

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



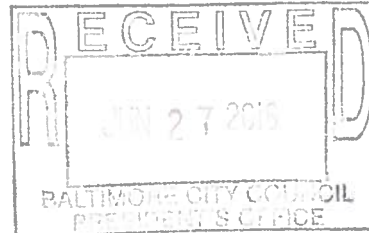
DEPARTMENT OF AUDITS

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June 24, 2016

The Honorable President and Members
Of the Baltimore City Council
Attn: Natawna Austin, Executive Secretary
Room 419, City Hall
100 North Holliday Street
Baltimore, Maryland 21202



Re: City Council Bill 16-0699 – Charter Amendment – Biennial Agency Audits

City Council Bill 16-0699, for the purpose of amending the section on agency audits to require that the City Auditor conduct performance audits of principal agencies at least twice during every 4-year term of the Mayor and City Council; adding to the list of agencies subject to these audits; establishing a staggered schedules for these audits; redefining certain terms; providing for public postings of audit reports; and submitting this amendment to the qualified voters of the City for adoption or rejection.

The Department of Audits requests that the City Council consider the following recommendations regarding City Council Bill 16-0699:

- 1) Move “Agency Audits” from Article VII, Executive Departments, Section 4.5 to Article V, Comptroller, new Section 11.
- 2) Delete “...and federal and state law” from Section 4.5 (a)(2), so that it states: “Audit” means a performance audit that, in accordance with generally accepted government auditing standards, assesses an agency’s practices to determine whether the agency is operating economically and efficiency and whether corrective actions for improving its performance are appropriate.
- 3) Clarify Section 4.5, Subsection (b)(2), Staggered Schedule. With a start date of January 2017 for the amendment, Group A should be initiated in odd-numbered calendar years and Group B in even-numbered calendar years.
- 4) Change Section 4.5, Subsection (c) to “In each fiscal year the costs of the audits for the Principal Agencies in Groups A and B are to be included in the Ordinance of Estimates for the Department of Audits.”

The Department of Audits agrees with the addition of the Mayor’s Office of Human Services, Department of Health, and the Mayor’s Office of Employment Development as Principal Agencies.

I thank you in advance for considering our recommendations to City Council Bill 16-0699.

Fav w/ Amend

In order to maintain its independence, the Department of Audits is only issuing our above recommendations and is neither supporting nor objecting to this legislation. However, we would be available to work with the City Council as modifications are drafted to City Council Bill 16-0699.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert L. McCarty, Jr.", is written over the typed name.

Robert L. McCarty, Jr., CPA
City Auditor

cc: Honorable Joan M. Pratt, Comptroller
Angela C. Gibson, Mayor's Legislative Liaison
Gail F. Adams, Deputy City Auditor
Sheila Wyche