

BY: Environmental Matters Committee

AMENDMENTS TO HOUSE BILL 624

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike lines 2 and 3 in their entirety and substitute “Prince George’s County – Legislative Auditor – Annual Audit of County-Issued Credit Cards”; strike beginning with the second “the” in line 5 down through “to” in line 6 and substitute “the Legislative Auditor to”; in line 6, strike “independent”; strike beginning with “requiring” in line 10 down through “time;” in line 11; in line 12, strike “independent audit” and substitute “audit conducted by the Legislative Auditor”; strike in their entirety lines 14 through 18, inclusive, and substitute:

“BY repealing and reenacting, with amendments,

Article 19 – Comptroller

Section 40(a)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)”;

and strike line 21 in its entirety and substitute “Article 19 – Comptroller”.

AMENDMENT NO. 2

On page 2, strike in their entirety lines 1 through 12, inclusive, and substitute:

“40.

(a) (1) Except as provided in paragraph (2) of this subsection AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, each county, incorporated city or town and taxing district created by and situated within the State shall have its books, accounts, records and reports examined at least once during each fiscal year by the persons and for the purposes specified in this section. The examination shall be made by a certified public accountant in the capacity of either an independent auditor

(Over)

or official auditor of any county or incorporated city. The auditor shall be in compliance with the provisions of the Maryland Public Accountancy Act. The official auditor shall be approved by the Legislative Auditor for the purposes specified in this section. On such examination, inquiry shall be made into the methods, accuracy and legality of the accounts, records, files and reports of each county, incorporated city or town and taxing district. The Legislative Auditor upon his own initiative may review or audit the books, records and reports of any county, incorporated city or town or taxing district. Any county, incorporated city or town or taxing district may request the Legislative Auditor to audit its books, records and reports. If the request is approved, the costs of the examination shall be borne by the auditee. The results of the audit shall be reported, subject to § 2-1246 of the State Government Article, to the Legislative Auditor on such form or forms and in such manner as the Legislative Auditor may prescribe. This report shall be made to the Legislative Auditor by November 1 after the close of the fiscal year, except that the report may be made to the Legislative Auditor by January 1 after the close of the fiscal year for a county, incorporated city or town or taxing district having a population of more than 400,000. An audit report filed with the Legislative Auditor is a public record under the provisions of § 10-611 of the State Government Article. Each year the Legislative Auditor shall review the audit reports submitted and shall make a full and detailed report in writing to the State Comptroller and, subject to § 2-1246 of the State Government Article, to the Executive Director of the State Department of Legislative Services of the result of the examination of the books, accounts, records and reports of each county, incorporated city or town and taxing district, together with such suggestions as he may think advisable to be made with respect to methods of bookkeeping, changes in the uniform system of financial reporting and changes in the reports of the counties, incorporated cities or towns and taxing districts. In conducting the reviews specified in this section, the Legislative Auditor may review the working papers and other documentation of the auditor. As a result of the Legislative Auditor's reviews, audit reports, working papers, or other documentation may be referred to the State Board of Public Accountancy for action as prescribed in the Maryland Public Accountancy Act. It shall also be the duty of the Legislative Auditor to report all violations by any county, incorporated city or town and taxing district of the

requirement and provisions specified in the sections of this subtitle to the State Comptroller and, subject to § 2-1246 of the State Government Article, to the Executive Director of the State Department of Legislative Services. Should any county or incorporated city or town or taxing district fail or refuse to file the audit reports as provided in this section with the Legislative Auditor within the time prescribed or fail or refuse to submit an audit report including financial statements that have been prepared in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards, the State Comptroller, acting upon the advice of the Executive Director of the State Department of Legislative Services, shall be authorized to order the discontinuance of payment of all funds, grants, or State aid which the county, incorporated city or town or taxing district is entitled to receive under State law. This provision shall have specific reference to all funds, grants, or State aid which the county, incorporated city or town or taxing district is entitled to receive under applicable provisions of State law distributed by the State Comptroller, the clerks of the court, or other units of State government.

(2) Unless the Legislative Auditor determines, on a case-by-case basis, that more frequent audits are required, the Legislative Auditor may authorize an incorporated city or town or taxing district created by the State with annual revenues of less than \$50,000 in the prior 4 fiscal years to have an audit conducted once every 4 years.

(3) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE LEGISLATIVE AUDITOR SHALL CONDUCT AN ANNUAL AUDIT OF ALL TRANSACTIONS ON CREDIT CARDS ISSUED BY PRINCE GEORGE'S COUNTY TO THE COUNTY EXECUTIVE AND THE MEMBERS OF THE COUNTY COUNCIL.

(II) THE LEGISLATIVE AUDITOR SHALL:

1. COMPLETE THE AUDIT NOT LATER THAN 1 MONTH AFTER THE CLOSE OF EACH FISCAL YEAR; AND

(Over)

2. ON COMPLETION OF THE AUDIT, SUBMIT THE COMPLETE AUDIT REPORT TO THE COUNTY AUDITOR, COUNTY COUNCIL, AND COUNTY EXECUTIVE OF PRINCE GEORGE'S COUNTY AND THE MEMBERS OF THE PRINCE GEORGE'S COUNTY HOUSE AND SENATE DELEGATIONS TO THE GENERAL ASSEMBLY."