

- (1) [an examination of] EXAMINING financial transactions and records and internal controls;
- (2) [an evaluation of] EVALUATING compliance with applicable laws and regulations;
- (3) [an audit of] EXAMINING electronic data processing operations; and
- (4) [an evaluation of] EVALUATING compliance with applicable laws and regulations relating to the acquisition of goods and services from Maryland Correctional Enterprises.

(b) [(1) Performance audits shall be conducted when authorized by the Legislative Auditor, when directed by the Joint Audit Committee or the Executive Director, or when otherwise required by law.

(2) A performance audit conducted by the Office of Legislative Audits may include:

[(i)] (1) [a review of] EVALUATING the efficiency, effectiveness, and economy with which resources are used;

[(ii)] (2) [a review to determine] DETERMINING whether desired program results are achieved; and

[(iii)] (3) [a review to determine] DETERMINING the reliability of performance measures, as defined in § 3-1001(g) of the State Finance and Procurement Article, identified in the managing for results agency strategic plan developed under § 3-1002(c) of the State Finance and Procurement Article.

(c) The purpose of financial statement audits conducted by the Office of Legislative Audits shall be to express an opinion regarding the fairness of the presentation of a unit's financial statements.

(d) The audits referred to in subsections (a), (b), and (c) of this section shall be conducted in accordance with generally accepted government auditing standards.

(e) [A review may be conducted by the Office of Legislative Audits when the objectives of the work to be performed can be satisfactorily fulfilled without conducting an audit as prescribed in subsection (a), (b), or (c) of this section.

(f) (1) Upon approval of the Joint Audit Committee, the Office of Legislative Audits shall develop and use a rating system THAT IS BASED ON THE RESULTS OF A FISCAL/COMPLIANCE AUDIT [for determining] TO DETERMINE an overall evaluation of a unit's financial transactions, records, and internal controls and compliance with applicable laws and regulations as a means of comparing the various units of State government.

(2) When an evaluation is issued, it shall be provided to the unit and shall be available to the Joint Audit Committee and the Budget Committees of the Maryland General Assembly.