



City of Baltimore

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

Legislation Text

File #: 12-0151, **Version:** 0

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: Councilmembers Mosby, Holton

A BILL ENTITLED

AN ORDINANCE concerning
City Audits Commission

FOR the purpose of establishing a Baltimore City Audits Commission; defining certain terms; providing for the composition of the Commission; specifying the functions, powers, and duties of the Commission; and generally relating to oversight of the City's external and internal audit activities.

BY adding

Article 1 - Mayor, City Council, and Municipal Agencies
Section(s) 9-1 to 9-14, to be under the new subtitle,
"Subtitle 9. Audits Commission"
Baltimore City Code
(Edition 2000)

SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the Laws of Baltimore City read as follows:

Baltimore City Code

Article 1. Mayor, City Council, and Municipal Agencies

SUBTITLE 9. CITY AUDITS COMMISSION

§ 9-1. DEFINITIONS.

(A) IN GENERAL.

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

(B) AUDIT.

(1) "AUDIT" MEANS AN AUDIT UNDERTAKEN IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS AND FEDERAL AND STATE LAW.

(2) "AUDIT" INCLUDES BOTH:

(I) A FINANCIAL AUDIT OF A CITY AGENCY'S FINANCIAL TRANSACTIONS, INCLUDING ALL ACCOUNTS, REVENUES, AND RECEIPTS; AND

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

(C) AUDITS COMMISSION; COMMISSION.

"AUDITS COMMISSION" OR "COMMISSION" MEANS THE BALTIMORE CITY AUDITS COMMISSION ESTABLISHED UNDER THIS SUBTITLE.

(D) CITY AGENCY; AGENCY.

"CITY AGENCY" OR "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.

§ 9-2. COMMISSION ESTABLISHED.

THERE IS A BALTIMORE CITY AUDITS COMMISSION.

§ 9-3. COMPOSITION.

(A) IN GENERAL.

THE AUDITS COMMISSION CONSISTS OF 5 VOTING MEMBERS AND 3 NON-VOTING MEMBERS.

(B) VOTING MEMBERS.

(1) THE 5 VOTING MEMBERS ARE APPOINTED BY THE MAYOR IN ACCORDANCE WITH ARTICLE IV, § 6 OF THE CITY CHARTER.

(2) EACH OF THE VOTING MEMBERS MUST BE A RESIDENT OF BALTIMORE CITY.

(3) IN ADDITION:

- (I) 2 OF THE VOTING MEMBERS MUST BE INDIVIDUALS WHO ARE ACTIVELY ENGAGED IN PRACTICE AS CERTIFIED PUBLIC ACCOUNTANTS WITH AUDITING EXPERIENCE;
 - (II) 2 OF THE VOTING MEMBERS MUST BE FINANCIALLY SOPHISTICATED AND ACKNOWLEDGED EXPERTS IN GOVERNMENTAL BUDGETS AND FINANCES; AND
 - (III) 1 OF THE VOTING MEMBERS MUST BE AN ACKNOWLEDGED BUSINESS LEADER WITH SENIOR LEVEL EXPREIENCE.
- (C) NON-VOTING MEMBERS.

THE 3 NON-VOTING MEMBERS ARE:

- (1) THE COMPTROLLER OF BALTIMORE CITY, EX OFFICIO;
- (2) THE INSPECTOR GENERAL OF BALTIMORE CITY, EX OFFICIO; AND
- (3) A MEMBER OF THE CITY COUNCIL, DESIGNATED BY THE COUNCIL PRESIDENT.

§ 9-4. TERMS; VACANCIES.

(A) TERMS OF OFFICE.

- (1) VOTING MEMBERS OF THE AUDITS COMMISSION SERVE FOR A TERM OF 4 YEARS, CONCURRENT WITH THE TERMS OF THE MAYOR AND THE CITY COUNCIL.
- (2) AT THE END OF A TERM, A VOTING MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(B) VACANCIES.

A MEMBER APPOINTED TO FILL A VACANCY IN AN UNEXPIRED TERM SERVES ONLY FOR THE REMAINDER OF THAT TERM.

§ 9-5. COMPENSATION; EXPENSES.

THE MEMBERS OF THE AUDITS COMMISSION:

- (1) ARE NOT ENTITLED TO COMPENSATION FOR THEIR SERVICES; BUT
- (2) ARE ENTITLED TO REIMBURSEMENT FOR EXPENSES INCURRED, AS PROVIDED IN THE ORDINANCE OF ESTIMATES.

§ 9-6. OFFICERS; STAFF.

(A) OFFICERS.

THE AUDITS COMMISSION:

- (1) MUST DESIGNATE A VOTING MEMBER OF THE COMMISSION TO SERVE AS ITS CHAIR; AND
- (2) MAY DESIGNATE FROM AMONG ANY OF ITS MEMBERS ANY OTHER OFFICERS IT CONSIDERS NECESSARY OR APPROPRIATE.

