

HOUSE BILL 360

F3, P1, P5

7lr1877

By: **Delegate Conway**

Introduced and read first time: January 25, 2017

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City Public School System – Audit Exemption – Prohibition**

3 FOR the purpose of making the Baltimore City Public School System ineligible to request
4 an exemption from a certain audit of the school system performed by the Office of
5 Legislative Audits at certain intervals; requiring the Office of Legislative Audits to
6 begin a certain audit of the Baltimore City Public School System as soon as possible;
7 and generally relating to audits of the Baltimore City Public School System.

8 BY repealing and reenacting, with amendments,

9 Article – State Government

10 Section 2–1220(e)

11 Annotated Code of Maryland

12 (2014 Replacement Volume and 2016 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

14 That the Laws of Maryland read as follows:

15 **Article – State Government**

16 2–1220.

17 (e) (1) Except as provided in paragraph (4) of this subsection, at least once
18 every 6 years, the Office of Legislative Audits shall conduct an audit of each local school
19 system to evaluate the effectiveness and efficiency of the financial management practices
20 of the local school system.

21 (2) The audits may be performed concurrently or separately.

22 (3) The Office of Legislative Audits shall provide information regarding the
23 audit process to the local school system before the audit is conducted.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (4) (i) Subject to the [limitation] **LIMITATIONS** under [subparagraph]
2 **SUBPARAGRAPHS (ii) AND (III)** of this paragraph, beginning in fiscal year 2017, a local
3 school system shall be exempt from the audit requirement under paragraph (1) of this
4 subsection if the county governing body, the county board of education, and the county
5 delegation to the Maryland General Assembly consisting of the county senators and
6 delegates each submits a letter to the Joint Audit Committee requesting an exemption on
7 or before November 1 of fiscal year 2017, or on or before November 1 of the last year of a
8 6–year audit cycle under paragraph (1) of this subsection, as determined by the Office of
9 Legislative Audits.

10 (ii) A local school system may not be exempt for two consecutive
11 6–year audit cycles.

12 **(III) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY**
13 **TO THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM.**

14 (5) Notwithstanding paragraph (4) of this subsection, the Joint Audit
15 Committee may direct the Office of Legislative Audits to conduct an audit of a local school
16 system at any time.

17 **SECTION 2. AND BE IT FURTHER ENACTED,** That the Office of Legislative
18 Audits shall begin an audit of the Baltimore City Public School System to evaluate the
19 effectiveness and efficiency of the financial management practices of the school system as
20 soon as possible.

21 **SECTION 3. AND BE IT FURTHER ENACTED,** That this Act shall take effect July
22 1, 2017.