

DATE: March 21, 2022  
TO: Auditor Selection Task Force  
FROM: Molly Myers, Chair; Paul Murray, Irene Stephens, Sonia Trask  
RE: Review of Proposal from Scott Rodgville, GorfineSchillerGardyn

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Task Force members met February 8, 2022, with Heller An Shapiro and Lynn Taylor Moore. The Task Force reviewed the proposal summary from the previous Audit Selection Task Force, and recommended meeting with Scott Rodgville, Director at GorfineSchillerGardyn (GSG), an engagement partner since 2017.

Heller An Shapiro and Lynn Taylor met with Scott Rodgville on February 17, 2022. The agenda included a review of capacity in three areas:

1. Support for the transition from QuickBooks desktop to QuickBooks online
2. Changing the Fiscal year to June 30

1. Scott reported that the GSG small business group manages QuickBooks online conversions 1-2 times/month and can provide support by completing the conversion or showing Lynn how to complete it. GSG can also host QuickBooks on their servers. As Intuit providers GSG can offer ArtStream a 40-60% discount on the annual fee for 3-5 years. This must be requested at the time of the conversion.

2. GSG helps organizations change their Fiscal Year 1-2 times/year. The process of filing for 10 months is straightforward. There would be an early filing the first year, and then the annual filing. The audit for 10 months would stand alone (cannot be compared to the 12-month audit). This could be accomplished as early as FY22 if Lynn has the support to manage the audit, end of season, and budget prep all at the same time.

Additionally, the Maryland State Arts Council and Arts and Humanities grants, as an example, will be recognized in full when they are awarded. If that happens in July 2022, then all of it will be recognized at that time, which with the change in fiscal year means that the income will be recognized completely in the year ended June 30, 2023, and no part of it would be recognized during the 10 months ended June 30, 2022. This could result in lower income in FY '22 and higher in FY '23. This evaluation can change from grant to grant.

**RECOMMENDATION:**

GSG prepared a letter of engagement and a separate proposal for the QuickBooks conversion and Fiscal Year change (attached). If a determination is made to NOT change the FY this year, then the June 30 date changes to August 31 and all else remains the same.

An annual increase of no more than 5% in 2023 and 2024 was agreed to via email.

The Task Force recommends approval of the engagement letter.