

Glassboro Public Schools



MEMO

To: Mark Silverstein

From: Lisa Ridgway

Date: May 14, 2021

Re: Resolution – Auditing Services

Attached please find the recommendation for auditing services. It is the recommendation of the Business Administrator to award Holt McNally & Associates a contract for the 2021-22 school year for auditing services. The fiscal year audit fee will be \$35,000 and the ASSA/DRTRS audit fee will be \$2,500.



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

May 7, 2021

Ms. Lisa Ridgway, Business Administrator/Board Secretary
Glassboro Board of Education
560 Joseph Bowe Blvd
Glassboro, NJ 080289

Dear Ms. Ridgway and Members of the Board of Education:

Thank you for the opportunity to propose on auditing services for the Glassboro Board of Education. Please be assured of our desire to perform these services. We have enclosed our firm's experience, qualifications, cost proposal, hourly rates and history. We would like to emphasize a few areas outlined in our proposal, which we feel make our firm particularly well suited for this engagement:

- **Extensive Experience**

Our experience in serving numerous local New Jersey school boards, many of which are similar in size and scope to the Glassboro Board of Education, has given us the knowledge and understanding of your expectations for this project.

- **Local**

The team selected to serve you will be local, unequalled and made up of experienced, highly trained governmental professionals.

- **Competitive Fee**

Our proposed fee is all inclusive, allowing for assistance from the engagement team with any questions, as well as any pertaining clerical work, at no extra cost.

- **Project Satisfaction**

We take great pride in filing all of our audits in a timely manner, making our reports useful to you and the general public. The Glassboro Board of Education will be a very important client to our firm, all phone calls and other correspondence will be answered promptly.

We would encourage you to contact any of our clients for references, as we feel our satisfied customers are our most powerful advertising. We would also be happy to meet with you prior to appointment. Should you require any further information please contact me at 609.953.0612.

Very truly yours,

HOLT MCNALLY & ASSOCIATES, INC.

DAVID T. MCNALLY, CPA, PSA, RMA
Vice President

DTM:jjk
Enclosures

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

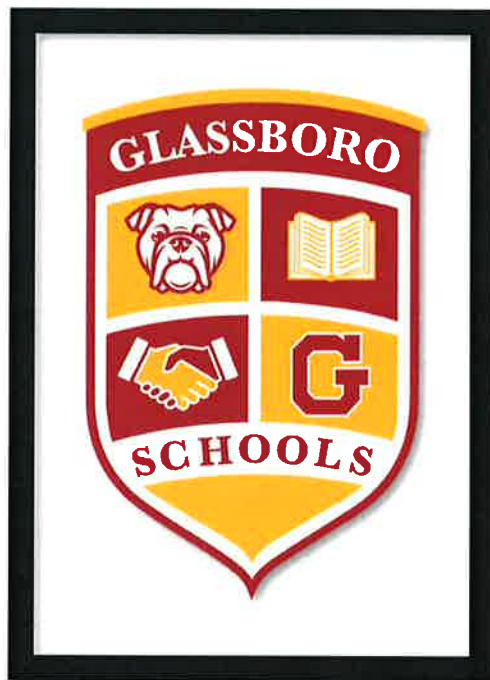
www.hmacpainc.com



**PROPOSAL TO PROVIDE
AUDITOR SERVICES**

GLASSBORO BOARD OF EDUCATION

MAY 14, 2021



SUBMITTED BY:
DAVID T. MCNALLY, CPA, PSA, RMA
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618 STOKES ROAD, MEDFORD, NJ 08055
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EXECUTIVE SUMMARY

In reviewing our qualifications, we ask you to consider the following points which distinguish Holt McNally & Associates, Inc. (“HMA”) from our competition, and demonstrate why we are your best choice to perform annual audit services for the Glassboro Board of Education.