(B) STAFF.

THE AUDITS COMMISSION MAY APPOINT EMPLOYEES, ASSISTANTS, AND INVESTIGATORS AS PROVIDED IN THE ORDINANCE OF ESTIMATES.

§ 9-7. MEETINGS; QUORUM; VOTING.

(A) MEETINGS.

THE AUDITS COMMISSION MUST MEET, AT THE CALL OF THE CHAIR OR ON REQUEST OF 3 OR MORE VOTING MEMBERS, AS OFTEN AS REQUIRED TO PERFORM ITS DUTIES.

(B) QUORUM AND VOTING.

(1) 3 VOTING MEMBERS OF THE AUDITS COMMISSION CONSTITUTE A QUORUM FOR THE TRANSACTION OF BUSINESS.

(2) AN AFFIRMATIVE VOTE OF AT LEAST 3 VOTING MEMBERS IS NEEDED FOR ANY OFFICIAL ACTION.

§ 9-8. RULES AND REGULATIONS.

(A) COMMISSION MAY ADOPT.

THE AUDITS COMMISSION MAY ADOPT RULES AND REGULATIONS TO CARRY OUT THIS SUBTITLE.

(B) FILING WITH LEGISLATIVE REFERENCE.

A COPY OF ALL RULES AND REGULATIONS MUST BE FILED WITH THE DEPARTMENT OF LEGISLATIVE REFERENCE BEFORE THEY TAKE EFFECT.

§§ 9-9 TO 9-10. {RESERVED}

§ 9-11. COMMISSION'S PRIMARY FUNCTION.

THE PRIMARY FUNCTION OF THE AUDITS COMMISSION IS TO PROVIDE OVERSIGHT OF THE CITY'S EXTERNAL AND INTERNAL AUDIT ACTIVITIES.

§ 9-12. POWERS AND DUTIES - IN GENERAL.

THE AUDITS COMMISSION IS RESPONSIBLE FOR:

- (1) OVERSEEING THE AUDITING EFFECTIVENESS OF CITY AGENCIES BY ENSURING THAT INTERNAL AND EXTERNAL AUDIT PROCEDURES ARE IN ACCORD WITH CURRENT INDUSTRY

METHODS AND PROCEDURES AND GENERALLY ACCEPTED GOVERNMENT ACCOUNTING PRINCIPLES;

- (2) RISK ASSESSMENT ANALYSIS FOR PRIORITIZING AGENCY AUDIT NEEDS;
- (3) IDENTIFYING SPECIAL AUDIT NEEDS;
- (4) MONITORING ONGOING AUDIT PROGRESS; AND
- (5) ROUTINELY PROVIDING ASSESSMENTS TO:
 - (I) THE MAYOR;
 - (II) THE CITY COMPTROLLER; AND
 - (III) THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL.

§ 9-13. POWERS AND DUTIES - AUDIT SCHEDULE.

- (A) AUDITS DEPARTMENT TO PREPARE.

THE DEPARTMENT OF AUDITS MUST PREPARE AND, AS NECESSARY OR APPROPRIATE FROM TIME TO TIME, UPDATE A 4-YEAR ROLLING AUDIT SCHEDULE.

- (B) SUBMISSION TO COMMISSION FOR REVIEW AND COMMENT.

BEFORE ADOPTING AN AUDIT SCHEDULE OR UPDATE, THE DEPARTMENT OF AUDITS MUST PROVIDE A DRAFT OF THE SCHEDULE OR UPDATE TO THE COMMISSION FOR ITS REVIEW AND COMMENT.

- (C) QUARTERLY MEETING TO REVIEW PROGRESS.

THE AUDITS COMMISSION MUST MEET AT LEAST QUARTERLY WITH THE DEPARTMENT OF AUDITS TO REVIEW PROGRESS UNDER THE AUDIT SCHEDULE.

§ 9-14. POWERS AND DUTIES - ANNUAL ASSESSMENT OF AUDIT RECOMMENDATIONS.

- (A) COMMISSION TO ASSESS AUDIT RECOMMENDATIONS.

FOR EACH FISCAL YEAR, THE AUDITS COMMISSION MUST:

- (1) REVIEW THE RECOMMENDATIONS OF ALL EXTERNAL AND INTERNAL AUDITS; AND
 - (2) ISSUE AN ASSESSMENT OF THOSE RECOMMENDATIONS.
- (B) .SUBMISSIONS.

EACH ANNUAL ASSESSMENT MUST BE:

- (1) COMPLETED BY MARCH 31 FOLLOWING THE FISCAL YEAR REVIEWED; AND
- (2) SUBMITTED TO:
 - (I) THE MAYOR;
 - (II) THE CITY COMPTROLLER; AND
 - (III) THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL.

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

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

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