

# Meeting of the Advisory Board to the Comptroller

June 17, 2025



OFFICE OF THE COMPTROLLER  
COMMONWEALTH OF MASSACHUSETTS



ATLANTIC COD | OFFICIAL STATE FISH

# Advisory Board to the Comptroller

## Statutory Members

- ★ **Matthew Gorzkowicz**, Secretary of Administration and Finance (Chair)
- ★ **Diana DiZoglio**, State Auditor  
*Designee: Meredith K. Barrieau, First Deputy Auditor*
- ★ **Deborah B. Goldberg**, Treasurer and Receiver General  
*Designee: Kathleen McNamara, Internal Auditor*
- ★ **Andrea Joy Campbell**, Attorney General  
*Designee: Paula McManus, Chief Operating Officer*
- ★ **Thomas G. Ambrosino**, Court Administrator of Massachusetts Trial Court

## Appointed Members

- ★ **Michael Esmond**, Director of Municipal Finance, Town of Braintree
- ★ **Natalie Monroe**, Chief Administrative Magistrate, Division of Administrative Law Appeals

# Agenda

- I. Administrative matters: Call to Order, Authorization for Remote Meeting, Notice of Recording**  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance
- II. Review and approval of the April 29, 2025 Advisory Board meeting minutes**  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance
- III. Remarks from the Chair of the Advisory Board**  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance
- IV. Comptroller's Update & Review of the Single Audit Process**  
William McNamara, Comptroller of the Commonwealth / Peter Scavotto, Assistant Comptroller
- V. CliftonLarsonAllen (CLA) Report on the Single Audit**
- VI. Office of the Comptroller Single audit follow-up**  
William McNamara, Comptroller
- VII. Items not reasonably anticipated by the Chair**  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance
- VIII. Next meeting**  
Matthew Gorzkowicz, Secretary, Executive Office for Administration and Finance
- IX. Adjournment**

# Meeting Information

On March 29, 2023, Governor Healey signed into law a supplemental budget bill which, among other things, extends certain temporary provisions pertaining to the Open Meeting Law until March 31, 2025. Specifically, this further extension allows public bodies to continue holding meetings remotely without a quorum of the public body physically present at a meeting location, and to provide "adequate, alternative" access to remote meetings.

In accordance with that law, 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.

Meeting:	Advisory Board to the Comptroller
Date:	June 17, 2025
Time:	2:30pm
Format:	Meeting will be held virtually on Zoom
URL to join online:	<a href="https://macomptroller.zoom.us/j/83788722049?pwd=vauX3boHbyj7SplJrXC98Te28TT3Pd.1">https://macomptroller.zoom.us/j/83788722049?pwd=vauX3boHbyj7SplJrXC98Te28TT3Pd.1</a>
Meeting ID:	837 8872 2049
Passcode:	290989
Dial-in (alternative to Zoom)	(929) 205-6099

**Agenda Item I**  
Call to Order,  
Authorization for Remote Meeting,  
Notice of Recording

**Matthew Gorzkowicz**  
Secretary, Executive Office for Administration and Finance

# Agenda Item II

## Review and approval of minutes

**Matthew Gorzkowicz**  
**Secretary, Executive Office for Administration and Finance**

# Agenda Item III

## Remarks from the Chair of the Advisory Board

**Matthew Gorzkowicz**  
**Secretary, Executive Office for Administration and Finance**

# Agenda Item IV

## Comptroller's Update & Review of the Single Audit Process

William McNamara, Comptroller of the Commonwealth



# Update on the Office of the Comptroller: Organizational developments connected to the Single Audit

- ★ **Retirement of Assistant Comptroller Peter Scavotto**, capping years of dedicated state service
- ★ **Jenny Hedderman elevated to Assistant Comptroller – Statewide Risk Management & Compliance**, bringing deep experience in state government and risk
- ★ Continued statewide leadership on Single Audit by **David Godin**, Single and Internal Audit Lead
- ★ Now ably assisted and seconded by **Arjun Malhotra**, Risk & Compliance Team Coordinator