- To meet the needs of our clients, we incorporate a Big 4 approach at small firm costs, and we separate ourselves from the perceived “bean counter” mentality sometimes linked to our profession. Our experience, along with our diversity and a heavy concentration on New Jersey school boards allows us to offer you many different approaches to problem solving.
- All professional staff have met and, in most cases, exceeded the Continuing Professional Education (“CPE”) requirements mandated by the American Institute of Certified Public Accountants (“AICPA”), the New Jersey Certified Public Accountants (“NJCPA”), and the single audit standards set by the “Yellow Book”.
- The firm is in compliance with all New Jersey Statutes including, but not limited to, Pay-to-Play Law, Equal Employment Opportunity Law, Affirmative Action and Business Registration requirements. The firm is not currently in violation of any regulatory rules and regulations that may have an impact on the firm’s operations.
- The firm meets all independence standards outlined by the Governmental Accounting Standards Board (“GASB”) in regards to this audit. The firm does not have a record of substandard audit work.
- Firm personnel use the most advanced work paper management systems, and are familiar with our client’s software systems, including, but not limited to Systems 3000, Edu-Met and Edmunds.

FIRM INFORMATION

Holt McNally & Associates, Inc. (“HMA”) is a New Jersey licensed Certified Public Accounting firm located in Medford. The firm was recently established by Michael Holt, CPA, RMA, PSA and David McNally, CPA, RMA, PSA, formerly of the firm Holman Frenia Allison, P.C. Michael and David bring with them over 45 years of combined experience providing accounting and auditing services to Board of Educations, Municipalities, Employee Benefit Plans, Not-for-Profit Organizations, and For-Profit Entities. The HMA team also includes Principals Kevin Frenia, CPA, RMA, PSA, CFE and John “Jack” Maley, CPA, RMA, PSA, as well as Managers Andrew Lee, CPA, PSA, Ryan Creamer, CPA, PSA, and David Gorski, CPA, PSA. This team of qualified, highly trained governmental auditors has over 125 combined years of experience.

| OFFICE: | PRIMARY CONTACT: |
|---|---|
| Holt McNally & Associates, Inc. 618 Stokes Road Medford, New Jersey 08055 609-953-0612 (p) 609-257-0008 (f) | David T. McNally, CPA, PSA, RMA Vice President dmcnally@hmacpainc.com |

FIRM INFORMATION (cont.)

HMA is a member of the American Institute of Certified Public Accountants and the New Jersey Society of Certified Public Accountants. Our involvement in these organizations allows us to stay at the forefront of issues affecting the education sector. All members of our firm, from partner to audit staff, attend a variety of conferences, seminars and events hosted by organizations throughout the year. The firm also provides a minimum of 40 hours of focused continuing professional education to its professionals each year, and all professionals that perform OMB Circulars Title 2 and 15-08 audits obtain the necessary yellow book education credits. As we learn of upcoming trends, issues and best practices, we share that information with our clients, which allow them to take a proactive position in the future.

We set very high standards for our professionals, as well as support personnel; we strive for all of our professionals with over two years of experience to be Certified Public Accountants. The firm's professional staff include Certified Public Accountants, Registered Municipal Accountants, Public School Accountants and a Certified Fraud Examiner.

The HMA management team has provided auditing services to over 35 school districts in the state of New Jersey. This experience includes special service schools, vocational schools and charter schools. While HMA's plan and approaches may be standard for most, we also tailor the audit strategy to each client, their needs and their environment.

HMA also understands the importance of giving back to the community. The firm encourages and financially supports all personnel to serve on nonprofit and community-based organizations. Employees are currently involved in the following organizations:

Medford Sunrise Rotary
Moorestown Rotary Breakfast Club
YMCA Camp Ockanickon
200 Club of Burlington County

Medford Business Association
Cedar Run Wildlife Refuge
Rotary Club of Hammonton
South Jersey Young Professionals Association

SUMMARY

In short, HMA offers the Board the opportunity to retain a firm with a reputation that is untarnished, services that are exemplary, professionals that have outstanding experience and credentials in government and the profession, and a commitment to the public sector that is unmatched in the accounting community. Further information concerning firm background and related experience and the client service team to serve you, is presented in the accompanying pages.

