

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 304 (Montgomery County Delegation)
Environment and Transportation

**Montgomery County - Authority of County Council Over Inspector General -
Montgomery College
MC 12-19**

This bill authorizes the Montgomery County Council to enact a local law to grant the Montgomery County Inspector General the same authority over Montgomery College that the inspector general has over a department of county government.

Fiscal Summary

State Effect: None.

Local Effect: None. The Montgomery County Office of the Inspector General (OIG) can handle any increase in workload with existing resources.

Small Business Effect: None.

Analysis

Current Law:

Goals of the Inspector General

The goals of the inspector general are to (1) review the effectiveness and efficiency of programs and operations of county government and independent county agencies; (2) prevent and detect fraud, waste, and abuse in government activities; and (3) propose ways to increase the legal, fiscal, and ethical accountability of county government and county-funded agencies.

Duties and Powers of the Inspector General

The inspector general must attempt to identify actions which would enhance the productivity, effectiveness, or efficiency of programs and operations of county government and independent county agencies.

In developing recommendations, the inspector general may (1) conduct investigations; budgetary analyses; and financial, management, or performance audits and similar reviews and (2) seek assistance from any other agency or private party, or undertake any project jointly with any other governmental agency or private body. In each project, the inspector general is required to comply with generally accepted government auditing standards.

The inspector general should also consult with the Director of the Office of Legislative Oversight to assure that the office complements and does not duplicate the work assigned by the county council to the Office of Legislative Oversight, as well as audits and other evaluations conducted by other departments and agencies. The inspector general may review and seek comments from any county department or agency that performed an audit or program evaluation.

Access to Information and Subpoenas

The inspector general is legally entitled to any document or other information concerning the operations, budget, or programs of each department or office in county government as well as each independent county agency. However, the inspector general must comply with any restrictions on public disclosure of the document or information that are required by federal or State law. The inspector general must immediately notify the chief administrative officer, the Montgomery County attorney, and the president of the county council if any department, office, or agency does not provide any document or information within a reasonable time. Accordingly, the chief administrative officer, the county attorney, and the council president must take appropriate action, including legal action if necessary, to require the department, office, or agency to provide the requested document or information.

If the inspector general does not receive all necessary information, the inspector general may issue a subpoena to require any person to appear under oath as a witness or produce any record or other material in connection with an audit or investigation.

Reporting Requirements

The inspector general must submit by October 1 of each year an annual report to the county council and county executive. The report must include (1) the activities of OIG and (2) major findings and recommendations during the previous fiscal year.

The inspector general must also submit a written report to the county council, county executive, and the chief operating officer of each affected department or agency after the inspector general completes an audit or investigations of that department or agency. This report must describe the purpose of the project, the research methods used, and the inspector general's findings and recommendations. Prior to releasing the report, the inspector general must give each affected department or agency a reasonable opportunity to respond to the inspector general's final draft. After giving the county executive and county council a reasonable opportunity to review the report, the inspector general must release the report to the public, subject to the State Public Information Act.

Montgomery College Internal Audit

Section 16-315 of the Education Article requires each community college in the State to conduct an annual audit. Accordingly, Montgomery College presently has an Office of Compliance, Risk, and Ethics which includes an internal auditor. Pursuant to College Policy 61005, the internal auditor is authorized to direct a broad, comprehensive program of internal auditing within the college. The internal auditor has a responsibility that involves going beyond the accounting and financial records and policies and procedures to obtain a full understanding of the operations under review. The chief compliance, risk, and ethics officer must ensure that the internal audit function is authorized with full, free, and unrestricted access to all college activities, records, property, and personnel. Montgomery College advises that the internal auditor performs the same duties as the inspector general but does not have subpoena power.

Background: Currently, there is some question as to the authority of the county council to grant the inspector general authority over Montgomery College. The concern revolves around the definition of "independent county agencies" in the local law establishing the OIG that lists various units of government, including Montgomery College. However, similar to other community colleges in the State, Montgomery College was established under State law, so the question has become whether the county has authority over a unit of government created by the State.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery College; Montgomery County; Department of Legislative Services

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