

MINUTES OF THE COMPTROLLER ADVISORY BOARD

Meeting Date: Wednesday, September 9, 2020
Time: 2:00 p.m.
Location: Virtually via ZOOM, due to COVID-19, consistent with Governor Baker's March 12, 2020 Executive Order

MEMBERS AND ATTENDEES

Members Present

Michael Heffernan, (Chair), Secretary for Administration and Finance
Suzanne Bump, Auditor, Office of the State Auditor
Michael Esmond, (Gubernatorial Appointment), Chief Fiscal Officer of the Massachusetts Convention Center Authority
Bill Green, (designee), Chief Financial Officer, Office of the Attorney General
Sarah Kim, (designee), General Counsel, Office of the State Treasurer & Receiver General
Natalie Monroe, (Gubernatorial Appointment), Office of the Inspector General
Jonathan Williams, Court Administrator, Office of the Trial Court

Members Absent

None.

Office of the Comptroller

Elizabeth Hemond, Assistant to the Comptroller
Stacy Hoag, Relationship Manager
Katie Kendall, Chief Process and Innovation Officer
Parris Kyriakakis, Assistant General Counsel
Pauline Lieu, Statewide Financial Reporting Deputy Director
William McNamara, Comptroller
Howard Merkwowitz, Deputy Comptroller
Amy Nable, Assistant Comptroller and General Counsel
Tatiana Peralta, Chief Risk Officer
Michael Rodino, Statewide Financial Reporting Director
Michael Sangalang, Communications Manager
Peter Scavotto, Assistant Comptroller
Jeffrey Shapiro, First Deputy Comptroller

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Other Attendees

Meredith Barrieau, Office of the State Auditor
Dean Carson
Mike Clair, CGI
Alexander Craighead, Northeastern
Brian Daley, Workday
Jerry Lherisson, Internal Communications Director, ANF
Sandra Malony, CGI
Kelly McLaughlin
Katherine Tisinger, Accenture
Marcel Vernon, Chief Financial Officer of Massachusetts Trial Court
Colin Young, State House News

AGENDA

1 CALL TO ORDER

The meeting was called to order with Secretary Heffernan, Natalie Monroe, Jonathan Williams, Auditor Bump, and Sarah Kim in attendance.

1.1 Statement on Remote Participation

The chair announced that on March 12, 2020, Governor Baker issued an Executive Order suspending certain provisions of the Open Meeting Law, in conjunction with the state of emergency declared on March 10, 2020 due to the outbreak of the 2019 novel Coronavirus (“COVID-19”).

Because of that state of emergency, and in accordance with the Governor’s Executive Order, all members of the Advisory Board and members of the public are participating remotely in today’s meeting.

Because members of the Board are participating remotely, all votes today will be taken by roll call.

1.2 Recording Announcement by Advisory Board Chair Heffernan

The chair announced that, pursuant to the Commonwealth’s Open Meeting Law, Massachusetts General Laws, Chapter 30A, section 20, any person may make a video or audio recording of this open meeting.

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He asked anyone making a recording to please identify themselves. Katie Kendall from the Office of the Comptroller stated she was recording for the purpose of keeping the minutes. Colin Young from State House News Service stated that he was recording.

2 REVIEW AND APPROVAL OF MARCH 23, 2020 ADVISORY BOARD MEETING MINUTES

On a motion by Comptroller McNamara, seconded by Johnathan Williams, the Board unanimously approved the March 23, 2020 Advisory Board meeting minutes.

- Secretary Heffernan – Approve
- Natalie Monroe – Approve
- Johnathan Williams – Approve
- Auditor Bump – Approve
- Sarah Kim – Approve

Secretary Heffernan, before moving to the third item, thanked – on behalf of himself and the Governor - the Comptroller and Comptroller’s staff’s actions of going above and beyond the call of duty during these extraordinary times, including the Office’s efforts in helping the Commonwealth pay and get delivery of personal protective equipment (PPE) over the past several months. Secretary Heffernan also thanked the Treasurer’s office for their efforts.

3 OFFICE OF THE COMPTROLLER OPERATIONAL UPDATE: COVID-19 RESPONSE

Comptroller McNamara gave an operational update on the Office of the Comptroller’s COVID19 response.

