

is also made for technical assistance for the Purchasing Bureau in the compilation of specifications and with particular reference to the purchasing of printing. A Chief of the Budget Bureau is also provided for according to law, and the position of principal clerk is eliminated. The cost of these additional positions is \$7,900.00.

For fifteen years, the Department has operated a State Warehouse in Baltimore City. This was done after a very careful investigation to establish the desirability and economy of the storage of supplies. Most of the State Institutions are located within trucking distance of Baltimore and, because of storage facilities, it is possible for the Department to purchase commodities in large quantities and to have one delivery made to the warehouse. This results in the lowest possible cost. A revolving fund of \$100,000.00 has been provided out of which the Department pays for supplies. When institutions withdraw supplies from the warehouse, the appropriate budget items in their appropriations are charged with the cost of supplies withdrawn and the revolving fund is credited. This is a very much simplified method of procedure as compared with direct deliveries, which involve for payment the preparation of a voucher, check, etc. Schedules are arranged so that institutions call for their supplies at regular intervals and this has resulted in decreasing the inventories carried at the various institutions and departments.

Altogether, the operation of the warehouse has proved economical, and it is desired by the using authorities. It has also been demonstrated that because of the concentration of transportation companies in Baltimore, and the highways leading thereto, that city is the logical place for the permanent establishment of a State Warehouse. The Department now pays \$4,800.00 per year rent, which can be saved if the work were carried on in a State-owned building. In order to establish this agency in a permanent home, I am recommending in the Bond Issue an appropriation of \$80,000.00 for the construction of an office and warehouse building for the Department of Budget and Procurement.

STATE AUDITOR

For this office an increase of \$13,835.00 is recommended, the entire increase to provide for the employment of six additional auditors, whose salaries and travel will amount to the increase indicated. After careful investigation and consideration, I have decided upon this substantial recommendation in order that the Auditor can make his work current. When the present Auditor took office, the work was more than two years behind and with the present force, it is possible entirely to correct this condition, although considerable progress has been made.

Obviously the value of a post audit decreases in proportion to the length of time such audit occurs after the recording of the financial transactions. It is my considered judgment that this increase is amply justified in order properly to safeguard the funds of the State and to see that all revenues and disbursements are correctly accounted for. I feel that the expenditures of public funds are a public trust, and that both the Legislative and Executive Branches of the Government are entitled to have adequate and prompt reviews made of