



March 27, 2023

### **HCCA Testimony CB11-2023: Auditors Office**

The Association of Local Government Auditors states that an independent auditors office holds government accountable, recommends ways to improve services, reports on how government spends taxpayer dollars, assesses emerging risks, ensures compliance with policies, laws, and regulations, and identifies cost savings.

This is exactly what the Howard County Auditors Office has done for many years.

For example, in a March 2022 report of an audit of the Department of Housing and Community Development, the report identified four findings related to the MIHU program. One finding said “Housing did not always timely collect amounts due from MIHU releases from developers.”

In another report published in March 2022 of an audit of Earmarked Budget Appropriations, the report had seven findings detailing the lack of proper controls for earmarks and inappropriate use of earmarks. Potentially waste and or abuse of funds.

In another report published in 2017 and updated in 2019, the office found \$1.67 million of police overtime not properly reimbursed by Merriweather Post Pavilion and other event sponsors. Of this 1.67 million, 1.11 million was for MPP.

These are the types of waste, fraud, and abuse investigated by Auditor’s Office and advocated by the Association of Local Government Auditors.

The County Executive’s office is the most powerful office in the county. So much so that when the county council voted unanimously to request information from the County Executive’s office, it declines without any consequence.

The Auditor’s ability to conduct audits and investigations is the only form of credible oversight that exists in this county. What is at risk due to this bill?

According to the Association of Local Government Auditors, Auditors who are not independent might think they can't or shouldn't investigate some programs or departments. Auditors who are not independent might not report significant problems to avoid retaliation. If either of these happens, serious problems might never be brought to your attention.

The Howard County Citizens Association is alarmed by the bill sponsors' proposal to dismantle the independence of the Auditor's office. The steps contemplated in this legislation would effectively cripple an investigation process and jeopardize its credibility.

At a time when trust in government is low, we expect our elected officials to take actions to help increase trust, not decrease it.

The Auditor's office is really the only avenue available for residents concerned about waste, fraud, and abuse to report such incidents without any concerns about undue influence by political officials.

The Auditor's function is critical and needs to function independently. In some cases the audit function affects the County Executive's office where the alliance of the bill sponsors on this county council gets in the way of serving the public interest and we are concerned that this bill will only serve in weakening safeguards.

As I said, we need to be doing more to increase the independence, not less. For instance, we are in support of Councilmember Liz Walsh's proposal to establish an independent office of the inspect general.

The Auditor mission is to always be treated as an independent Agency to provide objective assurance to stakeholders and should in no way be hampered by the County Council.

We urge you to vote against this bill and support a more independent investigative agency.