

Motions #1(b)
Audit Committee Appointment Terms
Motion by Council Member Palmisano

Palmisano moves that unanimous consent be requested to introduce an ordinance amending Title 2, Chapter 17 of the Minneapolis Code of Ordinances relating to Administration: Finance Department, for first reading to correct the term of the converted mayoral appointment to expire December 31, 2015, and the term of the Council appointment to expire December 31, 2016. Further, that said ordinance be given its second reading for amendment and passage.

ORDINANCE 2014-Or-
Of the
CITY OF MINNEAPOLIS

By Palmisano

Amending Title 2, Chapter 17 of the Minneapolis Code of Ordinances relating to Administration: Finance Department.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 17.90 of the above-entitled ordinance be amended to read as follows:

17.90. Audit committee. (a) To ensure independence of the audit function, there shall be an audit committee. The audit committee shall be made up of six (6) members, which shall include the chair of the ways and means/budget committee, two (2) members of the city council to be appointed by the city council president, one (1) Minneapolis Park and Recreation Board commissioner and two (2) citizen members.

- (1) The two (2) council president appointments shall be for a two (2) year term and shall be made in January of each even-numbered year. The council president shall appoint the chairperson of the audit committee.
- (2) The two (2) citizen members shall be residents of the city who are not current city employees, are not past or current elected officials of the city council or any of its boards or commissions, and who have expertise in auditing, preferably public sector internal or management auditing, or financial management. The two (2) citizen members shall be appointed as follows: one (1) by the mayor and one (1) by the city council through the open appointments process. The term of the citizen member appointed by a the Minneapolis Park and Recreation Board and expiring ~~January 2, 2017~~ December 31, 2015 shall be converted to a mayoral appointment to expire ~~January 2, 2017~~ December 31, 2015. A council appointment will be appointed for an initial term to expire on ~~January 2, 2018~~ December 31, 2016. All subsequent citizen member appointments will be made for three-year terms and no citizen member shall be appointed for more than two (2) terms.

The audit committee shall meet a minimum of four (4) times per year.

(b) The audit committee shall:

- (1) be responsible for the oversight of the city's internal audit function.

- (2) appoint and remove the internal auditor.
- (3) on at least a yearly basis, conduct a performance review of the internal auditor's performance.
- (4) review and approve the internal auditor's annual audit plan.
- (5) review the audit reports directed to it and may make recommendations on any such audit reports to:
 - a. The city council on the appropriate course of action.
 - b. The mayor for consideration in the annual budget process on audit related budgetary recommendations.
- (6) monitor the internal auditor's results and effectiveness of proposed corrective actions.
- (7) review reports of the state auditor prepared for any of the city's departments, boards and commissions.
 - (c) The audit committee may make recommendations to the city council relating to financial reporting practices, internal controls, compliance with applicable law and regulation relating to financial controls and other related matters contained within an audit.