# Update on the Office of the Comptroller: Other news and comments

## ★ Organizational

- **Senior management team consistent from 2024 through 2025 year-to-date** (other than the change in Statewide Risk Management & Compliance)
- **With A&F partners, preparing for the FY24 Close / FY25 Open.** Extensive communications, training sessions, and help to 150+ departments statewide.
- **Ongoing incremental improvement efforts** in every team, ranging from improving processes, automation, and replacing aging software.
- Managing turnover (mainly retirements) and attracting quality new employees

## ★ **BEST:** Statewide effort, sponsored by Secretary Gorzkowicz, Secretary Snyder, and Comptroller

- Phase 1 (replacement of the MMARS ERP system) progressing well. UAT (user acceptance testing) starting in July, moving toward January go-live.
- Phase 2 (Payroll & Human Capital) procurement is proceeding, while baseline analysis and preparatory work continues.
- Proposing an in-depth update at the next Advisory Board meeting

# Single Audit Process: final step in FY24 process

SBFR	ACFR	Single Audit
Statutory Basis Financial Report	Annual Comprehensive Financial Report	Federally-mandated statewide audit
<ul style="list-style-type: none"> <li>Required under state law (M.G.L. c. 7A, § 12)</li> <li>Most other states have similar reports</li> <li>Present the results of the prior fiscal year activity in the Commonwealth's funds primarily on a cash, non-GAAP basis</li> <li>Compute and certify the annual budget balance and end of fiscal year transfer to the Stabilization Fund</li> <li>Disclose and report certain aspects of financial performance as directed by statute or judged relevant by the Comptroller</li> </ul>	<ul style="list-style-type: none"> <li>50-state requirement (plus other local government entities)</li> <li>Financial statements of a state, municipal or other governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB), which sets Generally Accepting Accounting Principles (GAAP) for those governments and entities</li> </ul>	<ul style="list-style-type: none"> <li><b>Uniform Guidance:</b> authoritative set of administrative and financial requirements for recipients of federal grants &amp; funds</li> <li><b>SEFA:</b> Schedule of Expenditure of Federal Awards; details the use of federal funds across the state</li> <li><b>Single Audit:</b> Organization-wide financial statement of federal awards. All programs over a dollar threshold and sample of smaller programs are audited. Focused on internal controls and compliance with program requirements.</li> </ul>
<ul style="list-style-type: none"> <li>Produced by the Office of the Comptroller</li> <li>Reviewed by the independent CPA firm</li> </ul>	<ul style="list-style-type: none"> <li>Produced by the Office of the Comptroller</li> <li>Audited by the independent CPA firm</li> </ul>	<ul style="list-style-type: none"> <li>Facilitated by Office of the Comptroller</li> <li>Conducted by the independent CPA firm</li> </ul>

# FY24 Single Audit: headlines

- ★ The **timing** of the Single Audit has **improved by roughly one month**
- ★ FY24 Single Audit **results are not a dramatic change** from FY23
- ★ The total number of finding increased by 2, from **35 to 37**
  - Material Weaknesses increased from 12 to 15
  - Significant Deficiencies decreased from 23 to 22
- ★ **FY24 had 14 resolutions** (3 MW, 11 SD) of prior year results, better than 9 in FY24
- ★ Resolution rate is even more impressive given the late close-out budget
  - Later completion of the Single Audit provides less time to address new findings
  - But departments moved quickly to address FY23 findings
  - Need to increase focus to resolve aged items (five repeat findings dating from 2018-2021)
- ★ Three programs audited in FY24 **produced no findings**:  
Coronavirus State & Local Fiscal Recovery Funds; Foster Care Title IV-E, and Social Services Block Grant

# FY24 overview: by the numbers

- ★ The total number of findings increased by 2 to 37:

	FY21	FY22	FY23	FY24	FY24 vs FY23
Material Weaknesses	4	6	12	15	+3
Significant Deficiencies	24	13	23	22	-1
<b>Total</b>	<b>28</b>	<b>19</b>	<b>35</b>	<b>37</b>	<b>+2</b>

**A material weakness** is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

- ★ Beneath that net change of +2:

