

## UNITED NATIONS DEVELOPMENT CORPORATION

### Minutes of a Meeting of the Audit Committee

Held via Zoom video

On March 15, 2022, at 11:00 a.m.

All members of the Audit Committee attended the meeting as follows: George Klein, Chairman, Robert Abrams and Jessica Healy. Robert Cole, Jorge Ortiz and Loida Diaz de Jesus (UNDC); and Warren Ruppel and Daniel McElwee (CBIZ Marks Paneth) also attended the meeting.

The Chairman presided and Loida Diaz de Jesus acted as secretary of the meeting. The Chairman called the meeting to order at 11:00 a.m.

#### Minutes of Audit Committee Meeting of September 14, 2021

The Chairman asked the Committee to approve the minutes of the Audit Committee meeting of September 14, 2021. After discussion and on motion made and seconded, the minutes of the meeting of September 14, 2021 meeting were unanimously approved.

#### Audit Presentation for 2021

Mr. Ruppel informed the Committee that, effective January 1, 2021, the non-attest assets of Marks Paneth were acquired by CBIZ Inc., and all of the firm's attest business (i.e. audit) was acquired by Mayer Hoffman McCann, PC. The combined firms are now known as CBIZ Marks Paneth. Mr. Ruppel reported that CBIZ Marks Paneth will be able to provide more resources to its clients as the 10<sup>th</sup> largest accounting firm in the country. He advised that current staffing for the Corporation would not change as a result of the acquisition.

Mr. Ruppel reviewed his firm's Audit Presentation for 2021. He reported that an unqualified audit opinion on the Corporation's 2021 financial statements would be issued. Mr. Ruppel stated that management cooperated fully during the audit with no disagreements. Mr.

Ruppel reported that no fraud, likely illegal acts, conflicts of interest or other governance issues were found during the audit and that there were no management letter comments. Mr. Ruppel asked Committee members if they were aware of any fraud or likely illegal acts, conflicts of interest or other possible governance issues. The Committee members advised that they were not aware of any such issues. Mr. Ruppel stated that the audit did not show any material weaknesses or significant deficiencies in the Corporation's internal control measures, which he noted were sound.

Mr. Cole stated that the 2021 financial statements reflected the establishment of a reserve of \$14,792,981, representing the amount that would otherwise constitute Consolidated Surplus for 2021 under the City Leases. He advised that the reserve, if approved by the Board at the March 29 meeting, would be available to pay costs related to capital improvement projects at One and Two UN Plaza, lease extensions at One and Two UN Plaza, including funding for tenant work, and other corporate purposes.

Following discussion, the Committee supported management's recommendation to establish a reserve for 2021 in the amount of \$14,792,981. Mr. Cole stated that the 2021 financial statements would be revised should the Board decide not to establish the reserve.

Other Business

There being no other business, the meeting was adjourned at 11:40 p.m.

  
Loida Diaz de Jesus  
Acting Secretary