

**RESOLUTION 13-2021**

**RESOLUTION APPOINTING MUNICIPAL AUDITOR**

**WHEREAS**, the services of a Municipal Auditor is required for calendar year 2021; and

**WHEREAS**, the Local Public Contracts Law (NJSA 40A:11-1, et. seq.) requires that a Resolution authorizing the award of Contracts for "Professional Services" without competitive bids must be publicly advertised; and

**WHEREAS**, this appointment is made pursuant to an "Open and Fair" process in accordance with N.J.S.A. 19:44A-20.4, et seq.

**NOW, THEREFORE, BE IT RESOLVED** by the Borough Council, with the Mayor concurring, that **Bowman & Company** is hereby appointed as Municipal Auditor for the term commencing January 1, 2021 and ending December 31, 2021;

**BE IT FURTHER RESOLVED** that the Mayor and Clerk be and are hereby authorized and directed to enter into a Contract with the aforesaid Municipal Auditor, such Contract attached hereto as an Exhibit hereof;

**BE IT FURTHER RESOLVED** that this Contract is awarded without competitive bidding as a "Professional Service" under the provisions of the Local Public Contracts Law because said Contract encompasses a professional service recognized, licensed and regulated by Law; and

**BE IT FURTHER RESOLVED** that a copy of this Resolution shall be published in the SOUTH JERSEY TIMES within ten (10) days of its adoption.

**BOROUGH OF WOODBURY HEIGHTS**

BY: 

**WILLIAM C. PACKER, MAYOR**

**ATTEST:**

  
**JANET PIZZI, BOROUGH CLERK**

The foregoing Resolution was duly adopted by the Borough Council of the Borough of Woodbury Heights at the Reorganization meeting held on January 6, 2021.

  
**JANET PIZZI, BOROUGH CLERK**

January 6, 2021

The Honorable Mayor and  
Members of the Council  
Borough of Woodbury Heights  
Woodbury Heights, New Jersey 08097

We (the Accountant/Contractor) are pleased to confirm our understanding of the services we are to provide the Borough of Woodbury Heights, County of Gloucester, State of New Jersey, hereinafter referred to as "Municipality," for the year ended December 31, 2021. We will audit the statements of assets, liabilities, reserves and fund balance - regulatory basis, the related statement(s) of operations and changes in fund balance - regulatory basis, the statement(s) of revenues - regulatory basis, and statement(s) of expenditures - regulatory basis of the various funds, and the statement of general fixed assets group of accounts - regulatory basis as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Municipality, in conformity with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

We have also been engaged to report on supplementary information that accompanies the Municipality's financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. If applicable, the accompanying schedules of expenditures of federal awards and state financial assistance programs are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

Supplementary financial statements presented for the various funds  
Schedule of expenditures of federal awards, if applicable  
Schedule of expenditures of state financial assistance, if applicable

The following other information accompanying the financial statements, if issued by the Municipality, will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information:

Preliminary and Final Official Statements

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole.

## **Audit Objectives (Cont'd)**

The objective also includes reporting on -

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the terms and conditions of grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, if applicable.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. If applicable, the Uniform Guidance and New Jersey Circular 15-08-OMB report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing base on the requirements of the Uniform Guidance and New Jersey Circular 15-08-OMB. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; if applicable, the Single Audit Act Amendments of 1996; the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, and other procedures we consider necessary to enable us to express such opinions. Our reports will be addressed to the mayor and governing body members of the Municipality. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or we may withdraw from this engagement.

## **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.



### **Audit Procedures - General (Cont'd)**

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs, if applicable. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit, if applicable. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedules of expenditures of federal awards and state financial assistance, if applicable; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and State of New Jersey Circular 15-08-OMB, if applicable.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, Uniform Guidance, and State of New Jersey Circular 15-08-OMB, if applicable.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Municipality's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and State of New Jersey Circular 15-08-OMB requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable statutes, regulations, and the terms and conditions of federal and state awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement*, for the types of compliance requirements that could have a direct and material effect on each of the Municipality's major programs, if applicable.

### **Audit Procedures - Compliance (Cont'd)**

The purpose of these procedures will be to express an opinion on the Municipality's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and State of New Jersey Circular 15-08-OMB, if applicable.

