

**Title:** **Appointment of External Auditors**

- ☐ **Initial Action:** **12/18/80**
- ☐ Board Resolution: 78-024, 80-068, 95-012, 23-013
- ☐ Last Revised
  - ☐ Policy: 09/27/2017, 8/10/00, 12/7/2022
  - ☐ Procedure: 09/27/2017, 8/10/00
- ☐ Last Reviewed: 12/7/2022
- ☐ Effective: 10/23/2017
- ☐ Next Review: 12/7/2025
- ☐ Responsibility: **Board of Trustees**

**Policy:**

Pursuant to Md. Code Ann., Educ. § 16-315 that “Each community college in the State shall have an annual audit of its book of accounts, accounting procedures and principles, and other fiscal and operational methods and procedures in accordance with guidelines as prescribed by the” Maryland Higher Education Commission. The audit of the community college shall be conducted in accordance with the American Institute of Certified Public Accountants Industry Audit Guide: Audits of Colleges and Universities and in compliance with generally accepted auditing standards.

**Procedure:**

The external audit firm will be selected based on the solicitation of quotations, which may include a statement of qualifications. Selected qualified firms in the regional area will be sent letters of invitation to submit proposals and quotations. Public advertisements will be run for a period of at least two (2) weeks.

The Board of Trustees will award the audit contract for four fiscal years contingent on the availability of funds and the satisfactory performance of the audit work. The College reserves the right to terminate services at any time during the contract period.

Every four (4) years the College will solicit requests for proposals and quotations for the annual audit of component unit financial statements, the single audit (OMB Circular A-133) the Annual Financial Report (CC-4) and other required reports.