

**NEW JERSEY MEADOWLANDS COMMISSION
AUDIT SERVICES RFP
MANDATORY PRE-BID MEETING
SEPTEMBER 26, 2014**

NJMC STAFF PRESENT:

Edward H. Bulmer, Director of Finance & Management & CFO
Christine Sanz, Chief Operating Officer and Chief Counsel
Colleen Mercado, Financial Management Administrator

PROSPECTIVE BIDDERS PRESENT

Paul Lerch - Lerch, Vinci & Higgins, LLP
Warren Broudy and Jill Ann Murphy – Mercadien, P.C. CPA's
Allison Ligor – Wiss & Company
Paul Garbarini – Garbarini & Co., P.C.
Thomas Planko - Hollman, Frenia, Allison, P.C.

Prior to the start of the meeting, copies of the following materials were given to the attendees:

NJMC 2013 Audit Report
Meadowlands Conservation Trust 2013 Audit Report
DEP Landfill Closure Escrow Account Audit dated 9/30/2013

Ed Bulmer began by thanking everyone for coming and began the meeting with an overview of the Commission and its' mandates; the various operating funds and current budget. He also gave an overview of the Meadowlands Conservation Trust ("MCT") and budget. He noted that the MCT has its' own Board of Commissioners and is supported by NJMC staff; it does not have any employees. Ed Bulmer then proceeded with a review of the RFP. Colleen Mercado made it a point to bring specific attention to the forms required to be submitted with the proposals as noted in Section 8.0 of the RFP. Christine Sanz noted that although the NJMC requires at least two (2) meetings be held with the audit firm and the NJMC Audit Committee, the Audit Committee may determine additional meetings are necessary to discuss matters relating to the respective audit.

The following are questions asked during the meeting, with the responses given:

Q: Have there been any significant changes from prior audits?

A: No.

Q: What about Superstorm Sandy? Or was that just for 2013?

A: There is both a revenue (FEMA reimbursements anticipated) and expense budget approved for 2014 in the amount of \$700K for repairs. There were expenses and FEMA reimbursements in calendar year 2013 although minimal due to the state bidding requirements.

Q: Any challenges the Commission is facing?

A: No.

Q: Any retirements expected?

A: We do anticipate some retirements and do not expect any operational issues

regarding them.

Q: Who prepares the financial statements? How about the MD&A?

A: The NJMC prepares the financial statements and MD&A in-house. The auditor and NJMC work together on preparing the statement of cash flow and footnotes.

Q: Clarification was requested in regards to cost proposal.

A: The fee proposal should be submitted as one budget for each year for the entire engagement, with the cost for the MCT audit broken out.

Q: What were the fees charged in previous years?

A: The three-year cost for the previous engagement was \$158,200. A two-year extension was granted under the contract in the amount of \$113,750. These fees include the DEP and MCT audits.

Q: Who are the Commissioners that make up the Audit Evaluation Committee?

A: The Committee consists of three Commissioners – Albert Cameron, Robert Dowd and Mauro DeGennaro.

Q: Which Commissioners are on the Audit Committee?

A: Commissioners Jay Nadel, Thomas Quirico and Paul Macchia, Acting Chairman.

Q: What is the approximate time frame of on-site field work?

A: On-site field work begins in March, with 3-4 auditors on site for approximately (10) ten days. The DEP audit is done in October with (1) one auditor on site for a couple of hours.

Colleen Mercado noted that the Commission anticipated awarding the contract for audit services at the November Board meeting and Christine Sanz added that due to the amount of review that goes into this process, there is the possibility it may not be in November.

Prior to closing the meeting, Mr. Bulmer noted that the audit team, of the firm to whom the contract is awarded, would be welcomed to meet staff and complete pre-field work prior to the usual commencement of field work which occurs in early March.