

APPLICABILITY: Marion County and its components units.

PROCEDURES:

1. The chief financial officer, as outlined below, shall oversee the selection of auditors, audit contracts, auditor meetings with the board, audit reporting requirements, and addressing audit deficiencies.
2. Auditor Selection
 - 2.1. The chief financial officer shall prepare the request for proposals for audit services in accordance with county policies and procedures.
 - 2.2. The chief financial officer shall select a committee to evaluate responsive proposals and recommend the best evaluated proposer to the board.
3. Audit Contract
 - 3.1. The chief financial officer shall prepare the audit contract in accordance with county policies and procedures.
4. Auditor Meetings with the Board of Commissioners
 - 4.1. The chief financial officer shall schedule auditor meetings with the board in accordance with county policies and procedures.
5. Audit Reporting Requirements
 - 5.1. The chief financial officer and/or the chief accountant shall ensure that the audit report is distributed to each member of the board, the chief administrative officer, the deputy county administrative officer, the clerk of the board, county counsel, the county clerk, and other parties upon request.
 - 5.2. If the audit report will not be complete within six months after the close of the fiscal year under audit, the chief financial officer shall file a written request for an extension of time to the

Secretary of State, stating the reasons for the delay and the expected filing date of the report. Requests for extensions shall be submitted on forms provided by the Secretary of State, and the requested extension may not exceed one year after the close of the fiscal year under audit [ORS 297.465(3)(a), OAR 162-010-0330].

6. Audit Deficiencies

- 6.1. The board shall discuss any deficiencies disclosed in the annual audit report with the auditor at the conclusion of the audit.
- 6.2. The board shall evaluate recommendations from the chief administrative officer, the chief financial officer, elected officials and department heads, in order to determine the measures necessary to address the deficiencies disclosed in the annual audit report.
- 6.3. The board shall adopt a plan of action to address the deficiencies which includes the estimated period of time necessary to complete the planned actions [ORS 297.466(2)].
- 6.4. The chief financial officer shall oversee implementation of the action plan, and provide periodic progress reports to the board.