### **Other Services**

We will also provide assistance with the preparation of the following:

- a) the 2021 Annual Financial Statement and Annual Debt Statement
- b) the 2022 Budget
- c) the financial statements in conformity with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and related notes
- d) if applicable, the schedule of expenditures of federal awards in accordance with the Uniform Guidance and the schedule of expenditures of state financial assistance in accordance with State of New Jersey Circular 15-08-OMB, and related notes
- e) proposing entries affecting the financial statements
- f) the continuing disclosure report as required by the Securities and Exchange Commission under Rule 15c 2-12(b)(5)

The aforementioned documents will be prepared based on information provided by the Municipality. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the above listed. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; if applicable, the preparation and fair presentation of the schedules of federal awards and state financial assistance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, respectively; and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform and audit under the Uniform Guidance and State of New Jersey Circular 15-08-OMB, if applicable (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

### **Management Responsibilities (Cont'd)**

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB, if applicable, it is management's responsibility to evaluate and monitor noncompliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the conclusion of our audit fieldwork. With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Bowman & Company LLP, will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement. In addition, with regard to an exempt offering document with Bowman & Company LLP is not involved, you agree to clearly indicate in the exempt offering document that Bowman & Company LLP is not involved with the contents of such offering document.

If applicable, you are responsible for Identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance (including notes and noncash assistance received) in conformity with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, respectively. You agree to include our report on the schedules of expenditures of federal awards and state financial assistance in any document that contains and indicates that we have reported on the schedules of expenditures of federal awards and state financial assistance. You also agree to include the audited financial statements with any presentation of the schedules of expenditures of federal awards and state financial assistance that includes our report thereon OR make the audited financial statements readily available to intended users of the schedules of expenditures of federal awards and state financial assistance no later than the date the schedules of expenditures of federal awards and state financial assistance is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedules of expenditures of federal awards and state financial assistance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, respectively; (2) you believe the schedules of expenditures of federal awards and state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, respectively; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedules of expenditures of federal awards and state financial assistance.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in accordance with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the *Requirements of Audit* as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; (3) the methods of measurement or presentation have not changed from those used in the prior period or, if they have changed, the reasons for such changes; and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

**Management Responsibilities (Cont'd)**

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the nonaudit services as listed in the Other Services section above. You will be required to acknowledge in the management representation letter our assistance with the nonaudit services and that you have reviewed and approved each of them prior to their issuance and have accepted responsibility for them. Further, you agree to oversee all of the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

**Engagement Administration, Fees, and Other**

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will assist in preparing all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, if applicable, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the Municipality. In addition, we will also submit a copy of our reports and financial statements to the Division of Local Government Services, Department of Community Affairs, State of New Jersey; however, management is responsible for distribution of the reports and the financial statements to any additional party(ies). Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Bowman & Company LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Division of Local Government Services, Department of Community Affairs, State of New Jersey or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Bowman & Company LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

### **Engagement Administration, Fees, and Other (Cont'd)**

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such records shall be made available to the New Jersey Office of the State Comptroller upon request. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our Firm must submit to an external quality control review of its accounting and auditing practice by an independent third party every three years. One important component of this review process is a detailed inspection of the work performed by our Firm during the conduct of selected audits. As such, the independent third party, as part of this process, may select the audit engagement of the Municipality. However, the conduct of an external quality control review complies with the confidentiality requirements set forth in the AICPA Code of Professional Conduct. In accordance with *Government Auditing Standards*, Section 3.106, a copy of the Accountant's most recent external quality control review report is attached to this agreement (Appendix 1).

**Michael J. Welding, CPA, RMA** is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be based on the time spent by various members of our staff, at our standard hourly rates (Appendix 2), which is estimated to be \$46,000.00 for the audit, \$10,000.00 for the preparation of the Annual Financial Statement and \$6,000.00 for assistance with the budget preparation, subject to the conditions of the records. Additional fees may be incurred for data entry assistance with the State's FAST system, subject to approval by the Borough. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Vouchers for payment of these fees may, at our discretion, be presented as work progresses. All vouchers presented in accordance with this agreement shall be paid by the Municipality within forty-five (45) days from the date remitted. Delinquent balances may be subject to collection agency action if account is not paid in full in a timely manner.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We shall when requested, with regard to all temporary and permanent financing of the Municipality, assist management and, the Municipality's Financial Advisor, in preparing draft maturity schedules, tax rate projections and compile and electronically post and print the Preliminary and Final Official Statements. The Municipality is responsible for making all management decisions and performing all management functions related to temporary and permanent financing and for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with all debt related services, and for evaluating the adequacy and results of such services and accepting responsibility for them. We shall also assist, when requested, in the preparation of the Annual Reports required by the Securities and Exchange Commission under Rule 15c2-12(b)(5)(i)(A) and (B). This does not include the reporting of significant events as specified under rule 15c2-12(b)(5)(i)(C) since occurrence of events requiring reporting would not necessarily be known by us. When requested, we shall also assist with the preparation of "Arbitrage" or excess earnings calculations. The fees for these services are not included in our fee proposal above. The costs for these services are noted in the Specialized Financial and Bonding Services section.

