

# **Montgomery County Board of Education Audit Committee Minutes**

**October 11, 2006**

A meeting of the Montgomery County Board of Education Audit Committee was held at the Carver Educational Services Center in Room 120 on Wednesday, October 11, 2006. In attendance were:

Members: Mr. Steve Abrams, Chair  
Dr. Charles Haughey, Member

Guests: Mr. Tom Esseltime, Clifton Gunderson LLP

Staff: Mr. Larry Bowers, Chief Operating Officer  
Mr. Roland Ikheloa, Chief of Staff  
Mr. Phil McGaughey, Jr., Director of Procurement  
Mr. Roger Pisha, Internal Audit Supervisor  
Ms. Sue Degraha, Chief Financial Officer  
Mr. John Kevin, Investment Specialist

Mr. Gabe Romero, Member, was absent.

The meeting was called to order by Mr. Abrams at 5:00 p.m.

## **RFP for 403(b) and 457(b) Plan Vendors**

In order to provide more competitive pricing and improved assets for MCPS employees, RFP 1143.2 was issued in the fall of 2005 to reduce the number of vendors to just six. The Board of Education rejected staff recommendations in February 2006 because the vendors selected did not meet all categories established. The Board asked staff to issue a new RFP.

At this meeting, MCPS staff presented the committee members with the process and results of this new RFP. Committee members reviewed the criteria and discussed whether these vendors would meet all the categories they had established. Three current companies were not being recommended, one of which did not respond to the RFP. Committee members looked at what impact this would have on employees currently using these companies and how smooth a rollover to the new companies would be.

The committee agreed to bring the six recommended vendors to the full Board for a vote.

## **External Audit Procedures**

MCPS staff was asked to develop a process for an audit proposal done by an outside agency. The Audit Committee was looking for a consistent process to evaluate each audit that is performed. The committee was concerned that external audits of the school system were being

conducted without the Board's knowledge. Staff brought to the committee two documents describing the draft process. The process would help determine if the audit conforms to standards and gives the Board the option to ask who oversees their work product.

The committee agreed to bring this process to the full Board.

The Audit Committee decided to add the Inspector General's Annual Report to its next meeting.

The meeting was adjourned at 5:29 p.m.

Recorder: Becky Gibson