EXPERIENCE

HMA's audit strengths are numerous and deserve the high praise received from clients. Factors that differentiate us from other professional service firms include our quest for knowledge of our clients' business before we begin the audit and the seasoned judgement of our partners. We utilize the audit as a tool for generating insightful and constructive suggestions that can result in improved operations and management information, as well as operating and accounting procedures and controls. With dedicated personnel, we can focus on the issues that affect your organization and help you plan new activities as well as review current activities to ensure the proper approach. All of our team members work together to provide you with a full-service team and address the needs of all of your entities. With proper coordination and planning, we commit to complete all work within your specified time frame.

The HMA management team has extensive experience auditing governmental entities in the State of New Jersey. The following is a list of Board of Education clients for whom our partners and principals have provided auditing services:

School Boards:

| CLIENT | CONTACT PERSON | TELEPHONE | GENERAL FUND BUDGET |
|--------------------------------|----------------------|----------------|---------------------|
| Bordentown Regional | Chifonda Henry | (609)298-0025 | 40,676,366 |
| Burlington Cty. Institute Tech | Dr. Christopher Nagy | (609)267-4226 | 37,846,601 |
| Cherry Hill Township | Lynn Shugars | (856) 429-5600 | 193,164,868 |
| Chesterfield Township | Andrew Polo | (609)298-6900 | 10,138,206 |
| Clearview Regional H.S. | Esther R. Pennell | (856)223-2764 | 37,198,850 |
| Deerfield Township | Melanie Allen | (856) 451-2804 | 6,309,456 |
| Eagleswood Township | Tyler Verga | (609)978-0947 | 2,840,661 |
| Florence Township | Melissa Livengood | (609)499-4600 | 26,990,444 |
| Franklin Township | Trish Birmingham | (856)629-9500 | 23,757,909 |
| Gibbsboro Borough | Marilyn Harrington | (856)783-1140 | 4,543,116 |
| Hainesport Township | Michael Blake | (609)267-1316 | 9,927,183 |
| Hi-Nella | Debbie Trasatti | (856)784-2917 | 2,695,328 |
| Kingsway Regional | Jason Schimpf | (856)467-5382 | 34,768,701 |
| Lenape Regional H.S. | Constance Stewart | (609)268-2000 | 153,347,332 |
| Logan Township | Sarah Bell | (856)467-5133 | 19,220,851 |
| Long Beach Island Cons. | Christine Kelly | (609)494-8851 | 7,453,808 |
| Lumberton Township | Mark Leung | (609)267-1406 | 24,442,257 |
| Mansfield Township | Danielle Morolda | (609)298-2037 | 2,156,959 |
| Medford Lakes Borough | Michael Colling | (609)654-0991 | 7,808,801 |
| Medford Township | Marie Goodwin | (609)953-2525 | 51,311,666 |
| Middletown Township* | Amy Gallagher | (732)671-3850 | 161,719,952 |
| Moorestown Township | James Heiser | (856)778-6600 | 70,059,264 |
| Mount Holly Township | Evon DiGangi | (609)267-7108 | 20,031,122 |
| Mt. Ephraim Borough | Christopher Eberly | (856)931-4134 | 10,340,330 |
| North Hanover Township | Amy Lerner | (609)758-2333 | 22,611,439 |
| No. Burlington Cty. Regional* | Richard Kaz | (609)298-3900 | 37,693,016 |
| Pemberton Township | Daniel Smith | (609)893-8141 | 103,610,361 |
| Riverside Township | Jodi Lennon | (856)461-1255 | 21,973,184 |
| Robbinsville Township | Bob Brown | (609)632-0910 | 42,155,078 |
| Shamong Township | Laura Archer | (609)268-0316 | 14,950,412 |
| South Harrison Township | Jason Schimpf | (856)769-0855 | 5,245,197 |
| Southampton Township | Casey DeJoseph | (609)859-2256 | 13,685,296 |
| Southern Regional H.S. | Steve Terhune | (609)978-5350 | 57,577,130 |

EXPERIENCE (cont.)

School Boards (cont.):

| CLIENT | CONTACT PERSON | TELEPHONE | GENERAL FUND BUDGET |
|------------------------------|-----------------|---------------|---------------------|
| Springfield (Burlington Cty) | Bruce Benedetti | (609)723-2479 | 4,841,373 |
| Stratford | Debbie Trasatti | (856)784-2917 | 14,395,139 |
| Woodbury City | Nancy McCabe | (856)853-0123 | 27,543,064 |
| Woodland Township | Laura Archer | (609)726-1230 | 2,000,000 |

We would encourage you to contact any of our clients for references as we feel satisfied customers are our most powerful advertising.

