



Legislation Text

File #: 24-0543, Version: 0

Explanation: Capitals indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

* **Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*

City of Baltimore Council Bill (Charter Amendment)

Introduced by: The Council President
At the request of: The Comptroller

A Resolution Entitled

A Resolution of the Mayor and City Council concerning
Charter Amendment - Department of Audits

For the purpose of transferring the Department of Audits from the Office of the Comptroller to the City Council; and submitting this amendment to the qualified voters of the City for adoption or rejection.

By proposing to add

Article III - City Council
Sections 16 through 20
Baltimore City Charter
(1996 Edition)

By proposing to amend

Article V - Comptroller
Section 3
Baltimore City Charter
(1996 Edition)

By proposing to repeal

Article V - Comptroller
Sections 7 to 11
Baltimore City Charter
(1996 Edition)

By proposing to renumber

Article V - Comptroller
Sections 12, 13, 14, and 15, respectively
to be
New Sections 7, 8, 9, and 10, respectively
Baltimore City Charter

(1996 Edition)

Section 1. Be it resolved by the Mayor and City Council of Baltimore, That Section 7 through 11 of Article V of the City Charter are proposed to be repealed.

Section 2. Be it resolved by the Mayor and City Council of Baltimore, That Sections 12 through 15, respectively, of Article V of the City Charter be renumbered to be Sections 7 through 10, respectively.

Section 3. Be it resolved by the Mayor and City Council of Baltimore, That the City Charter is proposed to be amended to read as follows:

Baltimore City Charter

Article III. City Council

§ 16. Department of Audits - Established.

(a) *Establishment; City Auditor.*

There shall be a Department of Audits, the head of which shall be the City Auditor.

The City Auditor shall be a certified public accountant who is licensed by the State of Maryland, shall be appointed by the City Council in accordance with the provisions of the Charter relating to the Civil Service, and shall hold office in accordance with these provisions.

(b) *Staff; Budget.*

The City Auditor shall appoint such employees as may be provided in the Ordinance of Estimates.

Sufficient funds shall be included in the Ordinance of Estimates for the Department of Audits to enable the City Auditor to perform the duties prescribed herein.

§ 17. Department of Audits - General powers and duties.

(a) *In general.*

In accordance with generally accepted government auditing standards and State and federal law, the City Auditor:

- (1) shall at appropriate intervals conduct an audit of the financial transactions of every municipal agency, except the Department of Audits;
- (2) shall conduct an annual audit of all accounts, revenues, and receipts of the City;
- (3) shall conduct biennial audits of principal agencies, as provided in § 20 of this article;
- (4) may audit the expenditure of City-granted funds by any public or private agency that receives such funds;
- (5) may audit City contracts, grants, subgrants, and other agreements as required by the terms and conditions of these instruments and, when the contracts, grants, subgrants, and other agreements require that audits be conducted by other auditors, review such audits;

(6) shall make such other audits as the City Council or the Board of Estimates may request, provided that those requested audits do not, in the judgment of the City Auditor, unduly hinder the performance of regular audits; and

(7) shall facilitate compliance with audit and report requirements established under §§ 16-305 and 16-306 of the State Local Government Article.

(b) *Subpoena.*

(1) To perform the duties of the City Auditor's office, the City Auditor may issue a subpoena to any municipal officer, municipal employee, or any other person receiving City funds to require the production of any information, document, report, record, account, or other material.

(2) The City Auditor may enforce any subpoena issued pursuant to this subsection in any court of competent jurisdiction.

(c) *Reports.*

The City Auditor shall make reports of all such audits to the City Council and, at the same time, to each of the members of the Board of Estimates.

§ 18. Department of Audits - Annual comprehensive financial report.

(a) *Audit of report.*

The City Auditor, under the supervision of the City Council, shall audit the annual comprehensive financial report of the City, prepared by the Director of Finance. This report shall be a public document.

(b) *Access to records.*

To carry out the Auditor's duties, the Auditor shall have access at all times to the financial records of all municipal agencies and the relevant financial records of contractors with, and grantees of, the City.

§ 19. Department of Audits - Independent auditors.

(a) *Required engagement.*

The Board of Estimates, at appropriate intervals, shall engage an independent firm of certified public accountants to audit:

(1) the financial transactions of the Department of Audits;

(2) the City Council; and

(3) the annual comprehensive financial report of the City.

