

**Montgomery County Board of Education
Fiscal Management Committee Meeting**

September 10, 2012

A meeting of the Montgomery County Board of Education Fiscal Management Committee was held at the Carver Educational Services Center in room 120 on Monday, September 10, 2012. In attendance were:

Members: Mr. Philip Kauffman, Chair
 Mr. Christopher Barclay, Member
 Mr. Michael Durso, Member

Staff: Mr. Larry A. Bowers, Chief Operating Officer
 Ms. Hillary Kirchman, SERT Program Manager
 Ms. Laura Steinberg, Staff Assistant, Board of Education
 Mr. Philip McGaughey, Director, Division of Procurement
 Mr. James Song, Director, Department of Facilities Management
 Mr. Robert Doody, Controller, Division of Controller
 Mrs. Bei (Susan) Chen, Assistant Controller, Division of Controller
 Ms. Robin Confino, Executive Director, Chief Operating Office
 Mrs. Deborah Camp, Fiscal and Business Administration
 Ms. Dena Horton, Internal Audit Analyst, Internal Audit Unit

The meeting was called to order by Mr. Philip Kauffman, chair, at 10:03 a.m.

Approval of June 24, 2012 Meeting Minutes

The meeting minutes of June 24, 2012 were approved as submitted.

Legal Services

At the July 24, 2012, Fiscal Management Committee, Board staff was tasked with reaching out to both Board members and administrative staff in the six benchmark systems to gather additional information about the benefits and challenges of their in-house legal services structure. Staff reported back that Board members in the benchmark systems who were contacted are very satisfied with the in-house legal counsel model. Committee members acknowledged that there will need to be significant follow-up conversations regarding reporting structure as well as the development of a job description. The committee unanimously agreed to recommend to the full Board that the superintendent include in his recommended FY2014 Operating Budget an in-house counsel position.

MCPS Carbon Footprint

On July 17, 2012, the Board of Education passed a resolution that the superintendent of schools shall develop and recommend to the Board of Education a plan to reduce the school system's carbon footprint and provide annual progress reports. MCPS staff from the Department of Facilities Management presented a plan outline to the committee of the content of an annual report to ensure that the report meets the Board's expectations. The report would compile information from various existing reports and activities already in use, with new data to create a systemwide sustainability plan that includes environmental design, construction, renewable energy sources, and the School Energy and Recycling Team's efforts in the school and central offices. The plan is for the annual report to be compiled during the end of the summer with a presentation to the board in the beginning of the school year. The report would also be accessible from the MCPS website.

Category 12 Report

MCPS staff gave an oral update on the Category 12 report. The information was similar to the last report with not a lot of change in the last quarter. Budget Office is preparing a report to send to the committee next week. November will be MCPS' first financial report with the new reporting format and will be given to the Board at the all-day Board meeting in November.

Updates*Policy DJA, MCPS Procurement Practices*

The Fiscal Management Committee members were updated on proposed changes to Policy DJA, *MCPS Procurement Practices*. If the proposed language changes to the policy are adopted by the Board, and given that changes may need to be made to the MCPS Procurement Manual on an annual basis, the Fiscal Management Committee would need to add review of the MCPS Procurement Manual to its work plan. According to staff, the Procurement Manual should be ready in a month or two for the committee to review.

Independent Activity Fund School Software Implementation

MCPS staff updated the committee on the implementation of the Independent Activity Fund (IAF) software. In the spring, 50 people from different schools at different levels were involved in the RFP process and selected TRA. About 20 schools are participating in the pilot program. Having one web-based system to maintain is an advantage over two systems in that it allows both secondary and elementary schools to share best practices; adds efficiencies in accounting; and can be centrally maintained. The committee is hoping that while addressing the issues associated with 1) multiple accounting systems; and 2) an inconsistency in reporting (internal audits) in order to reduce common incidences of errors, that it doesn't require more work for schools and saves funds overall for the system.

Extracurricular Activity Fee Collection Website

MCPS staff updated the committee on implementation of the TRA system which replaced the FMS system for online payments. The new system is available 24 hours/7 day/week, so that parents can make payments with their schedule. Access is through the MCPS website and an outline was created for secondary and elementary schools to use the same system. Feedback has been both positive and negative.

Summary of Actions and Follow-ups

- 1) Recommendation on in-house legal services to the full board
- 2) Bring the Independent Activity Funds Data Report and the Internal Audit Report back to the next Fiscal Management Committee meeting.

The meeting adjourned at 11:50 a.m.

Recorder: Becky Gibson