

QUEENS PUBLIC LIBRARY
AUDIT COMMITTEE
THURSDAY, APRIL 7, 2022
MINUTES

A meeting of the Audit Committee was held virtually via Zoom on Thursday, April 7, 2022. The meeting was called to order at 6:00 PM by Committee Chair, Judy E. Bergtraum, Esq.

I. CALL TO ORDER

| Attendee Name | Title | Status | Arrived |
|----------------------------|----------------------------------|---------------|----------------|
| Judy E. Bergtraum, Esq. | Committee Chair | Present | |
| Carl S. Koerner, Esq. | Board Member | Present | |
| Haeda Mihaltses | Board Member | Present | |
| Michael E. Rodriguez, Esq. | Board Member | Present | |
| George Russo, Esq | Board Member | Excused | |
| Terri Thomson | Board Member | Present | |
| Dennis M. Walcott | President & CEO | Present | |
| Michael Tragale | Chief Financial Officer & Sr. VP | Present | |
| Justin Deabler, Esq. | General Counsel & Sr. VP | Present | |
| Paul Hammerschmidt | BDO Representative | Present | |
| Ashley Xu | BDO Representative | Present | |

II. AGENDA

Action Item(s)

1. Review of Tax Form 990 - Fiscal Year 2021 (ID # 2653)

Judy Bergtraum, Committee Chair asked that Michael Tragale, Chief Financial Officer and Sr. VP give a brief report and introduce Paul Hammerschmidt and Ashley Xu of BDO, the independent financial auditors that will discuss the process with the board.

Mr. Tragale reported that this is the Tax Form 990 is an information-only document. It is based upon the comprehensive audited financial statements, which was approved by the board in September 2021.

Mr. Hammerschmidt and Ms. Xu reviewed that form 990 and reported that this document does not result in tax liability or unrelated business income. Mr. Hammerschmidt reported that the form 990 indicates that the library demonstrates best practices, good governance, and management.

This document is used by the IRS, stakeholders, and the general public to evaluate the Library's non-profit operations, mission, programs, and finances.

Recommended Motion for Consideration by the Audit Committee:

I move that the Audit Committee recommend to the Board of Trustees that the Library be authorized to file the Form 990 for Fiscal Year 2021 as presented.

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| RESULT: | RECOMMENDED [Unanimous] |
| MOVER: | Haeda Mihaltses |
| SECONDER: | Terri Thomson |
| AYES: | Koerner, Esq., Bergtraum, Esq., Mihaltses, Rodriguez, Esq., Thomson |
| EXCUSED: | George Russo, Esq |

2. External Auditing Fees (ID # 2654)

Mr. Tragale reported that this year, BDO auditing fees have increased approximately 18.5%. He indicated that since hiring BDO in FY2018, the firm has not requested any significant increases in their auditing fees. The library has had a consistent and great relationship with BDO. The Library is requesting to continue this relationship for another year before going out to bid for a different auditing firm.

Recommended Motion for Consideration by the Audit Committee:

I move that the Audit Committee recommend to the Board of Trustees that the Library's President & CEO be authorized to engage BDO to complete the annual independent audit for the fiscal year ending June 30, 2022, as well as related Tax Form 990 preparation, for a combined fee in the amount of \$153,500, plus expenses.

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| RESULT: | ADOPTED [Unanimous] |
| MOVER: | Haeda Mihaltses |
| SECONDER: | Terri Thomson |
| AYES: | Koerner, Esq., Bergtraum, Esq., Mihaltses, Rodriguez, Esq., Thomson |
| EXCUSED: | George Russo, Esq |

III. ADJOURNMENT

1. Motion to Adjourn (ID # 2650)

Recommended Motion for Consideration:

I move that the meeting be adjourned.

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| RESULT: | ADOPTED [Unanimous] |
| MOVER: | Haeda Mihaltses |
| SECONDER: | Carl S. Koerner, Esq. |
| AYES: | Koerner, Esq., Bergtraum, Esq., Mihaltses, Rodriguez, Esq., Thomson |
| EXCUSED: | George Russo, Esq |

The meeting was closed at 6:16 PM.

Committee Chair