

APPROVED MINUTES

MEETING

of the

FINANCE AND AUDIT COMMITTEE

of the

MASSACHUSETTS TECHNOLOGY PARK CORPORATION

December 19, 2024

Videoconference

The Massachusetts Technology Collaborative (“Mass Tech Collaborative” or “Mass Tech”) Finance and Audit Committee (“Committee”) Meeting was held on December 19, 2024, via videoconference, pursuant to notice duly given to the Directors and publicly posted on the Mass Tech website with corresponding notice provided to the Office of the Secretary of State and the Executive Office for Administration and Finance.

The following Finance and Audit Committee Members were present and participated: Chairperson Joseph Dorant, Jeffrey Stein, and Nate Walton.

The following Mass Tech Collaborative staff were present: Marc Leonetti, Mary Creamer, Jennifer Saubermann, Brianna Wehrs, and Paula Foley.

The following RSM staff were present: Valerie Colimon and Matt Babinski.

Mr. Dorant noted the presence of a quorum and called the meeting of the Finance and Audit Committee to order at 2:02 p.m.

Agenda Item I Approval of Minutes

Prior to approval of the June 20, 2024, minutes, Mr. Stein requested that the sentence in the draft minutes, “He then requested that it be noted in the minutes that the Finance and Audit Committee declined to meet with the auditors independently of Mass Tech management,” be changed to “He then asked if it would be accurate that the Finance and Audit Committee was given the opportunity to meet with the auditors independently of Mass Tech management.” Following a period of brief discussion and upon a motion duly made and seconded, it was unanimously and without abstention VOTED by roll call vote:

The Finance and Audit Committee of the Massachusetts Technology

Collaborative Board of Directors hereby adopts the Draft Minutes of the meeting of the Finance and Audit Committee held on June 20, 2024, by videoconference as the formal Minutes thereof.

Agenda Item II FY24 Financial Statement Audit Discussion with RSM

Ms. Colimon began by indicating that RSM did not identify any significant deficiencies or material weaknesses during its audit. She also indicated that there were no significant changes to the planned audit strategy as discussed with the Committee at its June 2024 meeting, and that RSM has issued an unqualified opinion on MassTech's 2024 financial statement, as well as uniform grant guidance on MassTech's federal grants received in FY24. Ms. Colimon went on to state that RSM also did not identify any significant unusual transactions during the audit. She then turned the presentation over to Mr. Babinski who provided an overview of the significant accounting estimates reviewed during the audit, including depreciation method and asset useful life, allocation of indirect costs, and determination of the incremental borrowing rate. Ms. Colimon then summarized that there were no audit adjustments made to MassTech's original trial balance, and that RSM was not aware of any uncorrected misstatements other than misstatements that were clearly trivial. Lastly, Ms. Colimon provided observations about the audit process including that there were no disagreements with management and or any difficult or contentious matters that required consultation outside RSM's engagement team.

Ms. Saubermann, Mr. Leonetti, Ms. Wehrs, and Ms. Creamer then left the meeting at 2:28 p.m. to allow the Committee to meet with the auditors independently from management as required by M.G.L. c. 29, § 29K(b)(1). Following the Committee's continued discussion with RSM regarding the FY24 audit, including a comparison of the prior year's audit results, and the ways in which RSM tested for potential fraud and other deficiencies, Ms. Colimon and Mr. Babinski left the meeting at 2:48 p.m.

Ms. Saubermann, Mr. Leonetti, and Ms. Creamer rejoined the meeting at 2:50 p.m.

Agenda Item III FY25 Financial Update Through October 2024

Mr. Leonetti concluded the meeting by providing an update on MassTech's financials through October 31, 2024. He indicated that as of that date, MassTech's total revenue was under budget, primarily due to delayed expenditure timing. He explained that because MassTech uses a cost reimbursement method of recording revenue, this results in a delay in processing payments. Mr. Leonetti did note, however, that investment earnings were over budget as of October 31 due to higher cash balances and favorable interest rates. With regard to expenditures, Mr. Leonetti indicated that financial assistance (i.e., grants) were also under budget, reflecting similar timing-related delays to those associated with revenue reporting. In addition, the personnel category is also under budget, which Mr. Leonetti indicated is related to normal turn-over and delays associated with filling new positions. Lastly, Mr. Leonetti indicated that, overall MassTech is in a good position from a reporting perspective with robust controls in place as shown from RSM's audit.

Having determined that there was no other business to discuss, Mr. Dorant adjourned the meeting at 3:00 p.m.

A TRUE COPY ATTEST: (Secretary)

DATE:

Materials and Exhibits Used at this Meeting:

1. Draft Minutes – June 20, 2024, Finance and Audit Committee Meeting
2. FY2024 Audit Results (presentation)
3. FY2025 Financial Statement Overview (presentation)