

# **New Jersey Public Broadcasting Authority**

## **Meeting of the Audit Committee**

January 15, 2025 at 2:00 PM  
via Zoom Meeting

### **MINUTES**

Gary Pinar, Chair, Presiding

Minutes of the meeting of the New Jersey Public Broadcasting Authority (“NJPBA” or “Authority”) Audit Committee (the “Committee”) held by Zoom Meeting on Wednesday, January 15, 2025, at 2:06 PM.

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

Chair of the NJPBA Audit Committee, Mr. Gary Pinar, called the meeting to order. Chair Pinar 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 Pinar then requested a roll call. NJPBA Audit Committee Members present and participating at the meeting were Gary Pinar, Chair; Christopher Mathews; and Clyde Mingo. Also present and participating were Digesh Patel, Mercadien, P.C.; Jack Hammell, Mercadien, P.C.; Allyson Cofran, Deputy Attorney General, Division of Law; Sam Kovach-Orr, Associate Counsel, Governor’s Authorities Unit; and Nichol R. Gee, Deputy Executive Director, NJPBA (*taking minutes*).

#### **2. RESOLUTION APPROVING THE MINUTES OF THE OCTOBER 10, 2024 AUDIT COMMITTEE MEETING**

**RESOLUTION APPROVING THE MINUTES  
OF THE OCTOBER 10, 2024 AUDIT COMMITTEE MEETING**

**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”); and

**WHEREAS**, the Members of the Audit Committee established pursuant to Article IX, Section 2 of the By-Laws of the Authority desire to approve the minutes of the October 10, 2024 meeting of the Audit Committee, attached hereto as Exhibit A.

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

1. The Members of the Audit Committee hereby approve the minutes of the October 10, 2024 meeting of the Audit Committee.
2. This resolution shall take effect immediately in accordance with the Act.

Chair Pinar asked for a motion to approve a Resolution Approving the Minutes of the October 10, 2024 Audit Committee Meeting. Mr. Mathews made a motion to approve the resolution. Mr. Mingo seconded the motion. Chair Pinar asked if there were any changes to the minutes. No changes were indicated. Chair Pinar asked for a voice vote to approve the Resolution Approving the Minutes of the October 10, 2024 Audit Committee Meeting. The motion was voted upon and approved unanimously.

**3. DISCUSSION OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY FISCAL YEAR 2024 AUDIT REPORT**

Chair Pinar asked the Committee members if they had reviewed the audit from Mercadien, P.C. The members confirmed they had. Chair Pinar asked Mr. Digesh Patel and Mr. Jack Hammell to present an overview of the NJPBA Fiscal Year 2024 (“FY24”) Audit Report.

Mr. Patel greeted the Committee and explained the responsibilities of Mercadien P.C. for the FY24 audit, highlighted in a presentation shared on the Zoom. He reviewed the scope of the audit and services provided by Mercadien, P.C. stating that the audit was conducted from a risk-based approach in accordance with Generally Accepted Accounting Principles and Government Accounting Standards. The auditors issued an unmodified, clean opinion with no findings, which was the highest level audit standard.

Mr. Hammell reviewed the financial statements and management recommendations. He noted that revenues had increased due to State support, the Authority’s Trust Fund, and

Corporation for Public Broadcasting (“CPB”) grants. Since CPB grants and tower revenues are passed through to the programming and services provider, Public Media, NJ, Inc., there were significant increases in programming, production, and broadcasting expenses. Overall net position increased \$1.3 million in FY24. Mr. Hammell summarized the audit adjustments.

Mr. Hammell stated that after the Fiscal Year 2023 audit, Mercadien recommended an annual reconciliation between the State budget system and the Authority’s Quickbooks to ensure all expenses were captured on the accrual basis for financial statement reporting, and that Treasury implement formal review procedures for year-end close over the accounting work and manual journal entries. He said both of these were resolved with the FY24 audit. Moving forward, the auditors recommended there should also be a review by Treasury reconciling the capital assets and State appropriations since these were the areas that required audit adjustments.

Mr. Hammell stated that there were no changes in accounting standards nor auditing procedures, and all accounting estimates were deemed reasonable by the auditors. The auditors had the full cooperation of management without any disagreements, and there were no findings to report. He reported that there would be changes in accounting standards from the Governmental Accounting Standards Board (“GASB”) to be implemented in the coming years. Mr. Hammell shared contact information for himself and Mr. Patel and told the Committee that they could reach out with questions anytime during the year.

Mr. Patel asked if the members had any questions. Chair Pinar asked where the auditors’ recommendations could be found. Mr. Patel indicated that they were written in the letter to management. Chair Pinar thanked Mr. Patel and Mr. Hammell.

#### **4. RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE OF THE FISCAL YEAR 2024 AUDIT REPORT**

##### **RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY RECOMMENDING ACCEPTANCE OF THE FISCAL YEAR 2024 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 2024 (“Fiscal Year 2024 Audit Report”); and

**WHEREAS**, the Audit Committee recommends acceptance of the Fiscal Year 2024 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 2024 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 Pinar 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 2024 Audit Report. Mr. Mathews made a motion to approve the resolution. Mr. Mingo seconded the motion. Chair Pinar 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 2024 Audit Report. The motion was voted upon and approved unanimously.

**5. OTHER BUSINESS**

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

**6. PUBLIC COMMENTS**

Chair Pinar asked if any members of the public wanted to make a comment. No members of the public spoke before the Committee.

**7. ADJOURNMENT**

Chair Pinar thanked everyone for their participation and asked for a motion to adjourn. Mr. Mathews made a motion to adjourn the meeting. Mr. Mingo seconded the motion. The motion was voted upon and approved unanimously. The meeting adjourned at 2:17 p.m.