



COMPTROLLER ADVISORY BOARD MEETING

OCTOBER 25, 2021



OFFICE OF THE COMPTROLLER
COMMONWEALTH OF MASSACHUSETTS



MEETING INFORMATION

- Due to the outbreak of the 2019 novel coronavirus ("COVID-19"), the Governor issued an Executive Order on March 10, 2020 that, among other things, allowed all members of public bodies to participate in deliberations remotely. Thus, the requirement that a quorum of the Advisory Board be physically present at a meeting was suspended. On June 16, 2021, Governor Baker signed into law An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency. This Act includes an extension, until April 1, 2022, of the remote meeting provisions of his March 12, 2020 Executive Order.
- Accordingly, this meeting will be held using Zoom and may be accessed by the public as either a video conference or as a telephone conference call using the following contact information:

Date & time: October 25, 2021 at 10:00AM
Location: Via Zoom (website: www.zoom.us)
Meeting ID: 829 1305 0048
Passcode: 598336
Link: <https://us02web.zoom.us/j/82913050048?pwd=dHJkSTNoZ0NsanZiTTNwWmgzQXlvZz09>
Dial-in: 301-715-8592 (alternative to online)



AGENDA

#	Item	
I	Call to order; authorization for remote meeting	Sec. Heffernan
II	Review and approval of the June 10, 2021 Advisory Board meeting minutes	Sec. Heffernan
III	Financial reporting on Fiscal Year 2021: expected timing of key reports	Ctr. McNamara
IV	Office of the Comptroller: organizational items of note	Ctr. McNamara
V	Introduction of CliftonLarsonAllen (CLA) as the Commonwealth's new independent audit firm	Mr. Chris Rogers
VI	Discussion of Comptroller compensation	Sec. Heffernan
VII	Items not reasonably anticipated by the Chair	Sec. Heffernan
VIII	Next meeting	Sec. Heffernan



AGENDA ITEMS (I) AND (II)

- I. Call to order and
Authorization for remote meeting**

- II. Review and approval of the June 10, 2021
Advisory Board meeting minutes**



AGENDA ITEM (III): FINANCIAL REPORTING ON FY2021 EXPECTED TIMING

Overview: financial reports and filings

Acronym	Name	Description	Key dates
SBFR	Statutory Basis Financial Report	<ul style="list-style-type: none"> Statutory requirement in Massachusetts General Laws (M.G.L.) c. 7A, § 12 to present fairly the results of the prior fiscal year's activity in the Commonwealth's funds, to compute and certify the balance in the Stabilization Fund, and to disclose and report certain aspects of financial performance as directed by statute. Reviewed by the independent CPA firm. 	<ul style="list-style-type: none"> Statutory deadline of 10/31/xx Expected delivery for FY21 is mid-November Timing of final supplementary budget is the major driver
ACFR	Annual Comprehensive Financial Report	<ul style="list-style-type: none"> Financial statements of a state, municipal or other governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). Audited by the independent CPA firm for compliance with GASB requirements. 	<ul style="list-style-type: none"> Due 2nd Wednesday of January (i.e., 01/12/2022) Due 12/31 for GFOA*. Extension possible.

* Government Financial Officers Association



AGENDA ITEM (III): FINANCIAL REPORTING ON FY2021 EXPECTED TIMING

Overview: financial reports and filings / federal requirements

Acronym	Name	Description	Key dates
-	Uniform Guidance	<ul style="list-style-type: none"> Uniform Guidance is the authoritative set of rules and requirements for federal awards for both nonfederal recipients (i.e., state and local governments; nonprofits, including institutes of higher education; American Indian tribes), and auditors who perform single audits. 	<ul style="list-style-type: none"> Guidance is applicable year-round. Annual supplement issued in August
SEFA	Schedule of Expenditure of Federal Awards	<ul style="list-style-type: none"> The SEFA is a supplemental schedule to the financial statements, required for entities subject to the Single Audit, detailing the use of federal funds. 	<ul style="list-style-type: none"> To CLA by 02/28 File with Single Audit on 03/31
-	Single Audit	<ul style="list-style-type: none"> The Single Audit is an organization-wide financial statement and federal awards' audit of a non-federal entity that expends \$750,000 or more in federal funds in one year. It is intended to provide assurance to the Federal Government that a non-federal entity has adequate internal controls in place, and is generally in compliance with program requirements. Conducted by the independent CPA firm. 	<ul style="list-style-type: none"> Normally due 03/31. Extended to 09/30. Includes SEFA and ACFR.



