

CITY OF BALTIMORE
RESOLUTION _____
Council Bill 12-0053

Introduced by: Councilmembers Stokes, Henry, Branch, Clarke, President Young,
Councilmember Welch

Introduced and read first time: March 19, 2012

Assigned to: Budget and Appropriations Committee

Reassigned to: Judiciary and Legislative Investigations Committee

Committee Report (June 25, 2012): Favorable with Amendments

Council Action (June 25, 2012): Recommit to Committee

Subsequent Committee Report (July 16, 2012): Favorable with Amendments

Subsequent Council Action (July 16, 2012): Adopted with Floor Amendments

Read second time: July 16, 2012

A RESOLUTION OF THE MAYOR AND CITY COUNCIL CONCERNING

Charter Amendment – Biennial-Quadrennial Agency Audits

FOR the purpose of requiring ~~all~~ certain City agencies to have their operations audited at least once during every second fiscal year ~~4-year term of the Mayor and City Council~~; defining certain terms; specifying who may conduct the audits; requiring certain reports; ~~providing for a stagger in undergoing the audits; and generally relating to the biennial audit of City agencies and submitting this amendment to the qualified voters of the City for adoption or rejection.~~

~~BY adding~~

~~Article 1 - Mayor, City Council, and Municipal Agencies~~

~~Section(s) 9-1 through 9-5, to be under the new subtitle,~~

~~“Subtitle 9. Agency Audits”~~

~~Baltimore City Code~~

~~(Edition 2000)~~

BY proposing to add

Article VII - Executive Departments

Section(s) 4.5

Baltimore City Charter

(1996 Edition)

SECTION 1. BE IT ~~ORDAINED~~ RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the ~~Laws of Baltimore City~~ City Charter is proposed to be amended to read as follows:

~~Baltimore City Code~~

~~Article 1. Mayor, City Council, and Municipal Agencies~~

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter stricken by amendment.

Council Bill 12-0053

~~SUBTITLE 9. AGENCY AUDITS~~
Baltimore City Charter

Article VII. Executive Departments

General Provisions

~~§ 9-1. DEFINITIONS.~~

~~(A) IN GENERAL.~~

~~IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.~~

~~(B) AGENCY.~~

~~“AGENCY” MEANS:~~

~~(1) ANY DEPARTMENT, BOARD, COMMISSION, COUNCIL, AUTHORITY, COMMITTEE, OFFICE, OR OTHER UNIT OF CITY GOVERNMENT; AND~~

~~(2) ANY INDIVIDUAL NOT EMBRACED IN A UNIT OF CITY GOVERNMENT WHO EXERCISES AUTHORITY COMPARABLE TO THAT OF THE HEAD OF A UNIT OF CITY GOVERNMENT.~~

~~(C) AUDIT.~~

§ 4.5. AGENCY AUDITS.

(A) DEFINITIONS.

(1) GENERAL.

IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(2) AUDIT.

(I) “AUDIT” MEANS AN AUDIT UNDERTAKEN IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS AND FEDERAL AND STATE LAW.

(II) “AUDIT” INCLUDES BOTH:

(A) A FINANCIAL AUDIT OF AN AGENCY’S FINANCIAL TRANSACTIONS, INCLUDING ALL ACCOUNTS, REVENUES, AND RECEIPTS; AND

(B) A PERFORMANCE AUDIT THAT ASSESSES AN AGENCY’S PRACTICES TO DETERMINE WHETHER THE AGENCY IS OPERATING ECONOMICALLY AND EFFICIENTLY AND WHETHER CORRECTIVE ACTIONS FOR IMPROVING ITS PERFORMANCE ARE APPROPRIATE.

Council Bill 12-0053

1 (3) PRINCIPAL AGENCY.

2 “PRINCIPAL AGENCY” MEANS ANY OF THE FOLLOWING EXECUTIVE DEPARTMENTS:

3 (I) DEPARTMENT OF FINANCE.

4 (II) DEPARTMENT OF LAW.

5 (III) DEPARTMENT OF PUBLIC WORKS.

