

# **New Jersey Public Broadcasting Authority**

## **Meeting of the Audit Committee**

February 1, 2017 at 10:00 a.m.

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

### **MINUTES**

Anthony Della Pelle, 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 1, 2017, at 10:01 a.m.

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

Chair of the NJPBA Audit Committee, Mr. Anthony Della Pelle, called the meeting to order. Chair Della Pelle 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 Della Pelle then requested a roll call. NJPBA Audit Committee Members present and participating at the meeting were Anthony Della Pelle, Chair (*via phone*); Guy Tassi (*via phone*); and Christopher Mathews (*via phone*). Also present and participating were John Blair, Executive Director, NJPBA; Jill Ann Murphy, Director, Mercadien, P.C. (*via phone*); William Hanna, Deputy Attorney General; Matt Hoban, Administrative Analyst 1, Department of the Treasury (*via phone*); Rick Williams, Deputy Director, NJPBA, and Nichol Gee, Office Manager, NJPBA (*taking minutes*).

After the roll call, Mr. Blair 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. Blair said that Ms. Gee would stay to take the minutes. Mr. Blair and Mr. Williams left the room at 10:03 a.m.

## **2. RESOLUTION APPROVING THE MINUTES OF THE AUGUST 2, 2016 AUDIT COMMITTEE MEETING**

Chair Della Pelle asked for a motion to approve a Resolution Approving the Minutes of the August 2, 2016 Audit Committee Meeting. Mr. Tassi made a motion to approve the resolution. Mr. Mathews seconded the motion. Chair Della Pelle asked if there were any changes to the minutes. No changes were indicated. Chair Della Pelle asked for a voice vote to approve the Resolution Approving the Minutes of the August 2, 2016 Audit Committee Meeting. The motion was voted upon and approved unanimously.

## **3. DISCUSSION OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY FISCAL YEAR 2016 AUDIT REPORT**

Chair Della Pelle asked Ms. Murphy to present an overview of the NJPBA Fiscal Year 2016 (“FY16”) Audit Report. Ms. Murphy reviewed the Post Audit Presentation, stating that it was an unmodified, clean opinion. She said management followed generally accepted accounting principles (“GAAP”) and selected preferable accounting practices in all areas. There were no changes in policies or practices. She reviewed the summary of significant accounting estimates, all of which were considered appropriate by the auditors. There were no significant or unusual transactions, difficulties, material weaknesses, or control deficiencies. There were no audit adjustments to the trial balance, and there were no uncorrected misstatements. Ms. Murphy reviewed the Statement of Financial Position and the Statement of Activities. She asked if there were any questions. There were none. Ms. Murphy stated the required management representation letter was included, which indicated that management had given the auditors everything required to conduct the audit.

Ms. Murphy stated that there were delays in receiving information from management due to a delay in the Authority receiving information from other State departments. She said Mercadien also needed to receive information from Public Media NJ, Inc. to prepare the necessary reports for the Corporation for Public Broadcasting (“CPB”) which were due February 13, 2017. Ms. Murphy stated that she received all of the required information, and Ms. Pennell, finance manager for the NJPBA, was preparing the CPB statements. Ms. Murphy said she would review the statements, and she did not foresee any problems in reporting to CPB by the due date.

Mr. Tassi stated that Mr. Blair and Ms. Pennell were planning to retire, and he asked if there were any concerns about that. Ms. Murphy stated that she was unaware of Mr. Blair’s transition plans, but she understood that Ms. Pennell planned to stay with the Authority for several months to train a newly hired staff member in finance. Mr. Tassi asked if Ms. Murphy foresaw any complications moving forward. Ms. Murphy stated that after the 2011 transition, there were some carryover issues, but now everything was more streamlined without abnormal or significant issues. Chair Della Pelle stated that the audit reflected that operations were running smoothly. He said staff changes were part of normal operations, and the Committee’s only concern was that proper measures were taken to maintain the financial operations of the Authority.

**4. RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE OF THE FISCAL YEAR 2016 AUDIT REPORT**

**RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE OF THE FISCAL YEAR 2016 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 2016 (“Fiscal Year 2016 Audit Report”); and

**WHEREAS**, the Audit Committee recommends acceptance of the Fiscal Year 2016 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 2016 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 Della Pelle 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 2016 Audit Report. Mr. Tassi made a motion to approve the resolution. Mr. Mathews seconded the motion. Chair Della Pelle asked for a roll call vote to approve the Resolution of the Audit Committee of the New Jersey Public Broadcasting Authority Recommending Acceptance of the Fiscal Year 2016 Audit Report. The motion was voted upon and approved unanimously.

## **5. OTHER BUSINESS**

Chair Della Pelle asked if there was any other business the Committee needed to discuss. Ms. Murphy asked Deputy Attorney General Hanna if there were any issues or developments the auditors should be aware of since the date of the prior legal response. Deputy Attorney General Hanna stated there were no changes.

## **6. ADJOURNMENT**

Chair Della Pelle thanked everyone for their participation and asked for a motion to adjourn. Mr. Tassi made a motion to adjourn the meeting. Mr. Mathews seconded the motion. The motion was voted upon and approved unanimously. The meeting was adjourned at 10:20 a.m.