AGENDA ITEM (III): FINANCIAL REPORTING ON FY2021 EXPECTED TIMING

Timeline: dates subject to change

➤ Milestones to date

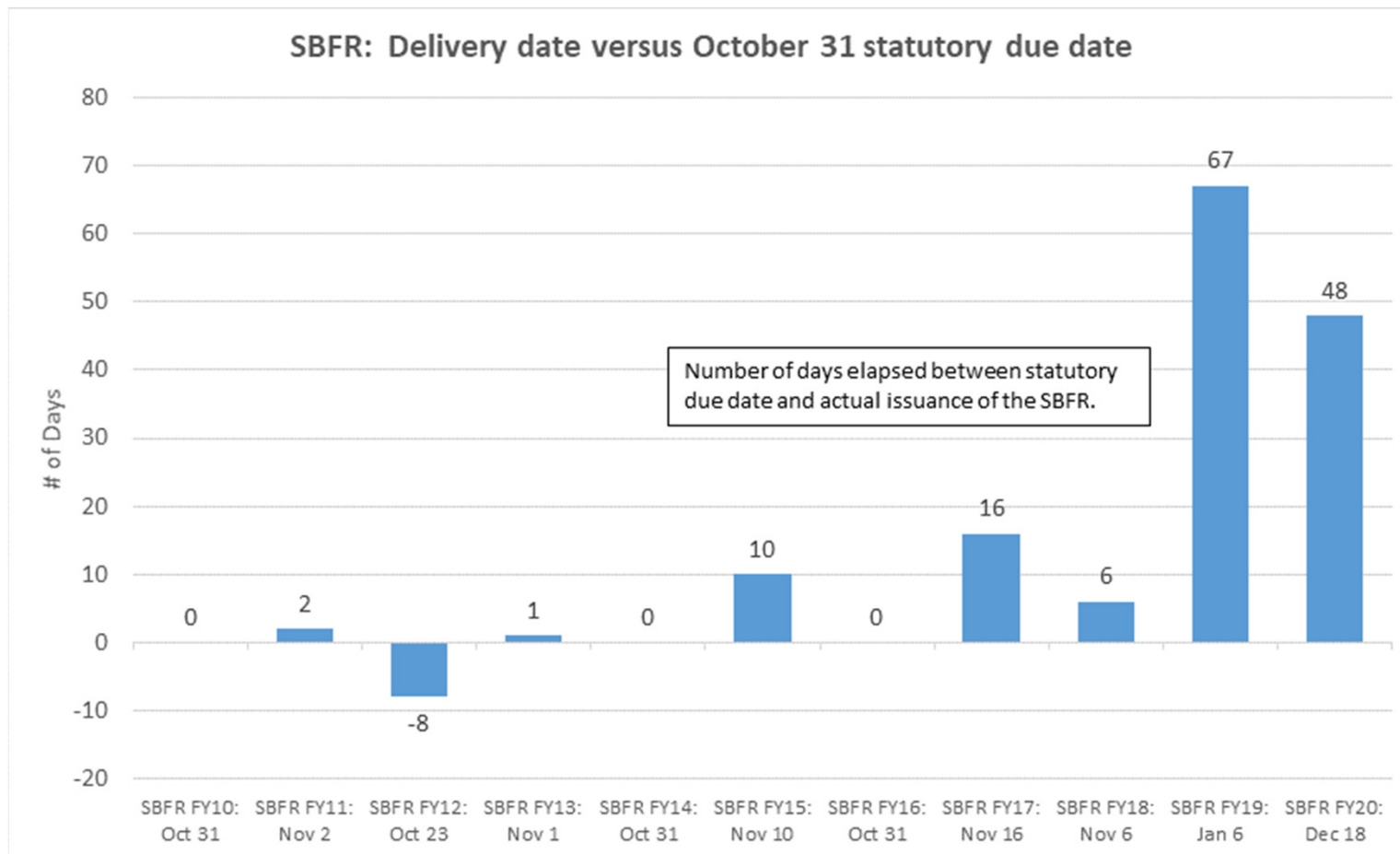
- ☐ 06/30/2021 – present: As the fiscal year ends on the calendar, the Comptroller staff and financial professionals across state government work on multiple processes required to close out the year, in advance of the final supplemental budget.
- ☐ 10/14/2021 (Thursday): The Legislature sends final FY21 supplemental budget of \$303M to the Governor
- ☐ 10/20/2021 (Wednesday): The Governor signs the “final supp”

➤ Path to SBFR

- ☐ The passage of the “supp” kicks off an intensive process of transactions and accounting system entries, certification of revenue, reconciliations, and trial balances, and other steps required for the SBFR.
- ☐ The Commonwealth’s new independent audit firm, CLA, will require time to analyze, to test, to pose questions and assess responses.
- ☐ Our target date for issuance of the SBFR is the week beginning Monday, November 15. This must be viewed as a projection that is subject to change.



