

is also sent to the governor. The auditor also makes suggestions in his reports as to changes in the conduct of such offices and in the method of keeping books and accounts.<sup>59</sup> The auditor has the duty also to report to the comptroller all violations of the law and of the orders of the comptroller in conducting such office and in keeping books and accounts. The comptroller may order such officers to adopt suggested methods, and if the officer is in default to the State, the comptroller must cause action to be brought against the defaulting officer to recover the money.

The comptroller is entitled at any time to call upon the auditor to examine any and all claims, vouchers, etc., of expenditures or disbursements presented to the comptroller.<sup>60</sup> The auditor may require the production of books and accounts, compel the attendance of witnesses, and make examinations under oath.<sup>61</sup>

In case the auditor fails to make the annual report or willfully fails or neglects his duties, he may be removed by the governor.<sup>62</sup>

The auditor's function is that of a post-audit. The auditor's office makes yearly audits of all departments, and reports are continuously sent to the governor, comptroller, Budget Bureau, Fiscal Research Bureau, and the agency or department audited. A cover letter is sent with the audit to the chief accountant in the general office of the comptroller. This letter states what the auditors found and recommends changes if necessary.

<sup>59</sup> MD. CODE ANN. art. 19, § 30(c) (Supp. 1966).

<sup>60</sup> MD. CODE ANN. art. 19, § 31 (1957, repl. vol. 1966).

<sup>61</sup> MD. CODE ANN. art. 19, § 32 (Supp. 1966).

<sup>62</sup> MD. CODE ANN. art. 19, § 33 (Supp. 1966).

The auditing procedure is this: auditors examine the books of the agency by a team led by an in-charge man. The in-charge man is assigned several accounts, more or less the same each year, in order that the work may be guided by an experienced auditor. A fresh approach is obtained by changing assistants who work under him. The in-charge man sets up the work program to be followed. If an irregularity is discovered, or the procedure followed by the agency is considered weak, the in-charge man discusses the problem informally with the agency chief at which time minor corrections may be made in the procedure. The in-charge man prepares a report based on his discussion notes, including all material he deems important, and appending at the end of the report all material about which he has doubt concerning its real significance. His report is sent to a review board which checks the grounds for disputed findings, edits the report, and corrects spelling and grammar.

The report is then sent to a deputy auditor who contacts the agency head to discuss findings. Often irregularities are straightened out and recommendations accepted by the agency. If there is a dispute, the comptroller's office, the auditor, and the agency head meet to discuss the recommendations and findings of the auditor. The comptroller may order the agency to adopt the recommendations.<sup>63</sup>

#### A CASE STUDY

The auditor examined the books of the State Roads Commission which, among other duties, collects the tax on new automobile sales. The auditors determined that the procedure used by the Commission permitted dishonest dealers to avoid

<sup>63</sup> MD. CODE ANN. art. 19, § 30(d) (Supp. 1966).