

pointed as a special committee to "study and prepare a plan for a Department of Finance." This we did, and our report, with one amendment, was accepted by the sub-committee on State Reorganization, and later approved by the Executive Committee, and finally ratified by the Reorganization Commission of Maryland.

In this way the recommendations, which I had originally intended to make to this General Assembly in detail in the preface of this report, have become incorporated in the State Reorganization Bill, which represents the recommendations of the Reorganization Commission of Maryland, and is endorsed by the Democratic State Platform of 1921.

The main reasons for the creation of a Department of Finance are stated in the report of the Reorganization Commission of Maryland, pages 37 through 43, and I will not enlarge this report with a restatement. The sections of the Reorganization Bill creating the proposed Department of Finance are based upon the recommendations of the Reorganization Commission of Maryland above referred to.

The following necessary completion of the State's financial system is not, however, sufficiently provided for by the Reorganization Bill.

A State statute now requires the State Auditor to audit the accounts of every State Department, Board or officer at least once a year. Past Legislatures have, however, failed to provide the State Auditor with a sufficient force of deputies to enable the State Auditor's office to actually make the required annual audit of all the offices handling State monies. This appears to me to be a most dangerous weakness now existing in the State's financial system, and I most earnestly recommend to the General Assembly that an estimate be secured from the State Auditor as to the number of deputies and the amount of the appropriation required by his office to enable him to make the required annual audit of all offices handling State funds, and that you then provide the necessary appropriation, and that the Governor be requested to provide the necessary amount in his Supplemental Budget.

This estimate should also include the appropriation necessary to allow the State Auditor's office to work out a practical scheme of uniform books and accounting for all governmental agencies handling State monies and further provide the funds necessary for the initial installation of such State-wide system of uniform books and accounting.