THE HOLT MCNALLY & ASSOCIATES, INC. TEAM

HMA understands that continuity in the services we provide is a major factor in maximizing efficiencies, controlling costs and providing real, value-added services. All engagements are staffed with consistent upper management, and work is spread amongst as many staff as needed to perform the audit, giving consideration to the timing and availability of information. This structure will provide the Glassboro Board of Education with the continuity in service you deserve. The key upper management team members who would be assigned to this engagement are as follows:

| ENGAGEMENT TEAM | | |
|---------------------------------|------------------------|------------------------|
| David T. McNally, CPA, PSA, RMA | Engagement Partner | dmcnally@hmacpainc.com |
| Michael Holt, CPA, PSA, RMA | Quality Review Partner | mholt@hmacpainc.com |
| Andrew E. Lee, CPA, PSA | Audit Manager | alee@hmacpainc.com |

TEAM BIOS

Engagement Partner



DAVID T. MCNALLY, CPA, PSA, RMA
 Certified Public Accountant - #20CC03831000
 Public School Accountant - #20CS00261600
 Registered Municipal Accountant - #20CR00057300

David T. McNally, CPA, RMA, PSA, is a member of the American Institute of Certified Public Accountants, the New Jersey Society of Certified Public Accountants and the Registered Municipal Accountants Association. A graduate of Rowan University, David has over 15 years of public accounting experience and in 2020 partnered with Michael Holt to form Holt McNally & Associates, Inc. David possesses a wealth of knowledge and has over 13 years specializing in local governmental audit, accounting and consulting.

A sample of his public school district and charter school audit experience includes Mount Ephraim Board of Education, Cherry Hill Public Schools, Medford Township Public Schools, Bordentown Regional School District, Burlington County Special Services School District, Mount Holly Township School District, Moorestown Township Board of Education, Ocean Academy Charter School and Hope Community Charter School.

TEAM BIOS (cont.)

As Engagement Partner, Mr. McNally will be the partner who the Board of Education would deal directly with in most situations. He will be responsible for the overall planning, review, audit presentation and generally overseeing the entire audit process.

Dave is an advisory member for the Woodford Cedar Run Wildlife Refuge, serves on the Board of Trustees of the South Jersey Young Professionals Association and is a member of the Medford Business Association. Dave is also an active supporter of Rowan University's accounting department through participation in the department's mentorship and mock interview programs.

Quality Review Partner



MICHAEL HOLT, CPA, PSA, RMA

Certified Public Accountant - #20CC01863800

Public School Accountant - #20CS00114800

Registered Municipal Accountant - #20CR00047300

Michael Holt, CPA, RMA, PSA, is a member of the American Institute of Certified Public Accountants, New Jersey Society of Certified Public Accountants and a Trustee of the Registered Municipal Accountants Association of New Jersey. Mr. Holt has also received accreditation as a Certified Municipal Finance Officer. Michael is a graduate of La Salle University and has over 30 years of experience auditing governmental units. In 2020, Michael Holt partnered with David McNally, formerly of Holman Frenia Allison, P.C. to form Holt McNally & Associates, Inc.

Mr. Holt's auditing experience includes dozens of school districts, including Mount Ephraim Board of Education, Moorestown Township Board of Education, Cherry Hill Public Schools, Lenape Regional School District, Clearview Regional High School District, Kingsway Regional High School District, Burlington County Institute of Technology, Middletown Township Board of Education, Southern Regional High School District and North Hanover Township Board of Education.

As Quality Review Partner, Mr. Holt will be involved in various aspects of the audit process, including performing a final review of all documents to ensure compliance with regulations outlined by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. The Quality Review Partner also serves as back-up if the Engagement Partner is not available.

Michael is a member of the Burlington County Chamber of Commerce, Moorestown Breakfast Rotary Club and the 200 Club of Burlington County.

