

BILL: House Bill 352
TITLE: Office of Legislative Audits - Local School System Audits
DATE: March 24, 2016
POSITION: SUPPORT
COMMITTEE: Budget and Taxation Committee
CONTACT: John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE), representing all twenty-four local boards of education, supports House Bill 352.

MABE has long supported the four pillars on which Maryland's education finance system is built: Adequacy, Equity, Flexibility and Accountability. The Bridge to Excellence Act provided significant increases in state funding from 2002 through 2008 and since then has provided an adequate and equitable foundation on which local boards of education can rely. Local boards, and our educators and students, have further benefitted from the flexibility provided to local boards to govern and administer local school systems while at the same time aligning these local efforts with state standards and assessments.

Academic accountability for our school systems, individual schools, and all students, has been rigorously required through state and federal assessment programs; and Maryland has been recognized as one of the highest performing statewide systems of public education in the nation for the past decade. Similarly, school system fiscal accountability is imperative to maintaining the public's trust and confidence in the investments of the state and local government revenues in our public schools. Fiscal accountability is provided in myriad ways through the local board's annual, public and transparent, budget process; the oversight provided by the Maryland State Department of Education and General Assembly; each local government funding authority's budget process; and numerous system-wide and programmatic audits.

Among these many audits are those conducted on a 6-year cycle by the Office of Legislative Audits. MABE firmly believes that enacting House Bill 352 will ensure continued fiscal accountability for each of our 24 local school systems. MABE would not support this legislation if that were not the case. The intended outcome of House Bill 352 is to strike a better balance between the value of the many audits already being conducted, including those by the Office of Legislative Audits (OLA), and the most efficient and cost effective dedication of staff time and school system resources to participating in these audits. Enacting House Bill 352 should refine and thereby enhance the OLA's essential role, and at the same time alleviate the least cost effective aspects of the OLA audits for both the OLA and the 24 local school systems.

As amended, this legislation would establish an exemption from an OLA audit if the county governing body, the county board of education, and the county delegation to the Maryland General Assembly each submits a letter to the Joint Audit Committee requesting an exemption. MABE believes this process will ensure fiscal accountability balanced by reasonable opportunities for local discretion to rely on the many other audits to verify a school system is operating in accordance with fiscally sound policies and procedures.

For these reasons, MABE supports House Bill 352 and urges a favorable report.