**Specialized Financial and Bonding Services.** The charges for Specialized Financial and Bonding Services for professional staff shall be charged at one and one-quarter ( $1\frac{1}{4}$ ) times the "Current Standard Hourly Rates" as stated in Appendix 2, at the time service is rendered. The charges for Bonding Services for professional staff shall be charged at one and one-half ( $1\frac{1}{2}$ ) times the "Current Standard Hourly Rates" as stated in Appendix 2, at the time service is rendered with the following minimum fees:

#### **Minimum Fees**

Compilation and assembly of Preliminary and Final Official Statements, including preparation of draft maturity schedules and tax rate projections, assistance with the application to the Local Finance Board and assistance in obtaining bond ratings.

\$17,500.00



## **Engagement Administration, Fees, and Other (Cont'd)**

### **Specialized Financial and Bonding Services (Cont'd)**

#### **Minimum Fees (Cont'd)**

Electronic Posting, Printing, and Distribution of Preliminary Official Statement and Final Official Statement	\$1,500.00
Continuing Disclosure Reports	3,000.00
Supplemental Debt Statements	450.00

### **Affirmative Action/Americans with Disabilities Act**

#### **MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127) N.J.A.C. 17:27 GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The Contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the Contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The Contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The Contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the Contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The Contractor or subcontractor agrees to make good faith efforts to employ minority and women workers consistent with the applicable county employment goals established in accordance with N.J.A.C. 17:27 5.2, or a binding determination of the applicable county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

**Affirmative Action/Americans with Disabilities Act (Cont'd)**

The Contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The Contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the Contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The Contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval  
Certificate of Employee Information Report  
Employee Information Report from AA302

The Contractor and its subcontractors shall furnish such reports or other documents to the Division of Contract Compliance and EEO as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Contract Compliance and EEO for conducting a compliance investigation pursuant to *Subchapter 10 of the Administrative Code at N.J.A.C. 17:27*.

**AMERICANS WITH DISABILITIES ACT**  
**Mandatory Language**  
**Equal Opportunity for Individuals with Disability**

The contractor and the Municipality do hereby agree that the provisions of Title 11 of the Americans With Disabilities Act of 1990 (the "Act") (42 U.S.C. §121 01 et seq.), which prohibits discrimination on the basis of disability by public entities in all services, programs, and activities provided or made available by public entities, and the rules and regulations promulgated pursuant thereto, are made a part of this contract. In providing any aid, benefit, or service on behalf of the Municipality pursuant to this contract, the contractor agrees that the performance shall be in strict compliance with the Act. In the event that the contractor, its agents, servants, employees, or subcontractors violate or are alleged to have violated the Act during the performance of this contract, the contractor shall defend the Municipality in any action or administrative proceeding commenced pursuant to this Act. The contractor shall indemnify, protect, and save harmless the Municipality, its agents, servants, and employees from and against any and all suits, claims, losses, demands, or damages, of whatever kind or nature arising out of or claimed to arise out of the alleged violation. The contractor shall, at its own expense, appear, defend, and pay any and all charges for legal services and any and all costs and other expenses arising from such action or administrative proceeding or incurred in connection therewith. In any and all complaints brought pursuant to the Municipality's grievance procedure, the contractor agrees to abide by any decision of the Municipality which is rendered pursuant to said grievance procedure.

If any action or administrative proceeding results in an award of damages against the Municipality, or if the Municipality incurs any expense to cure a violation of the ADA that has been brought pursuant to its grievance procedure, the contractor shall satisfy and discharge the same at its own expense.