Comptroller McNamara credited several members of the Comptroller’s office leadership team and senior staff, especially Deputy Comptroller Howard Merkowitz, General Counsel Amy Nable, and First Deputy Jeff Shapiro, for how the Office has been able to operate, in the immediate COVID crisis and as an operating unit. He also mentioned that there has been a great deal of work and focus to make sure that there is proper accounting, recording, and auditable records for all of the activity that occurred in the busy phase of COVID-19.

Comptroller McNamara then highlighted that, since the last Advisory Board meeting in March, there have not been many events in the area of official financial reports, but there have been important operational events.

Comptroller McNamara stated that there were no interruptions in the Office’s key functions due to COVID-19. The office was able to quickly enable all but a few employees to work from home.

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Comptroller McNamara stated that Comptroller staff is working effectively from home, which has allowed the Office to move forward with key efforts such as the usual course of business with the end of the fiscal year and the opening of the new one, process improvement projects, fraud training and prevention efforts, e-signature, and the Single Audit procurement.

Comptroller McNamara turned to Howard Merkowitz to provide more detail about the Single Audit. Merkowitz added that the procurement management team is in the interview stage of the process; tomorrow they have interviews with the bidding vendors and Friday the procurement management team will discuss amongst themselves the results of those interviews and the rankings generally. They expect to make a recommendation to the Comptroller on the winning bidder within a week or so.

Comptroller McNamara asked the Board if they had any questions. Secretary Heffernan asked how many folks made it to the interview process? Merkowitz asked Assistant General Counsel Amy Nable if he can answer the question. Before Nable answered, Secretary Heffernan retracted his question.

Comptroller McNamara then gave an update on the Business Enterprise System Transformation (BEST) Project. He reported that, though project focused more on internal project work during the early COVID-19 crisis, much of the recent work has gone into drafting an RFR, reflecting stakeholder input and building a foundational connection to the EOTSS technology team. The draft RFR will come before the Executive Steering Committee in the coming weeks.

Comptroller McNamara gave an outlook for the close of Fiscal Year 2020. Comptroller McNamara explained that Office's focus is on the Statutory Basis Financial Report (SBFR), which is due on October 31. However, in recent years the SBFR has not been issued by that date. Comptroller McNamara is very hopeful that the policy makers will take the prompt action that is required to put the 2020 SBFR on track for delivery near its October 31 due date.

Comptroller McNamara turned to Howard Merkowitz to provide more detail on the SBFR process. Merkowitz added that it usually takes 3 weeks from when the final Supplemental Budget bill is enacted to incorporate everything into the SBFR and to have it reviewed by KPMG.

Auditor Bump asked Secretary Heffernan when the legislature is due to return? Secretary Heffernan explained that he did not know when the legislature is due to return, but they are working in informal session. Secretary Heffernan further explained that Administration and Finance are in discussions about the final supplemental budget with the Ways and Means Committees constantly and, as they continue into September, they are aware of the due dates. With the delay in a number of tax types from April it has become a complex close, but they are working diligently to get a supplemental budget bill filed.

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Merkowitz added that, as the Secretary mentioned, the late April tax revenues have just been finalized to August 31, so there are a series of things that have to happen to certify those revenues that are in process right now, but that has been delayed for a few weeks because of the delay in processing those tax revenues.

Comptroller McNamara added that Merkowitz and his team have been doing all of the work in advance of the fiscal year close that is possible to do to make sure the Office can move very efficiently once the close out supplemental budget bill is finalized.

Secretary Heffernan added that Administration and Finance is echoing that type of readiness. Merkowitz added that the Comptroller's office has been working very closely with Administration and Finance to get a good read on where the budget is as of the close of the accounts payable and accounts receivable period.

Secretary Heffernan said that Bran [Shim] and his team could not be more complimentary of the working relationship that they have with the Comptroller's office. Merkowitz expressed that the feeling is mutual.

4 ITEMS NOT REASONABLY ANTICIPATED BY THE CHAIR

Michael Esmond announced that he was present for the meeting but was having technical issues connecting. He congratulated Comptroller McNamara on his appointment and apologized for missing the prior meeting.

5 ADJOURNMENT

On a motion by Sarah Kim, seconded by Natalie Monroe, the Board unanimously voted to adjourn at 2:26 p.m.

- Secretary Heffernan – Approve
- Michael Esmond - Approve
- Natalie Monroe – Approve
- Jonathan Williams – Approve
- Auditor Bump – Approve
- Sarah Kim – Approve

6 DOCUMENTS USED AT THE MEETING

March 23, 2020 Comptroller Advisory Board Meeting Minutes