

**CITY OF BALTIMORE  
COUNCIL BILL 16-0699  
(Resolution)**

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Introduced by: Councilmember Costello, President Young, Councilmembers Middleton, Henry, Clarke, Holton, Scott, Mosby, Branch

Introduced and read first time: June 20, 2016

Assigned to: Judiciary and Legislative Investigations Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Audits, Office of Inspector General, Department of Finance

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A RESOLUTION ENTITLED

1 A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning

2 **Charter Amendment – Biennial Agency Audits**

3 FOR the purpose of amending the section on agency audits to require that the City Auditor  
4 conduct performance audits of principal agencies at least twice during every 4-year term of  
5 the Mayor and City Council; adding to the list of agencies subject to these audits; establishing  
6 a staggered schedule for these audits; redefining certain terms; providing for public posting of  
7 audit reports; and submitting this amendment to the qualified voters of the City for adoption  
8 or rejection.

9 BY proposing to amend

10 Article VII - Executive Departments  
11 Section 4.5  
12 Baltimore City Charter  
13 (1996 Edition)

14 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
15 City Charter is proposed to be amended to read as follows:

16 **Baltimore City Charter**

17 **Article VII. Executive Departments**

18 **§ 4.5. Agency audits.**

19 (a) *Definitions.*

20 (1) *General.*

21 In this section, the following terms have the meanings indicated.

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

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1 (2) *Audit.*

2 [(i)] “Audit” means [an] A PERFORMANCE audit [undertaken] THAT, in accordance  
3 with generally accepted government auditing standards and federal and state law[.],

4 [(ii)] “Audit” includes both: (A) a financial audit of an agency’s financial transactions,  
5 including all accounts, revenues, and receipts; and (B) a performance audit that  
6 assesses an agency’s practices to determine whether the agency is operating  
7 economically and efficiently and whether corrective actions for improving its  
8 performance are appropriate.

9 (3) *Principal agency.*

10 “Principal agency” means any of the following executive departments:

11 (I) *GROUP A –*

- 12 1. [(i)] Department of Finance.
- 13 2. [(iii)] Department of Public Works.
- 14 3. [(iv)] Fire Department.
- 15 4. [(vi)] Department of Housing and Community Development.
- 16 5. [(x)] Department of General Services.
- 17 6. [(vii)] Baltimore Development Corporation.
- 18 7. [(xiii)] Mayor’s Office of Information Technology.
- 19 8. MAYOR’S OFFICE OF HUMAN SERVICES.

20 (II) *GROUP B –*

- 21 1. [(ii)] Department of Law.
- 22 2. [(xii)] Department of Human Resources.
- 23 3. [(ix)] Department of Transportation.
- 24 4. [(v)] Police Department.
- 25 5. [(viii)] Department of Recreation and Parks.
- 26 6. [(xi)] Department of Planning.
- 27 7. DEPARTMENT OF HEALTH.
- 28 8. MAYOR’S OFFICE OF EMPLOYMENT DEVELOPMENT.

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1 (b) [*Quadrennial*] BIENNIAL *audit required.*

2 (1) *IN GENERAL.*

3 At least [once] TWICE during every 4-year term of the Mayor and City Council, [each  
4 principal agency] THE CITY AUDITOR shall [arrange for] CONDUCT an audit of [its]  
5 EACH PRINCIPAL AGENCY’S operations for the preceding [4] 2 fiscal years.

6 (2) *STAGGERED SCHEDULE.*

7 THESE AUDITS SHALL BE STAGGERED SO THAT:

8 (I) AUDITS OF THE PRINCIPAL AGENCIES LISTED IN SUBSECTION (A)(3)(I) AS  
9 “GROUP A” ARE INITIATED IN EVEN-NUMBERED CALENDAR YEARS; AND

10 (II) AUDITS OF THE PRINCIPAL AGENCIES LISTED IN SUBSECTION (A)(3)(II) AS  
11 “GROUP B” ARE INITIATED IN ODD-NUMBERED CALENDAR YEARS.

12 [(c) *By whom to be conducted.*]

13 [The audit shall be conducted by:

14 (1) the City Auditor; or

15 (2) an independent certified public accountant or firm of certified public accountants.]

16 (C) [(d)] *Costs of audit.*

17 In each fiscal year preceding the fiscal year in which an audit is to be conducted under  
18 this section, the [principal agency] BOARD OF ESTIMATES shall include the costs of [the]  
19 EACH audit TO BE CONDUCTED in the [estimates that it submits for the] next year’s  
20 Ordinance of Estimates.

21 (D) {*RESERVED*}

22 (e) *Reports.*

23 Reports of ALL audits conducted under this [subtitle] SECTION shall be:

24 (1) POSTED ON A PUBLIC WEBSITE MAINTAINED BY THE CITY COMPTROLLER; AND

25 (2) submitted to:

26 (I) THE BOARD OF ESTIMATES; AND

27 [(1) the Mayor;]

28 [(2) the City Comptroller; and]

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1 [(3) the President of the City Council.]

2 (II) EACH MEMBER OF THE CITY COUNCIL.

3 **SECTION 2. AND BE IT FURTHER RESOLVED**, That the first group of audits under this  
4 amendment shall be initiated in January 2017.

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