Audit Manager



ANDREW E. LEE, CPA, PSA

Certified Public Accountant - #20CC03960500

Public School Accountant - #20CS00273700

Andrew E. Lee, CPA, received his B.S. in Accounting from Rowan University and is a member of both the New Jersey Society of Certified Public Accountants and American Institute of Certified Public Accountants. Andrew joined Holman Frenia Allison, P.C. in 2009 and Holt McNally & Associates, Inc. in 2020 and brings with him over 10 years of governmental audit and accounting experience.

TEAM BIOS (cont.)

A sample of Mr. Lee's school district audit experience includes the Township of Franklin Board of Education, Springfield Township School District, West Deptford School District, Pemberton Township School District, Burlington County Institute of Technology, Burlington County Special Services School District, Medford Township Board of Education, Lenape Regional High School District, Paulsboro School District and Riverside School District.

AUDIT PLAN & APPROACHES

Objective and Scope:

The Auditor agrees to perform the professional services ordinarily provided by a Public School Accountant of the State of New Jersey, including the audit of the accounts and financial transactions for Glassboro Board of Education for the year ending June 30, 2021. The audit will be made in accordance with generally accepted auditing standards, generally accepted governmental auditing standards, the Federal and State Single Audit Acts, and the requirements of the New Jersey Department of Education. The Audit will include such tests of the accounting records of the Board of Education and other procedures as considered necessary to enable the Auditor to express an unmodified opinion that the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. If an opinion is other than unmodified, the Auditor will fully discuss the reasons with the Board in advance.

The audit is not specifically designed and cannot be relied on to disclose reportable conditions, that is, significant deficiencies in the design or operation of the internal control structure. However, during the audit, if the Auditor becomes aware of such reportable conditions or ways that it is believed management practices can be improved, the Auditor will communicate them to the Board in a separate letter.

The Auditor's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors and banks. The Auditor will request written representations from Board attorneys as part of the engagement, and they may bill the Board for responding to this inquiry. At the conclusion of the audit, the Auditor will also request certain written representations from the Board about the financial statements and related matters.

An audit is based primarily on the selective testing of accounting records and related data; therefore, the audit will involve judgment about the number of transactions to be examined and the areas to be tested. Because the Auditor will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations may exist and not be detected. The Auditor will advise the Board, however, of any matters of that nature that come to their attention.

The responsibility as Auditors is limited to the period covered by the audit and does not extend to matters that might arise during any later periods for which they are not engaged as Auditors.

The Auditor understands that the Board will provide the basic information required for an audit and that the Board is responsible for the accuracy and completeness of that information. The Auditor will advise about appropriate accounting principles and their application and will assist in the preparation of financial statements, but the responsibility for the financial statements remains with the Board. This responsibility includes the maintenance of adequate records and related controls, the selection and application of accounting principles and the safeguarding of assets.

AUDIT PLAN & APPROACHES (cont.)

Objective and Scope: (cont.)

The Auditors will also perform the services mentioned in the Work Plan, and be available to offer any other assistance deemed necessary by the Board.

Work Plan:

Our engagement team will perform procedures during our audit of Glassboro Board of Education’s financial statements, which will be broken down into the following five phases:

| | |
|---|---|
| <p>Phase I: AUDIT PREPARATION STAGE</p> | <ul style="list-style-type: none"> • Request, obtain and review necessary correspondence and/or representations from prior year’s auditor. • Review prior year’s audit report (including notes to financial statements), Management Letter comments & Corrective Action Plan (prepared in response to Management Letter comments). • Meet with key personnel to discuss our approach to the engagement so that it can be conducted in the most effective and efficient manner. • Review changes, if any, in applicable statutes and regulations. • Review minutes of Board meetings. • Review federal and state grant documents. • Review the interim financial reports and results of current operations in relation to the adopted budget. • Develop the preliminary auditing programs we will employ in the various areas, such programs to be updated in Phase II. |
| <p>Phase II: ACCOUNTING SYSTEMS AND EVALUATION OF INTERNAL ACCOUNTING CONTROLS</p> | <ul style="list-style-type: none"> • Review the existing accounting system, including updating our documentation of system flowcharts, analysis of system strengths and weaknesses, and formulation of a preliminary evaluation of the adequacy of internal controls in the system. • Perform tests of transactions to the extent necessary in the circumstances. The results of such tests will either confirm or reject our evaluation of the internal control system. • Bring all significant findings in our observations on internal controls and other matters to the attention of the administration for timely action. • Review interim financial information as available. • Identify, to the extent possible, all potential accounting and auditing problems; review such problems with key personnel and develop proposed solutions. • Prepare requests for confirmation of cash balances, receivables and debt obligations. • Prepare requests for legal counsel’s responses as to the nature and status of legal matters. |

AUDIT PLAN & APPROACHES (cont.)