	FY23	Less: FY23 findings resolved	Change: MW to SD	Change: SD to MW	Plus: New FY24 Findings	FY24 Total
Material Weaknesses	12	-3	-4	+4	+6	15
Significant Deficiencies	23	-11	+4	-4	+10	22
<b>Total</b>	<b>35</b>	<b>-14</b>	<b>0</b>	<b>0</b>	<b>+16</b>	<b>37</b>

**A significant deficiency** is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

- ★ The 14 resolutions compares favorably to 9 resolutions achieved during FY23
- ★ Of the 16 new findings, 10 occurred in programs that had not been audited recently

# Single Audit: from the federal viewpoint

- ★ The Single Audit is organized around the Washington view: federal departments and federal programs

U.S. Department of Health and Human Services	
Temporary Assistance for Needy Families (TANF)	4
Aging Cluster	3
Medicaid Cluster, COVID-19 – Medicaid Cluster	2
CCDF Cluster	2
Opioid-STR	2
Epidemiology and Laboratory Capacity for Infectious Diseases, COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases	2
Low-Income Home Energy Assistance (LIHEAP)	2
COVID-19 - Temporary Assistance for Needy Families (TANF)	1
Epidemiology and Laboratory Capacity for Infectious Diseases	1
Low-Income Home Energy Assistance, COVID-19 - Low-Income Home Energy Assistance	1
Medicaid Cluster	1
Immunization Cooperative Agreements COVID-19 - Immunization Cooperative Agreements	1
<b>Total Findings</b>	<b>22</b>

U.S. Department of Labor	
WIOA Cluster (Workforce Innovation & Opportunity Act)	6
Employment Service Cluster	3
Unemployment Insurance COVID-19 – Unemployment Insurance	1
Unemployment Insurance	1
<b>Total Findings</b>	<b>11</b>

U.S. Department of Agriculture	
SNAP Cluster	1
Child and Adult Care Food	1
<b>Total Findings</b>	<b>2</b>

Federal Emergency Management Agency	
Disaster Grants – Public Assistance	2
<b>Total Findings</b>	<b>2</b>

# Federal departments and Commonwealth counterparts

★ HHS programs (from both federal and state views) are significant nationwide

Federal department → State entity ↓ Figure shown = # of FY24 findings		U.S. Department of Health and Human Services	U.S. Department of Labor	Federal Emergency Management Agency	U.S. Department of Agriculture	Total
MA Executive Office of Health & Human Services	Department of Public Health	6				6
	Department of Transitional Assistance	5			1	6
	Executive Office of Health And Human Services	3				3
	Executive Office of Aging & Independence	3				3
	Exec Office of Labor & Workforce Development		11			11
MA Executive Office of Education	Department of Early Education & Care	2				2
	Department of Elementary & Secondary Education				1	1
	Executive Office of Housing & Livable Communities	3				3
	Mass Emergency Management Agency			2		2
	Total	22	11	2	2	37



# Agenda Item V CliftonLarsonAllen (CLA) Report on the Single Audit

**Chris Rogers, CPA**

Managing Principal of Industry, State and Local Government

**Bill Early, CPA**

Principal, State and State Agencies Leader

**Shana Doiron, CPA**

Director



Agenda Item VI

# Office of the Comptroller Single Audit follow-up plan

William McNamara, Comptroller of the Commonwealth

# Office of the Comptroller follow-up plan

- ★ Office of the Comptroller to continue the communication and support efforts that worked well in FY24
- ★ Focus more intensely on:
  - Oldest unresolved findings
  - Material weaknesses. If full resolution is impossible, then drive improvement to Significant Deficiency status
- ★ Push for earlier close-out of FY25 budget, which supports Single Audit resolution efforts

Separate discussion item: remaining steps to complete the FY24 Single Audit cycle

# Agenda Item VII

## Items not reasonably anticipated by the Chair

**Matthew Gorzkowicz**  
**Secretary, Executive Office for Administration and Finance**

## Agenda Item VIII

### Next meeting

**Matthew Gorzkowicz**  
**Secretary, Executive Office for Administration and Finance**