

# **New Jersey Public Broadcasting Authority**

## **Meeting of the Audit Committee**

February 7, 2018 at 1:00 p.m.

New Jersey Public Broadcasting Authority  
Conference Room and by Conference Call  
25 S. Stockton Street  
Trenton, NJ 08608

### **MINUTES**

Michael DeCheser, Chair, Presiding

Minutes of the meeting of the New Jersey Public Broadcasting Authority (“NJPBA” or “Authority”) Audit Committee (the “Committee”) held at the New Jersey Public Broadcasting Authority Conference Room, 25 S. Stockton Street, Trenton, New Jersey 08608, and by Conference Call on Wednesday, February 7, 2018, at 1:04 p.m.

#### **1. CALL TO ORDER, OPEN PUBLIC MEETINGS ACT STATEMENT AND ROLL CALL**

Chair of the NJPBA Audit Committee, Mr. Michael DeCheser, called the meeting to order. Chair DeCheser read the Open Public Meetings Act statement as follows: “In accordance with the provisions of the Open Public Meetings Act of the State of New Jersey, notice of this meeting has been filed with the Office of the Secretary of State, has been posted on the appropriate bulletin boards maintained for such purposes by the Authority, and distributed by press release to two daily newspapers in New Jersey. Notice was made in advance of this meeting.”

Chair DeCheser then requested a roll call. NJPBA Audit Committee Members present and participating at the meeting were Michael DeCheser, Chair (*via phone*); Matthew Hoban; and Christopher Mathews (*via phone*). Also present and participating were Richard Williams, Acting Executive Director, NJPBA; Warren Brody, Mercadien, P.C.; Digesh Patel, Mercadien, P.C.; Stephen Noon, Mercadien, P.C.; Kavin Mistry, Assistant Attorney General (*via phone*); Craig Ambrose, Governor’s Authorities Unit (*via phone*); and Nichol Gee, Assistant Chief of Office Services, NJPBA (*taking minutes*).

After the roll call, Mr. Williams stated that he was present only to facilitate the start of the meeting, and that in accordance with Executive Order No. 122 (McGreevey 2004), he was exiting the meeting. Mr. Williams left the room at 1:06 p.m.

## **2. RESOLUTION APPROVING THE MINUTES OF THE MAY 31, 2017 AUDIT COMMITTEE MEETING**

Chair DeCheser asked for a motion to approve a Resolution Approving the Minutes of the May 31, 2017 Audit Committee Meeting. Mr. Mathews made a motion to approve the resolution. Mr. Hoban seconded the motion. Chair DeCheser asked if there were any changes to the minutes. No changes were indicated. Chair DeCheser asked for a voice vote to approve the Resolution Approving the Minutes of the May 31, 2017 Audit Committee Meeting. The motion was voted upon and approved unanimously.

## **3. DISCUSSION OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY FISCAL YEAR 2017 AUDIT REPORT**

Chair DeCheser asked the auditors from Mercadien, P.C. to present an overview of the NJPBA Fiscal Year 2017 (“FY17”) Audit Report. Mr. Brody thanked the Committee and staff and stated that the Post SAS representation letter was in compliance with Executive Order No. 122 (McGreevey 2004). Mr. Patel asked if the members had the opportunity to review the audit prior to the meeting and asked if they had any questions. There were none. Mr. Patel reviewed the Post-Audit Presentation, stating that it was an unmodified, clean opinion, which provided the highest level of assurance. He reviewed the open items which would be finalized after the Committee accepted the audit. Mr. Patel reviewed the auditing procedures.

Mr. Noon said there were no changes in policies or accounting practices. The accounting estimates were normal with no change from 2016. Mr. Noon reviewed the audit adjustments. There were no uncorrected misstatements. Mr. Noon reviewed the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. He referenced Mercadien, P.C.’s core values and contact information, and reviewed the required communications, which indicated that management followed generally accepted accounting principles (“GAAP”) and selected preferable accounting practices in all areas. There were no changes in policies or practices. Accounting estimates were considered appropriate by the auditors. There were no significant or unusual transactions, difficulties, material weaknesses, or control deficiencies. There were no disagreements, significant issues, or difficulties with management.

Mr. Noon reviewed the management recommendation letter which suggested a more formal close process for each month and at year-end. The letter also recommended that management utilize QuickBooks subledgers to reconcile the accounts receivable aging report to the trial balance. Mr. Noon said these recommendations had been discussed with management.

## **4. RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE OF THE FISCAL YEAR 2017 AUDIT REPORT**

**RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC  
BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE  
OF THE FISCAL YEAR 2017 AUDIT REPORT**

**WHEREAS**, the New Jersey Public Broadcasting Authority (the “Authority”) was created pursuant to the New Jersey Public Broadcasting Authority Act of 1968, L. 1968, c. 405, as amended (the “Original Act”), including by the New Jersey Public Broadcasting System Transfer Act, L. 2010, c. 104 (the “Transfer Act,” and together with the Original Act, the “Act”);

**WHEREAS**, the Audit Committee established pursuant to Article IX, Section 1 of the By-Laws and in accordance with the requirements of Executive Order No. 122 (McGreevey 2004) (“EO 122”) has reviewed the Independent Auditor Report from the firm of Mercadien, P.C., the Independent Auditor to the Authority, for Fiscal Year 2017 (“Fiscal Year 2017 Audit Report”); and

**WHEREAS**, the Audit Committee recommends acceptance of the Fiscal Year 2017 Audit Report by the Members of the Authority.

**NOW, THEREFORE, BE IT RESOLVED BY THE AUDIT COMMITTEE  
OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY AS  
FOLLOWS:**

1. The Audit Committee hereby recommends that the Members of the Authority accept the Fiscal Year 2017 Audit Report from the firm of Mercadien, P.C., the Independent Auditor to the Authority.
2. This resolution shall take effect immediately in accordance with the Act.

Chair DeCheser asked for a motion to approve a Resolution of the Audit Committee of the New Jersey Public Broadcasting Authority Recommending Acceptance of the Fiscal Year 2017 Audit Report. Mr. Hoban made a motion to approve the resolution. Mr. Mathews seconded the motion. Chair DeCheser asked for a voice vote to approve the Resolution of the Audit Committee of the New Jersey Public Broadcasting Authority Recommending Acceptance of the Fiscal Year 2017 Audit Report. The motion was voted upon and approved unanimously.

**5. OTHER BUSINESS**

Chair DeCheser asked if there was any other business the Committee needed to discuss. The members demurred.

## **6. ADJOURNMENT**

Chair DeCheser thanked everyone for their participation and asked for a motion to adjourn. Mr. Mathews made a motion to adjourn the meeting. Mr. Hoban seconded the motion. The motion was voted upon and approved unanimously. The meeting was adjourned at 1:19 p.m.