

**MINUTES OF THE AUDIT COMMITTEE MEETING OF THE
UNIVERSITY OF MASSACHUSETTS BUILDING AUTHORITY**

Tuesday November 26, 2019 at 10:00 am

The Audit Committee (the “Committee”) convened on Tuesday November 26, 2019. The meeting began at 10:00 am in the Knapp Conference Room at One Beacon Street, 31st Floor, Boston, MA. In attendance were the following:

Committee Members Present: Mary Burns, Audit Committee Chair; Kelly O’Neill and James McGaugh. Chairman Victor Wooldridge joined by telephone.

Building Authority Personnel: Barbara J. Kroncke, Executive Director; David P. Mullen, General Counsel; Josette Farnham, Controller, Katrina McKee, Account Manager, Patti Vantine, Chief of Staff.

University of Massachusetts System Office: Barbara Cevallos, Controller

Others: Broke Romano, KPMG; Blakeny Bell, KPMG

Chair Burns convened the meeting and asked for a vote to approve the minutes from the last Audit Committee meeting. A motion was approved and seconded and the minutes were approved. Chair Burns then introduced KPMG and asked that they provide their audit report.

KPMG, through Brock Romano and Blakeny Bell, presented their results of their audit of the financial statements of UMBA for the year ending June 30, 2019 to the Audit Committee. Mr. Romano mentioned that seeing that it was the first year that KPMG had audited UMBA the process was longer and somewhat more restrictive than he believed it would be in subsequent years. Mr. Romano stated that the accounting policies of the Authority are not aggressive, were neutral and were consistent with others. He furthered that the issues encountered in the audit were due to legacy and previous management decisions. Upon questioning from Chairman Woolridge, Mr. Romano stated that the issues raised by KPM were, in the whole, form over substance and “...an academic exercise.” Blakeny Bell thanked Josette Farnham and Katrina McKee for their cooperation and their timely replies to KPMG’s requests. Member McGaugh inquired if P3’s were becoming more prevalent and if UMBA is reporting accurately. Mr. Romano replied that P3’s are becoming more common, and that the P3 documents (Boston and Dartmouth) were both complex, and that much thought had gone into them.

Meeting was adjourned at 10:40 am.