

Bill No. 11-19  
Concerning: Administration – Internal  
Audit – Inspector General -  
Amendments  
Revised: 9/26/2019 Draft No. 5  
Introduced: May 7, 2019  
Enacted: October 15, 2019  
Executive: October 22, 2019  
Effective: January 21, 2020  
Sunset Date: None  
Ch. 24, Laws of Mont. Co. 2019

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsors: Council President Navarro, Council Vice-President Katz and Councilmember  
Friedson

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**AN ACT** to:

- (1) increase the legislative oversight of the County’s internal accounting and contracting processes;
- (2) modify the duties of the Office of Internal Audit;
- (3) expand the duties and authority of the Inspector General; and
- (4) generally amend the law governing the Office of Internal Audit and the Inspector General.

By amending

Montgomery County Code  
Chapter 2, Administration  
Sections 2-25A and 2-151

**Boldface**

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

\* \* \*

*Heading or defined term.*

*Added to existing law by original bill.*

*Deleted from existing law by original bill.*

*Added by amendment.*

*Deleted from existing law or the bill by amendment.*

*Existing law unaffected by bill.*

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Sections 2-25A and 2-151 are amended as follows:**

2           **2-25A. Office of Internal Audit — Functions.**

3           The Office of Internal Audit is part of the Office of the County Executive. The Office  
4           of Internal Audit must conduct its work in accordance with professional standards  
5           relevant to internal audit.

6           (a)    Duties. The Office must:

7                   [(a)] (1)    must periodically conduct a risk analysis, to identify areas  
8                                   of risk in accountability systems;

9                   [(b)] (2)    based on the risk analysis, conduct fiscal, contract,  
10                                compliance, internal control, performance, and information system  
11                                audits, and attestation engagements;

12                   [(c)] (3)    undertake investigative audits and audits required by law;

13                   [(d)] (4)    provide advice to County departments and offices on  
14                                internal control issues;

15                   [(e)] (5)    communicate actions necessary to enhance accountability;  
16                                and

17                   [(f)] (6)    conduct other investigations and audits as directed by the  
18                                Chief Administrative Officer.

19           (b)    Annual work plan. The Office must create an annual workplan subject to  
20                   the approval of the Chief Administrative Officer. The workplan must  
21                   include the risk analyses and audits required under subsection (a). The  
22                   Chief Administrative Officer must submit the annual work plan to the  
23                   Council for review and comment on or before each June 1.

24           (c)    Annual report. The Office must submit a report to the Inspector General  
25                   on or before each September 15. The report must include the Executive's  
26                   implementation of each written recommendation:

27                   (1)    made by the Inspector General in the previous fiscal year;



54 [(C) review and evaluate compliance with Federal, State, and  
 55 County laws by each department and principal office in the  
 56 Executive Branch; and

57 (D)] (B) conduct [[an audit]] audits of [[each completed]] high  
 58 risk County [[contract funded in the operating budget with  
 59 a contract value greater than \$1 million]] contracts and  
 60 agreements.

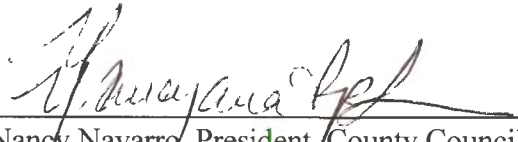
61 (3) The Inspector General may review or audit any County contract or  
 62 agreement if the Inspector General determines that review or audit  
 63 is in the public interest. The required duties described in paragraph  
 64 (2) must not be construed to limit the powers and duties of the  
 65 Inspector General established in paragraph (1).

66 In each project of the Office, the Inspector General should uphold the  
 67 objective of complying with applicable generally accepted government  
 68 auditing standards.

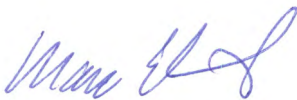
69 (i) *Work plan.* The Inspector General must direct the activities of the Office  
 70 of the Inspector General, subject to a work plan for the Inspector  
 71 General's 4-year term which the Inspector General must adopt within 6  
 72 months after being appointed. The Inspector General may amend the plan  
 73 during a term. The Inspector General must consider recommendations  
 74 and may seek suggestions for the work plan from the Executive, the  
 75 County Council, the head of each independent County agency,  
 76 employees of County government and independent County agencies,  
 77 employee organizations, and individual citizens. The work plan must  
 78 include the [[risk analysis,]] systematic review[[,]] and audits required in  
 79 subsection (h). The Inspector General must release the work plan to the  
 80 public but may treat any item or suggestion for an item as confidential



Approved:

 10/17/19  
 \_\_\_\_\_  
 Nancy Navarro, President, County Council Date

Approved:

 10/22/19  
 \_\_\_\_\_  
 Marc Elrich, County Executive Date

*This is a correct copy of Council action.*

 10/23/19  
 \_\_\_\_\_  
 Mary Anne Paradise, Acting Clerk of the Council Date