City of Baltimore

City Council
City Hall, Room 408
100 North Holliday Street
Baltimore, Maryland 21202

Legislation Text

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        INTRODUCTORY*

        CITY OF BALTIMORE
        COUNCIL BILL   R
        (Resolution)

Introduced by: Councilmember Spector

        A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning
Informational Hearing - Auditing Best Practices

FOR the purpose of calling on representatives from the from the Department of Audits to appear before the Council to discuss how the Department currently performs its Charter mandated duties, the best practices in municipal and government auditing, and how audits of City agencies can be made more regular, frequent, and effective.

Recitals

   As stewards of the people's money, it is imperative that governments ensure that financial resources are used as effectively and efficiently as possible. This is even more true in an era of shrinking tax bases, service cuts, and difficult budget decisions.   In order to ensure that these decisions are based on the best possible information, it is necessary to have a defined and regularly implemented policy for the identification and tracking of City spending practices.

   The best way to accomplish this is with timely and ongoing audits of Baltimore City's departments and agencies. Recognizing the importance of regular audits, the drafters of the City Charter created a Department of Audits responsible to the City Comptroller, and in Article V,   § 8(a)(1) of the Charter required it to "at appropriate intervals conduct an audit of the financial transactions of every municipal agency, except the Department of Audits."

   Unfortunately, in recent years the number of audits conducted by the Department of Audits has steadily declined, and some City departments have reportedly not been audited for decades. This situation falls far short of what Baltimore's citizens should be able to expect from their government - the City can and must do better.

   What is imperative is a policy to identify potential waste - on a continuing basis. But although this is a necessary first step, it is not alone sufficient. From there, we must ensure that there is in place a tracking system to measure departments' and agencies' progress in resolving and correcting problems - whether they be simple or complex - with an enforcement arm that makes them responsible for fixing problems permanently.

These challenges are not unique to Baltimore - the State considered a bill in the last legislative session that would have mandated 5% cuts to the budgets of departments that repeatedly fail to address concerns raised in their audits in order to increase compliance with auditors recommendations, and it continues to study how to make the audit process more effective - but these are challenges that need to be more systematically discussed and addressed in Baltimore.

To that end, it is important that the Council hear from the agency charged by the Charter with responsibility for regular audits about how the Department of Audits currently handles audits, as well as what the best practices in the municipal audits field are. It is hoped that, with the support of the Mayor and the Comptroller, these conversations can lead us to a better method of achieving the oversight of City finances that the Charter envisions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Council requests that representatives from the Department of Audits appear before it to discuss how they currently perform their Charter mandated duties, the best practices in municipal and government auditing, and how audits of City agencies can be made more regular, frequent, and effective.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the Comptroller, the City Auditor, and the Mayor's Legislative Liaison to the City Council.

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