

Montgomery County Board of Education Audit Committee Minutes

March 18, 2005

A meeting of the Montgomery County Board of Education Audit Committee was held at the Carver Educational Services Center in Room 120 on Friday, March 18, 2005. In attendance were:

Members: Mr. Stephen Abrams, Chair
Dr. Charles Haughey, Member
Mr. Gabe Romero, Member

Staff: Mr. Larry A. Bowers, Chief Operating Officer
Mr. Philip J. McGaughey, Jr., Internal Auditor
Ms. Susanne G. DeGraba, Chief Financial Officer
Mr. Robert Doody, Controller
Mr. George Margolies, Staff Director

The meeting was called to order by Mr. Abrams at 9:00 a.m.

Recommendation of External Auditor Appointment

Ernst and Young LLP just completed the last year of a six-year contract with Montgomery County Public Schools (MCPS) for auditing services. An RFP was issued; 90 RFPs were sent out with proposals due back to MCPS by February 21, 2005. Procurement received a total of seven bids from both national and regional firms. The audit committee met today to discuss the recommendation they will take to the full Board.

MCPS staff shared that three firms were interviewed. These vendors were similar with respect to financial statement portions, pricing, grants, and audit fees and all had quality controls in place. Clifton Gunderson LLP brought a succession plan and a presentation based on transition.

According to staff, the recommended time frame to change auditors is five to ten years. With MCPS in the beginning stages of a system change, this would be a good time to appoint a new auditor.

The committee unanimously voted to recommend Clifford Gunderson LLP to the full Board at the next Board business meeting with a two-year contract to perform the FY 2005 and FY 2006 audits.

The meeting adjourned at 9:35 a.m.

Recorder: Becky Gibson