6 (IV) FIRE DEPARTMENT.

7 (V) POLICE DEPARTMENT.

8 (VI) DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

9 (VII) BALTIMORE DEVELOPMENT CORPORATION.

10 (VIII) DEPARTMENT OF RECREATION AND PARKS.

11 (IX) DEPARTMENT OF TRANSPORTATION.

12 (X) DEPARTMENT OF GENERAL SERVICES.

13 (XI) DEPARTMENT OF PLANNING.

14 (XII) DEPARTMENT OF HUMAN RESOURCES.

15 (XIII) MAYOR’S OFFICE OF INFORMATION TECHNOLOGY.

16 ~~§ 9-2. BIENNIAL AUDIT REQUIRED.~~

17 (B) QUADRENNIAL AUDIT REQUIRED.

18 ~~EVERY SECOND FISCAL YEAR~~ AT LEAST ONCE DURING EVERY 4-YEAR TERM OF THE
19 MAYOR AND CITY COUNCIL, EACH PRINCIPAL AGENCY SHALL ARRANGE FOR AN AUDIT OF
20 ITS OPERATIONS DURING FOR THE PRECEDING 2-4 FISCAL YEARS.

21 ~~§ 9-3. BY WHOM AUDIT CONDUCTED.~~

22 (C) BY WHOM TO BE CONDUCTED.

23 THE AUDIT SHALL BE CONDUCTED BY:

24 (1) THE CITY AUDITOR; OR

25 (2) AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT OR FIRM OF CERTIFIED PUBLIC
26 ACCOUNTANTS.

Council Bill 12-0053

1 ~~§ 9-4. COSTS OF AUDIT.~~

2 (D) COSTS OF AUDIT.

3 IN EACH FISCAL YEAR PRECEDING THE FISCAL YEAR IN WHICH AN AUDIT IS ~~REQUIRED~~ TO BE
4 CONDUCTED UNDER THIS SECTION, ~~AN THE PRINCIPAL~~ AGENCY SHALL INCLUDE THE COSTS
5 OF THE AUDIT IN THE ESTIMATES THAT IT SUBMITS FOR THE NEXT YEAR'S ORDINANCE OF
6 ESTIMATES.

7 ~~§ 9-5. REPORTS.~~

8 (E) REPORTS.

9 REPORTS OF AUDITS CONDUCTED UNDER THIS SUBTITLE SHALL BE SUBMITTED TO:

- 10 (1) THE MAYOR;
- 11 (2) THE CITY COMPTROLLER; AND
- 12 (3) (2) THE PRESIDENT OF THE CITY COUNCIL.

13 ~~SECTION 2. AND BE IT FURTHER ORDAINED~~, That the catchlines contained in this Ordinance
14 are not law and may not be considered to have been enacted as a part of this or any prior
15 Ordinance.

16 ~~SECTION 2. AND BE IT FURTHER ORDAINED~~ RESOLVED, That: (a) The Mayor shall divide all
17 agencies into 2 groups, each group to comprise agencies whose total combined operating budgets
18 are roughly equal to those of the other group. (b) The Mayor shall then cause the initial audits
19 ~~under this Ordinance to be staggered~~, as follows: (1) The Mayor shall designate one of the two
20 groups to undergo the initial audit during Fiscal Year 2013. (2) The other group shall undergo the
21 initial audit during Fiscal Year 2014 the audits required by this Resolution shall begin in January
22 2014.

23 ~~SECTION 3. AND BE IT FURTHER ORDAINED~~, That this Ordinance takes effect on the 30th day
24 after the date it is enacted.

25 SECTION 3. AND BE IT FURTHER RESOLVED, That this proposed amendment to the City
26 Charter be submitted to the legal and qualified voters of Baltimore City, for adoption or rejection,
27 in accordance with Article XI-A, § 5 of the Maryland Constitution, in the form specified by the
28 City Solicitor.

Council Bill 12-0053

Certified as duly passed this _____ day of _____, 20__

President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,
this _____ day of _____, 20__

Chief Clerk

Approved this _____ day of _____, 20__

Mayor, Baltimore City