The Anne Arundel County Board of Education OPPOSES House Bill 1341 - Maryland Public School Transparency and Accountability Act. This bill requires that if a local school system receives 10 or more repeat findings in an audit conducted by the Office of Legislative Audits (OLA), the county’s governing body must establish an Office of the Inspector General (IG) that is independent of the local school board or superintendent.

House Bill 1341 is an unfunded mandate which could have a significant fiscal impact on local school systems because local school system expenditures would increase in order to establish and IG office. Under current law, the Office of Legislative Audits (OLA) must conduct an audit of each local school system at least every six years to evaluate the effectiveness and efficiency of the system’s financial management practices. Specifically, local school systems are audited in the areas of procurement, human resources/payroll, inventory control, information technology, transportation services, food services, school board operations, financial controls, and facility planning/construction. The audits take an enormous amount of staff time and participation. For example, during the last Anne Arundel County Public Schools (AACPS) legislative audit, the auditors were in AACPS offices for 11 months.

OLA audits are only one level of school system accountability. As a local education agency, AACPS also has an annual audit conducted by independent external auditors as well as single audits for all grants. Additionally, we have periodic audits from the Maryland State Department of Education and Maryland State Retirement Agency. AACPS also has an independent internal auditing department tasked with providing spot audit functions over AACPS system activities, including assets and resources, fiscal matters, programs and operations, and technology. As the above information illustrates, local school systems already undergo significant oversight. As such, the establishment of and IG office would be unnecessary and duplicative.

Accordingly, the Anne Arundel County Board of Education respectfully requests an UNFAVORABLE committee report on House Bill 1341.