

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 795
Ways and Means

(Montgomery County Delegation)

Education, Health, and Environmental Affairs

**Montgomery County - Authority of County Council Over Inspector General -
Montgomery County Public Schools
MC 14-20**

This bill authorizes the Montgomery County Council to enact a local law that grants the Montgomery County Inspector General the same authority over the Montgomery County Board of Education (and public schools located in Montgomery County) that the inspector general has over a department of county government.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County expenditures may increase by a significant amount to the extent that the inspector general is granted jurisdiction over the Montgomery County Public School (MCPS) System. Expenditures for MCPS increase by about \$4,300 per audit. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: The Montgomery County Council may, by local law, grant the Montgomery County Inspector General the same authority over Montgomery College or the Housing Opportunities Commission of Montgomery County that the inspector general has over a department of county government. This additional responsibility was authorized by the General Assembly at the 2019 session.

Background: The Montgomery County [Office of Inspector General](#) (OIG) reviews the effectiveness and efficiency of programs and operations of county government and independent county agencies. OIG is also responsible for preventing and detecting fraud, waste, and abuse in government activities. In addition, it proposes ways to increase the legal, fiscal, and ethical accountability of county government departments and county-funded agencies.

In carrying out the mission, OIG produces a number of confidential and public documents. Public documents include the OIG [work plan](#), results of [audits and investigations](#), and [periodic status reports](#) to the county council.

Local Expenditures: Assuming the Montgomery County Council authorizes the inspector general to oversee the public school system, local expenditures may increase due to the expansion of OIG's jurisdiction and responsibilities. Since the public school system receives a significant amount of funding (about \$2.7 billion in fiscal 2020), expanding OIG's jurisdiction to encompass the public school system is likely a significant undertaking that may require:

- an increase in existing resources;
- a shift in current activities in order to focus on the public school system, resulting in less resources for existing activities; or
- a combination of increased resources and a shift in existing oversight activities.

OIG's approved fiscal 2020 budget totals \$1.2 million, with seven full-time employees. Assuming OIG maintains some (or all) of its current oversight activities, Montgomery County may need to increase funding for OIG for work related to the public school system. Due to the sizable expansion of its current mission, the increase in county expenditures could range from \$0.3 million to \$1.2 million annually. Alternatively, OIG may choose to focus on the public school system rather than other county departments and agencies. In that case, county expenditures may not significantly increase.

MCPS advises that it expects to spend about 80 hours of staff time per audit conducted by OIG. Based on the average salary of MCPS staff who would be tasked with working with OIG, the estimated increase in MCPS expenditures totals \$4,300 per audit.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Montgomery County; Maryland State Department of Education; Montgomery County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - March 5, 2020
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