

HOUSE BILL 760

F1

4lr1488

By: **Delegate Palakovich Carr**

Introduced and read first time: January 31, 2024

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **County Boards of Education – Annual Financial Audits – Alterations**

3 FOR the purpose of requiring county boards of education to address certain repeat findings
4 and recommendations contained in certain annual financial audits and other audits,
5 including audits by the Office of Legislative Audits; and generally relating to annual
6 financial audits of county boards of education.

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section 5–109
10 Annotated Code of Maryland
11 (2022 Replacement Volume and 2023 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Education**

15 5–109.

16 (a) (1) Each county board shall provide for an annual audit of its financial
17 transactions and accounts.

18 (2) At the request of the Department, a county board shall conduct an audit
19 under § 5–203 of this title.

20 (b) (1) The audit shall be made by a certified public accountant or a
21 partnership of certified public accountants who are:

22 (i) Licensed by the State Board of Public Accountancy; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) Approved by the State Superintendent.

2 (2) The audit shall be made in accordance with the standards and
3 regulations adopted by the State Board.

4 **(3) THE AUDIT SHALL ADDRESS ANY REPEAT FINDINGS AND**
5 **RECOMMENDATIONS FROM ANY AUDITOR, INCLUDING THE OFFICE OF LEGISLATIVE**
6 **AUDITS.**

7 (c) (1) The results of the audit, including the letter of recommendation
8 submitted by the auditor, are a matter of public record.

9 (2) The results shall be reported within 3 months after the close of the fiscal
10 year for the county board on the form and in the manner required by the State Board to:

11 (i) The State Superintendent;

12 (ii) The county fiscal authority;

13 (iii) The Joint Audit and Evaluation Committee of the General
14 Assembly;

15 (iv) The Senate Budget and Taxation Committee;

16 (v) The Senate Education, Health, and Environmental Affairs
17 Committee;

18 (vi) The House Appropriations Committee; and

19 (vii) The House Committee on Ways and Means.

20 (d) In addition to the audit required by this section, the county commissioners or
21 county council may conduct an audit using auditors employed by the county.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2024.