(b) *Permissive engagement.*

The Board of Estimates may engage an independent firm of certified public accountants to audit the financial transactions of any municipal agency and to examine the fiscal procedures, records, accounts, and methods of any municipal agency, including the Department of Audits.

(c) *Reports.*

The independent firm of certified public accountants shall make reports of its audits, examinations, and recommendations to the Board of Estimates.

§ 20. Department of Audits - Biennial audits of principal agencies.

(a) *Definitions.*

(1) *In general.*

In this section, the following words 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 a principal agency’s financial transactions, including all revenues and receipts; and

(B) a performance audit that assesses a principal agency’s practices to determine whether the agency is operating economically and efficiently and whether corrective actions for improving its performance are appropriate.

(3) *Principal agency.*

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

(i) *Group A -*

1. Department of Finance.
2. Department of Public Works.
3. Fire Department.
4. Department of Housing and Community Development.
5. Department of General Services.
6. Baltimore Development Corporation.
7. Mayor’s Office of Information Technology (or successor entity to this Office).
8. Mayor’s Office of Human Services (or successor entity to this Office).
9. Office of the Mayor.

(ii) *Group B -*

1. Department of Law.
2. Department of Human Resources.
3. Department of Transportation.
4. Police Department.
5. Department of Recreation and Parks.
6. Department of Planning.
7. Department of Health.
8. Mayor's Office of Employment Development (or successor entity to this Office).
9. Office of the Comptroller.

(b) *Biennial audit required.*

(1) *In general.*

At least twice during every 4-year term of the Mayor and City Council, the City Auditor shall conduct an audit of each principal agency's operations for the preceding 2 fiscal years.

(2) *Staggered schedule.*

These audits shall be staggered so that:

- (i) audits of the principal agencies listed in subsection (a)(3)(i) as "Group A" are initiated in odd-numbered calendar years; and
- (ii) audits of the principal agencies listed in subsection (a)(3)(ii) as "Group B" are initiated in even-numbered calendar years.

(c) *Costs of audit.*

In each fiscal year preceding the fiscal year in which audits are to be conducted under this section, the City Council shall include the costs of those audits in the estimates that the City Council submits for the next year's Ordinance of Estimates.

(d) *Status of prior recommendations.*

(1) *In general.*

Each report of an agency audit conducted under this section shall include an ancillary report on the status of all recommendations for executive action that resulted from that agency's immediately preceding audit under this section.

(2) *Content of report.*

The ancillary report shall:

- (i) designate each recommendation's status either as "implemented", "partially implemented", or "not implemented"; and
- (ii) provide justification for the status designation assigned.

(e) *Publication of reports.*

Reports of all audits conducted under this section shall be:

- (1) posted on a public website maintained by the Department of Legislative Reference;
- (2) filed with the Department of Legislative Reference;
- (3) submitted to the principal agency audited; and
- (4) submitted to each member of:
 - (i) the Board of Estimates; and
 - (ii) the City Council.

Article V. Comptroller

§ 3. General duties.

The Comptroller shall:

- (a) serve as a member of the Board of Estimates;
- (b) serve as a member of the Board of Finance;
- [(c) have such general supervision of the Department of Audits and the activities of the City Auditor as provided for in the Charter;]
- [(d) be responsible for the proper conduct, management and operation of the Department of Real Estate; and]
- (c) exercise supervisory authority over all departments, directors, and municipal officers provided for under this article;
- (d) establish and abolish bureaus and divisions within any department provided for under this article;
- (e) assign duties and powers of a department among the bureaus or divisions within that department;
- (f)[(e)] subject to the approval of the Board of Estimates, and within the limits of the appropriation therefor in the Ordinance of Estimates, obtain such insurance as may be necessary for the proper protection of the City or as may be required by applicable law, and shall, whenever it would be to the City's advantage, seek competitive bids for the insurance; and

[(f) be responsible for the proper conduct, management and operation of the Department of Accounts Payable; and]

(g) perform such other duties, not inconsistent with the office, as prescribed by law.

Section 4. And be it further resolved, That this proposed amendment to the City Charter be submitted to the legal and qualified voters of Baltimore City, for adoption or rejection, in accordance with Article XI-A, § 5 of the Maryland Constitution, in the form specified by the City Solicitor.