AGENDA ITEM (III): FINANCIAL REPORTING ON FY2021 TIMING IN RECENT YEARS



Note: compiled on a best available data basis. Subject to revision.



AGENDA ITEM (IV): OFFICE OF THE COMPTROLLER – ORGANIZATIONAL ITEMS

- **Statewide Accounting & Financial Reporting group:
organizational update**
- **BEST project: now in the procurement stage**
- **New Flexible Worksite Policy to be inaugurated November 1**



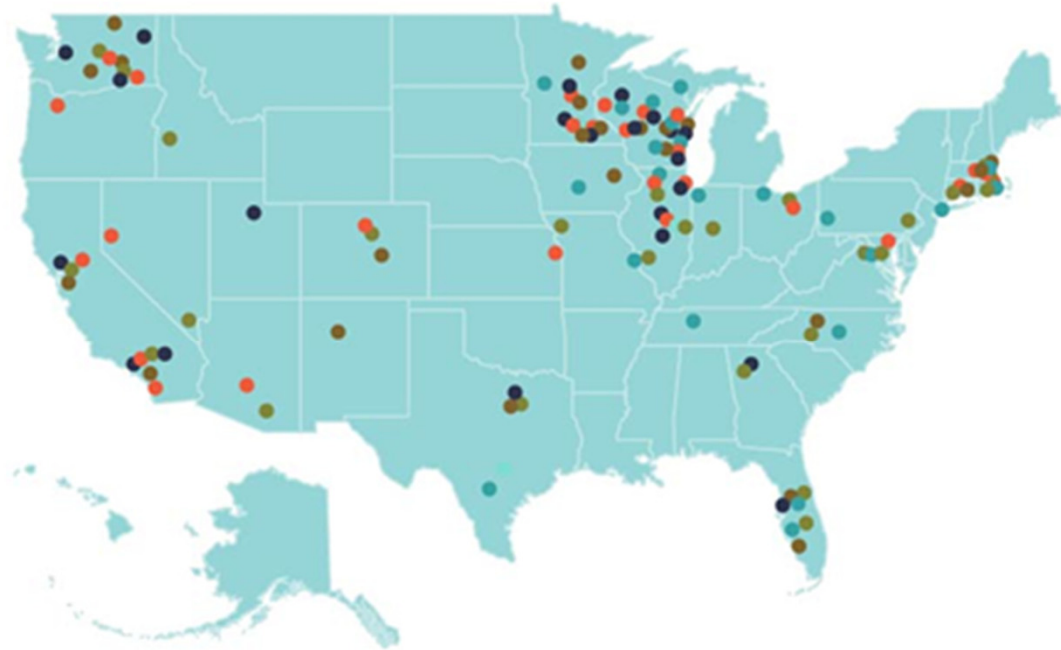
AGENDA ITEM (V): INTRODUCTION OF CLIFTON LARSON ALLEN (CLA)

★ The CLA Promise: To Know You and Help You

MORE THAN
7,400
PEOPLE

MORE THAN
120
U.S. LOCATIONS

WE ARE PART OF A
GLOBAL
AFFILIATION





DRAFT 4

AGENDA ITEM (V): INTRODUCTION OF CLIFTONLARSONALLEN (CLA)

CREATING
OPPORTUNITIES
FOR OUR
CLIENTS



4,150+
GOVERNMENT ENTITIES

\$1.1
BILLION
IN REVENUE

60+
YEARS IN BUSINESS

400+
PROFESSIONALS

PROVIDING AUDIT, TAX, DUE DILIGENCE,
INTEGRATION, AND CONSULTING



AGENDA ITEMS (VI), (VII), AND (VIII)

- VI. Comptroller compensation**
- VII. Items not reasonably anticipated by the Chair**
- VIII. Next meeting**