

# County Council of Howard County, Maryland

2019 Legislative Session

Legislative day # 9

## RESOLUTION NO. 108 - 2019

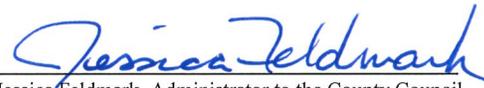
Introduced by the Chairperson at the request of the County Executive

A **RESOLUTION** calling on the Maryland State Department of Education to contract for a performance audit of the Howard County Public School System and specifying the issues requested to be studied.

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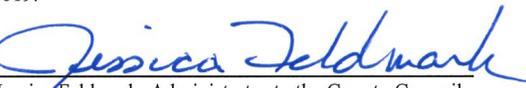
Introduced and read first time on July 1, 2019.

By order

  
Jessica Feldmark, Administrator to the County Council

Read for a second time and a public hearing held on July 15, 2019.

By order

  
Jessica Feldmark, Administrator to the County Council

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn  by the County Council

on July 29, 2019.

Certified by

  
Jessica Feldmark, Administrator to the County Council

Approved by the County Executive on August 5, 2019.

  
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing language; TEXT IN ALL CAPITALS indicates additions to existing language. ~~Strike out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1           **WHEREAS**, Section 5-110 of the Education Article of the Maryland Code provides that the  
2 County governing body may request that the Maryland State Department of Education contract for a  
3 performance audit of the county public school system; and  
4

5           **WHEREAS**, the County Council ~~believes~~ and County Executive believe that an assessment of  
6 the practices of the Howard County Public School System is needed to determine whether the School  
7 System is operating economically and efficiently and to determine whether corrective actions for  
8 improving its performance are appropriate.  
9

10           **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,  
11 Maryland this 29<sup>th</sup> day of July, 2019, that the County Council requests that the  
12 Maryland State Department of Education contract for a performance audit of the Howard County  
13 Public School System to study the following issues as addressed in the Memorandum dated July 11,  
14 2019 from the County Executive to the Members of the County Council:

- 15           1. — ~~Legal fees and payments to and the use of outside counsel;~~
- 16           2. — ~~Procurement process;~~
- 17           3. — ~~Vendor payments/invoices;~~
- 18           4. — ~~Administration staffing levels and salaries;~~
- 19           5. — ~~Fund balance levels; and~~
- 20           6. — ~~Outsourced activities.~~

21           1. Health and Dental Fund

- 22           a. Provide a comparative analysis to peer jurisdictions based on program design, benefits and  
23           cost sharing agreements.
  - 24           i. The audit shall compare current practices to industry standards and best practices and  
25           recommend corrective action or improvements where applicable.
- 26           b. Assess the financial and legal implications of carrying a historical deficit in the Health and  
27           Dental Fund.
  - 28           i. The audit shall recommend corrective action or improvements if warranted based on the  
29           financial or legal implications of carrying a historical deficit.

30           2. Budgeting and Actual Expenditure Variance

- 1        a. Review three (3) years of General Fund categorical and programmatic variances between  
2        budgeted and actual spending, provide a detailed explanation of variance, and perform a root  
3        cause analysis where variance levels are deemed significant based on industry standards.  
4        i. The audit shall identify corrective action or improvements where variance levels reveal  
5        issues related to processes or projection methodology.  
6        ii. The audit shall analyze categorical variances to the programmatic level where variance  
7        levels are deemed significant based on industry standards.

8        3. Personnel Cost Development

- 9        a. Provide documentation related to preparation of HCPSS salary and benefit projections.  
10       Include assumptions of turnover savings, leave payouts, unfunded vacancies, new positions,  
11       partial-year funding, etc.  
12       i. The audit shall identify corrective action or improvements where issues exist related to  
13       projection methodology and assumptions.  
14       b. Provide a three-year history of staff turnover in each of the categorical expenditure areas and  
15       compare with budgeted turnover savings.  
16       i. The audit shall identify corrective action or improvements related to turnover savings  
17       budgeting practices where appropriate.

18       4. Supplemental Income/Non-Salary Benefits

- 19       a. Provide a comparative analysis to peer jurisdictions evaluating both the scope/inventory and  
20       amount of supplemental income sources offered by HCPSS (e.g., stipends for cell phones,  
21       travel expenses and vehicular mileage payments).  
22       i. The audit shall compare current practices to industry standards and recommend  
23       corrective action or improvements where applicable.

24       5. Procurement

- 25       a. Sole Source Contracting: Provide an update on findings of the October 2016 audit by the  
26       Office of Legislative Audits, to include the following:  
27       i. Number, dollar value and purpose of sole source contracts issued over the last three  
28       years.  
29       ii. Justification and approval process for each sole source contract.  
30       iii. Comparative analysis to peer jurisdictions, compare current practice to industry standards  
31       and best practices and recommend corrective action or improvements where applicable.

1           **b. Special Education Contracting: Provide a three-year breakdown of contract services**  
2                           **spending under special education, to include an explanation and analysis of significant**  
3                           **changes.**

4  
5           **AND BE IT FURTHER RESOLVED** that the amount for the performance audit shall be  
6                           **established at no more than \$250,000 and will be paid for solely by Howard County**  
7                           **Government.**

8  
9           **AND BE IT FURTHER RESOLVED** that the Howard County Public School System will  
10                           **provide additional relevant information outside the scope of the performance audit as outlined**  
11                           **in a Memorandum of Understanding (MOU).**

12  
13           **AND BE IT FURTHER RESOLVED** that the Administrator to the County Council shall send  
14 a copy of this Resolution to the:

15                           Maryland State Department of Education  
16                           200 West Baltimore Street  
17                           Baltimore, MD 21201