
**Minutes
Biennial Audits Oversight Commission**

**Wednesday, November 18, 2020
5:00 PM thru 6:25 PM**

Commission Members

In Attendance

Eric T. Costello, Chairman
Joan Pratt, Comptroller
Bill Henry, Councilmember
Leon Pinkett, Councilmember
Henry Raymond, Director of Finance
Isabel Cumming, Inspector General

Speakers

Josh Pasch, Department of Audits

Other Attendees – Approximately 25

Excused

Brandon Scott, City Council President

1. Chairman Costello informed the attendees that this was the eighth (8th) and final meeting for the legislative term and then introduced the commission members. Thereafter a motion was made to vote on the minutes from the July 8, 2020 meeting; motioned by Member Cumming seconded by Member Henry
 - Five members -Yea
 - One member – Out of Meeting
 - One member - Excused
 - Minutes Adopted
 - See attached voting record
2. Josh Pasch from the Department of Audits gave a PowerPoint Presentation. *A copy is on file.* The presentation consists of: (Status of, audit findings/recommendations, updates and etc.)
 - a. Calendar Year 2020 – Group B Biennial Audits Issued Dates – Fiscal Years Ending June 30, 2019 and 2018 for the following agencies:
 - Baltimore City Police Department
 - Health Department
 - Human Resources
 - Law
 - Planning
 - Recreation and Parks
 - Transportation, and
 - Mayor’s Office of Employment Development

- b. Also included in the PowerPoint Presentation is a list of the agencies to be audited during calendar year 2021: Group A Biennial Audits Issued Dates for Fiscal Years Ending June 30, 2020 and 2019 for the following agencies:
 - Fire Department
 - Information Technology (BCIT)
 - Baltimore Development Corporation (BDC)
 - General Services (DGS)
 - Housing and Community Development (DHCD)
 - Finance Department
 - Public Works (DPW), and
 - Mayor's Office of Human Services (MOHS)
3. Chairman Costello informed the attendees that all audits scheduled for calendar year 2020 are expected to be completed by years' end; December 31, 2020. He also commended the Comptroller, Auditor and their staff for the work completed thus far.
4. The commission members asked questions, stated some areas of concerns, made comments, and etc. Some highlighted areas of discussion were:
 - a. Audit Process
 - Chairman Costello asked Finance Director Raymond and City Auditor Pasch to respond to the following question:
 - How affective do you think the audit process is and what is your take on where we are?
 - The Chairman, the Director of Finance and the City Auditor were in agreement that conducting the agency financial audits did not serve much utility.
 - b. Financial Audits
 - Questions: Is it in the City Charter that a financial audit must be completed for each agency, each year?
 - Concern: The legal ramification(s) if financial audits are not completed
 - Comment: We should continue to do financial audits until we get feedback from our Law Department
 - Chairman Costello made a motion to: "Hold off on Financial Audits"
 - Motioned by: Chairman Costello
 - Seconded by: Member Pratt
 - Vote: Six (6) Yeas; One (1) Excused Absent
 - Motion Passed
 - c. Performance Audits
 - Comment: Performance audit objectives should not be limited to just the performance measures listed in the budget book They should be meaningful and should look at the efficiency and effectiveness of City agency delivery of services.
 - d. Comments/Suggestions/Etc. Pertaining to "Proposed Performance Objectives" for the agencies scheduled to be audited in the upcoming calendar Year 2021:
 - Fire Department
 - Concern: About the 2019 audit finding(s) related to maintenance of electronic records and data integrity issues.

- Asked Auditor to pay special attention to the Department during the next audit
 - Fire Watch Program – Please audit if possible
 - DGS
 - Building/Rental Utilization Rate – Please review
 - DPW
 - Water Billing System – Please review; to include:
 - How water billing disputes are resolve
 - If billing/invoices are being sent to everyone that should receive one
 - Solid Waste Staffing and Recruitment – Please review if possible
 - DHCD – No suggestions/comments
 - Finance
 - The time it takes the City to distribute State and Local funds to non-profits; to include the policies and processes in place – Please review
 - Real Property Tax Collection Rate – would like to see a finding for each objective
 - Paying bills/vendors within 30 days – Please review
 - BDC – No suggestions/comments
 - BCIT
 - Information Security – Please review
 - IT Strategy – Please review
 - Chairman Costello proposed a motion to: “To bring in outside auditor technical support to audit BCIT from an IT Security perspective”
 - Motioned by: Member Henry
 - Seconded by: Member Raymond
 - Vote: Six (6) Yeas; One (1) Excused Absent
 - Motion Passed
 - MOHS
 - How adequate are shelter conditions and utilization rates for ending homelessness – Please review
 - Chairman Costello proposed a motion: “The scope of MOHS will now include the Mayor’s Office of Children and Family Success and the Mayor’s Office of Homeless Services”
 - Motioned by: Member Henry
 - Seconded by: Member Pratt
 - Vote: Six (6) Yeas; One (1) Excused Absent
 - Motion Passed
5. At the request of Chairman Costello:
- The Proposed Performance Objectives are to be submitted to commission chair by mid-December 2020.
 - The commission members will talk with the Law Department about the concerns raised pertaining to Financial Audits
 - Minutes will be approved electronically

Meeting adjourned.

Minutes Approved: Electronically, with the following votes received via email:

- Four (4) Yeas on December 1, 2020
- Two (2) Yeas on December 2, 2020
- One (1) Excused Absent
- Final: Six (6) Yeas

BALTIMORE CITY BIENNIAL AUDITS OVERSIGHT COMMISSION VOTING RECORD

APPROVAL OF JULY 8, 2020 MINUTES

DATE: November 18, 2020

MOTION BY: Cumming SECONDED BY: Henry

☒ FAVORABLE

☐ FAVORABLE WITH AMENDMENTS

☐ UNFAVORABLE

☐ WITHOUT RECOMMENDATION

NAME	YEAS	NAYS	ABSENT	ABSTAIN
Costello, Eric - Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raymond, Henry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cumming, Isabel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pratt, Joan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Out of Mtg.	<input type="checkbox"/>
Scott, Brandon	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Excused	<input type="checkbox"/>
Pinkett, Leon	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry, Bill	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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TOTALS	<u>5</u>	<u>-</u>	<u>2</u>	<u>-</u>

CHAIRPERSON: Eric T. Costello, Eric T Costello / m.m.c

STAFF PERSON: Marguerite M. Currin, Initials: m.m.c