The Municipality shall, as soon as practicable after a claim has been made against it, give written notice thereof to the contractor along with full and complete particulars of the claim. If any action or administrative proceeding is brought against the Municipality or any of its agents, servants, and employees, the *Municipality shall* expeditiously forward or have forwarded to the contractor every demand, complaint, notice, summons, pleading, or other process received by the Municipality or its representatives.

**Affirmative Action/Americans with Disabilities Act (Cont'd)**

It is expressly agreed and understood that any approval by the Municipality of the services provided by the contractor pursuant to this contract will not relieve the contractor of the obligation to comply with the Act and to defend, indemnify, protect, and save harmless the Municipality pursuant to this paragraph.

It is further agreed and understood that the Municipality assumes no obligation to indemnify or save harmless the contractor, its agents, servants, employees and subcontractors for any claim which may arise out of their performance of this Agreement. Furthermore, the contractor expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in this Agreement, nor shall they be construed to relieve the contractor from any liability, nor preclude the Municipality from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

**Mediation**

In the unlikely event that a dispute arises out of or relates to the engagement described herein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Mediation Rules, before resorting to arbitration, litigation or some other dispute resolution procedure. The Borough of Woodbury Heights and the Firm both agree that any dispute over fees charged by the Firm to the Municipality will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of New Jersey. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION. The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

We appreciate the opportunity to be of service to the Borough of Woodbury Heights, County of Gloucester, State of New Jersey, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Respectively submitted,  
BOWMAN & COMPANY LLP

  
Michael J. Welding, CPA, RMA

**RESPONSE:**

This engagement contract letter correctly sets forth the understanding of the Borough of Woodbury Heights, County of Gloucester, State of New Jersey:

**Authorized by:**

Signature: 

Title: Mayor

Date: 1/11/21

**Attested to by:**

Signature: 

Title: Clerk / Admin

Date: 1/11/21

## APPENDIX 1 - EXTERNAL QUALITY CONTROL REVIEW REPORT



EisnerAmper LLP  
111 Wood Avenue South  
Iselin, NJ 08830-2700  
T 732.243.7000  
F 732.951.7400  
[www.eisneramper.com](http://www.eisneramper.com)

### **Report on the Firm's System of Quality Control**

October 23, 2017

To the Partners of Bowman & Company LLP  
and the Peer Review Committee of the New Jersey Society of Certified Public Accountants:

We have reviewed the system of quality control for the accounting and auditing practice of Bowman & Company LLP (the firm) in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

#### **Required Selections and Considerations**

Engagements selected for review including engagements performed under *Government Auditing Standards*, compliance audits under the Single Audit Act, audits of employee benefit plans and an examination of a service organization (SOC 1).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Bowman & Company LLP in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Bowman & Company LLP has received a peer review rating of *pass*.

*EisnerAmper LLP*  
EISNERAMPER LLP

**APPENDIX 2 - STANDARD HOURLY RATES FOR JULY 1, 2020 - JUNE 30, 2021\***

General Administration /	
Report Processing	\$50.00
Associate	103.00
Senior Associate	116.00
Manager	141.00
Senior Manager	179.00/199.00/226.00
Partner	246.00

---

*rates are subject to change effective July 1, 2021*



**CERTIFICATE OF EMPLOYEE INFORMATION REPORT**  
**RENEWAL**

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of **15-FEB-2020** to **15-FEB-2023**

**BOWMAN & COMPANY LLP**  
**601 WHITE HORSE ROAD**  
**VOORHEES**

**NJ 08043**



*Elizabeth Maher Muoio*

ELIZABETH MAHER MUOIO  
State Treasurer

STATE OF NEW JERSEY  
BUSINESS REGISTRATION CERTIFICATE  
FOR STATE AGENCY AND CASINO SERVICE CONTRACTORS

DEPARTMENT OF TREASURY/  
DIVISION OF REVENUE  
PO BOX 282  
TRENTON, NJ 08646-0282

TAXPAYER NAME:

BOWMAN & COMPANY LLP

TAXPAYER IDENTIFICATION#:

210-658-561/000

ADDRESS:

601 WHITE HORSE RD  
VOORHEES NJ 08043

EFFECTIVE DATE:

02/01/83

FORM-BRC(08-01)

TRADE NAME:

SEQUENCE NUMBER:

0108244

ISSUANCE DATE:

04/10/03

John S. Tully  
Acting Director

This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.