

From the Director of Audits, submitting a resolution/ordinance to amend Section 34.09 of the Milwaukee County Code of General Ordinances, by recommending adoption of the following:

A RESOLUTION/ORDINANCE

WHEREAS, Chapter 34 – Office of the Comptroller, in the Milwaukee County Code of General Ordinances (the Code) includes various responsibilities assigned to the Chief Financial Officer of Milwaukee County (the County); and

WHEREAS, Section 34.09 of the Code states that “the comptroller shall perform all audit functions related to county government in accordance with governmental auditing standards issued by the comptroller general of the United States and generally accepted auditing standards;” and

WHEREAS, Section 34.09 of the Code provides an array of duties associated with the Comptroller’s performance of audit functions as well as describing circumstances and the entities under which records are to be made available to the Comptroller; and

WHEREAS, Section 34.09(1)(c) of the Code specifies that the Comptroller is to “supervise and be responsible for post auditing the fiscal concerns of the county” and that “such audit requirement to include an annual audit of the county’s financial statements and the financial statements of the county’s employe retirement system as well as periodic reviews of the fiscal records of all county offices, departments, boards and commissions;” and

WHEREAS, the Audit Services Division (ASD), Office of the Comptroller, administers the County’s contract with the external auditors to perform annual countywide audit services; and

WHEREAS, the annual countywide audit services contract historically included the audit of the annual financial statements of Milwaukee County’s Employee Retirement System; and

WHEREAS, enactment of 2023 Wisconsin Act 12 created Section 13.94(1)(x), Wisconsin State Statutes, which requires the State of Wisconsin’s Legislative Audit Bureau to annually conduct a financial audit of the retirement systems of the County beginning with the 2023 audit; and

WHEREAS, modification to Section 34.09(1)(c) of the Code is needed to align the ordinance with the new statutory requirement; and

46 WHEREAS, the Director of Audits, ASD, Office of the Comptroller has provided
47 proposed language to bring about the needed modification to Section 34.09(1)(c) of the
48 Code; and

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50 WHEREAS, Section 34.09(2) of the Code discusses “availability of records to the
51 comptroller;” and

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53 WHEREAS, the County has long required the inclusion of an audit clause in its
54 agreements to safeguard the expenditure of public funds; and

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56 WHEREAS, in recent years ASD, Office of the Comptroller, worked with
57 departments across the County to better communicate this requirement, which has led
58 to the inclusion of appropriate audit language in County contracts; and

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60 WHEREAS, the current language in Section 34.09(2) of the Code was drafted at
61 a time when the County had fewer contractual agreements; and

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63 WHEREAS, ASD, Office of the Comptroller, reviewed the current language in
64 Section 34.09(2) of the Code and finds it to be limiting and not reflective of actual
65 practice; and

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67 WHEREAS, ASD, Office of the Comptroller, is recommending modified language
68 for Section 34.09(2) of the Code that removes limiting aspects and is more reflective of
69 actual practice regarding its access to records on behalf of the public; and

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71 WHEREAS, the Committee on Audit, at its meeting of March 13, 2024,
72 recommended adoption of File No. 24-314 (vote 4-0); now, therefore,

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74 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby amends
75 Chapter 34 of the Milwaukee County Code of General Ordinances, by adopting the
76 following:

77
78 **AN ORDINANCE**

79
80 The County Board of Supervisors of the County of Milwaukee does ordain as follows:

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82 **SECTION 1.** Section 34.09 of the Milwaukee County Code of General Ordinances is
83 amended as follows:

84
85 34.09. Audit.

86
87 (1) The comptroller shall perform all audit functions related to county government in
88 accordance with governmental auditing standards issued by the comptroller
89 general of the United States and generally accepted auditing standards. Those
90 duties shall include, but are not limited to, the following:

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- 92 (a) All duties and all powers and responsibilities conferred upon the clerk as
93 auditor under s. 59.47(1), Wis. Stats.
94
- 95 (b) All duties imposed and conferred upon the comptroller by resolution of the
96 county board.
97
- 98 (c) Supervise and be responsible for post auditing the fiscal concerns of the
99 county; such audit requirement to include an annual audit of the county's
100 financial statements and the financial statements of the county's employe
101 retirement system as well as periodic reviews of the fiscal records of all county
102 offices, departments, boards and commissions. **Effective January 1, 2024,**
103 **the audit of the county's employee retirement system shall be performed**
104 **by the Legislative Audit Bureau pursuant to Wis. Stat. § 13.94(1)(x).**
105
- 106 (d) Examine or cause to be examined by professional consultants, such records
107 and procedures of any county office, department, board or commission as may
108 be necessary relating to program effectiveness, efficiency and propriety of
109 performance, state of compliance with all regulatory authority, and adequacy of
110 internal control over cash and other assets.
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- 112 (e) Make such special examinations of the accounts and financial transactions of
113 any county unit as may be requested by county board resolution.
114
- 115 (f) Prepare written reports of all audits and submit same to the county board with
116 copies to the county executive, department of administration and administrative
117 head of the county unit involved. The report where appropriate shall include
118 recommendations for improvements and efficiencies, and include special
119 instances, if any, of illegal or improper expenditures.
120
- 121 (g) Reconcile bank accounts pursuant to section 15.15 of the Code.
122
- 123 (2) Availability of records to comptroller. The documents, books and records of each
124 county office, department, board or commission, or any agency receiving a grant of
125 county funds, or any agency receiving a grant of federal or state funds through the
126 county and for which the county is accountable shall be available to the director of
127 audits at any and all times with or without notice. **The documents, books and**
128 **records of any agency or vendor using county property, or any vendor**
129 **performing services for or on behalf of the county shall be available to the**
130 **director of audits with or without notice. Further, every county office, board**
131 **or commission shall include language, provided by the Audit Services**
132 **Division, in all contracts requiring the right to audit by the county in**
133 **accordance with this section.** Every county unit and grantee ~~is to~~ **shall** cooperate
134 with the director of audits and comply with all requests for information relating to
135 this function.
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137 **SECTION 2.** The provisions of this ordinance shall be effective after passage and
138 publication.

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