

MEETING OF THE MASSACHUSETTS CLEAN WATER TRUST AUDIT COMMITTEE

Minutes

April 6, 2022
1:33 PM

Location: Remote*

Members of the Audit Committee –

James MacDonald, First Deputy Treasurer, Office of the State Treasurer, Designee
Martin Suuberg, Commissioner of MassDEP
Timur Yontar, Assistant Budget Director for Capital, Executive Office for Administration & Finance, Designee

Also present:

Susan Perez, Executive Director, MCWT
Nate Keenan, Deputy Director, MCWT
My Tran, Treasurer, MCWT
Sally Peacock, Controller, MCWT
William Kalivas, Treasury Specialist, MCWT
Sunkarie Konteh, Accountant, MCWT
Nicole Munchbach, Accountant, MCWT
Rachel Stanton, Investor Relations and Communications Graphic Designer, MCWT
Jonathan Maple, Senior Policy Analyst, MCWT
Joshua Derouen, Senior Program Associate, MCWT
Maria Pinaud, Director of Municipal Services, MassDEP
Greg Devine, Section Chief, MassDEP
Andrew Napolitano, Deputy Communications Director, Office of the State Treasurer
Emily Kowtoniuk, Director of Policy and Legislative Affairs, Office of the State Treasurer
Mary Wilkins, Communications Executive Assistant, Office of the State Treasurer

CALL TO ORDER:

The meeting was called to order by Mr. MacDonald at 1:33 p.m.

Item #1 MOTION – VOTE

Acceptance and Approval of January 5, 2022 Minutes

The motion was made by Mr. Yontar and Seconded by Commissioner Suuberg and **voted unanimously in favor** of acceptance and approval of the minutes of the Audit Committee meeting held on January 5, 2022.

Item #2 **MOTION – VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg.

Ms. Perez said that the procurement management team (PMT) for this Request for Responses (RFR) consisted of Ms. Peacock, Ms. Munchbach, and herself. Firms had the option to respond to the RFR for providing financial statement audit services, single audit services, or both. All four firms that responded were looking to perform both.

The evaluation criteria for the responses focused on the overview of the firm and staffing, proposed audit work plan, value added initiatives and the firm's demonstrated competence, and strengths with similar clients.

After scoring each firm in the above respective technical categories to establish minimum qualification requirements, the PMT eliminated two of the four responding firms.

The PMT requested additional detail and elaboration from the two remaining firms to further clarify their proposals specific to two Government Accounting Standards Board (GASB) pronouncements, the American Rescue Plan Act (ARPA) funds' impact on the Trust's financial reporting, and the proposed teams' strengths that best complimented the Trust. These two firms were brought in for oral interviews and discussed those topics.

After the oral interviews, the scores were very close. Review of the cost proposals gave one firm the higher score. Clifton Larson Allen (CLA) proposed costs that were about 37% less than what the other firm, KPMG, offered.

The PMT recommends that CLA be awarded a three year contract with an option for a one year extension.

The motion was voted unanimously in favor of acceptance and approval of the following:

Accept Recommendation of the Audit Procurement Management Team

That the Audit Committee receive the recommendation of the Procurement Management Team, established pursuant to the Trust's Request for Responses: Annual Audit Services, dated January 10, 2022, and adopt the same as its recommendation to the Trust Board.

OTHER BUSINESS: None

ADJOURN: The motion was made by Mr. Yontar and Seconded by Commissioner Suuberg and voted unanimously in favor of adjourning the meeting at 1:36 p.m.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Minutes of Audit Committee Meeting held on January 5, 2022
2. Memorandum for Annual Financial and Audit Services (For the Fiscal Years Ending June 30, 2022, 2023 and 2024)

***Location: Remote:** Notice is hereby given that the Wednesday, April 6, 2022 meeting of the Massachusetts Clean Water Trust's Board of Trustees will be held through remote participation in accordance with M.G.L.c.30A, §20, as modified by c.20 of the Acts of 2021 and c.22 of the Acts of 2022.

Those interested in attending the online meeting can do so by visiting <https://zoom.us/j/93515986199?pwd=Qm9TWElPR3VMTUlkeUxVZlBaalA0dz09>. The Meeting ID is 935 1598 6199 and the password is 143459.

Alternatively, if you wish to participate just by telephone, call (646)558-8656 and then enter the attendee Access Code 935-1598-6199 followed by the pound (#) sign.

To ensure that the audio is clear to all attendees, unless you are actively participating in the meeting, please mute your audio. If you have technical difficulties joining the meeting, please email Joshua Derouen at jderouen@tre.state.ma.us

Please Note: There will be no physical meeting at the offices of the Massachusetts Clean Water Trust.