Work Plan: (cont.)

| | |
|--|--|
| <p>Phase III: EXAMINATION OF YEAR-END ACCOUNT BALANCES</p> | <ul style="list-style-type: none"> • Confirm account balances with banks and other parties; summarize and evaluate responses. • Perform various audit procedures, including examination of supporting documentation to verify reasonableness of assets, liabilities, revenues, expenses and retained earnings. • Update the audit program, if necessary, for our audit of year-end account balances. • Determine the need for the calculation of arbitrage rebate. • Obtain representation letter regarding completeness of disclosure and integrity of accounting records. • Prepare draft management letter and review with appropriate personnel. |
| <p>Phase IV: REPORTING</p> | <ul style="list-style-type: none"> • Review draft financial statements with appropriate personnel. • Prepare interim and final management letters. • Present audit report to the Board of Education. |
| <p>Phase V: OTHER</p> | <ul style="list-style-type: none"> • Comply with other requirements of the Division of Local Government Services, such as the presentation of synopsis of the audit. • Attend meetings as required by the Board of Education. |

While we will be in communication with you as necessary, we anticipate that our greatest requirement of management's time will be at the inception of our work and then, again, as the audit reaches its final stages. We will always strive to deal with the person who is directly responsible for a given area, thereby minimizing the time required of management.

In addition, to ensure the highest standard of service both now and in the years ahead, we will base our audit approach on the following:

- **Top-down planning and control;**
- **Close communication with management; and**
- **The use of advanced audit technology on your engagement.**

Specific Audit Approach:

The primary objective of our examination is to express an opinion on the financial statements of Glassboro Board of Education. Our audit will be performed in accordance with auditing standards generally accepted in the United States of America, including *Statements on Auditing Standards* published by the American Institute of Certified Public Accountants, and in accordance with *Standards for Audits of Governmental Organizations, Programs, Activities and Functions* published by the Comptroller General of the United States as they relate to financial and compliance audits, as well as the requirements of the Division of Local Government Services and the Department of Education.

AUDIT PLAN & APPROACHES (cont.)

Specific Audit Approach: (cont.)

We address the following elements while developing our audit plan to most effectively meet the aforementioned objective of the audit:

- Risk assessment and materiality
- Resolving critical issues
- Application of sophisticated audit techniques
- Internal audit participation
- Meaningful business advice
- Audit quality

Risk Assessment and Materiality

Our approach is innovative, yet prudent. Innovative because the traditional audit approach of performing detail tests of account balances would make the cost of the audit prohibitive. We are prudent in the application of materiality concepts to ensure that the hundreds of transactions that comprise the financial activities of the District are not viewed solely in the aggregate. To do otherwise would lead to the conclusion that no specific transactions are material to the audit. Stated frankly, we could end up looking at many areas but auditing none.

The critical first step toward ensuring that the audit approach is both innovative and prudent is determining risk assessment, that is, risk of material misstatement associated with a given objective, including the opinion on the District's annual financial statements.

The ultimate risk of failure to identify a material error is the product of three risk components:

- A material error must occur.
- Internal controls must fail to identify and correct that error.
- The auditors' substantive procedures must fail to reveal the error.

Factors that we consider in evaluating the risk of a given assertion being materially in error are:

| Material Error | | |
|--|---|--|
| FACTOR | LESS LIKELY | MORE LIKELY |
| Monetary amount associated with an assertion | Low | High |
| Susceptibility of related assets to theft or misappropriation | Intangible or immovable assets | Negotiable instruments or valuable assets |
| Complexity of determining amounts to be entered in accounting records for the assertion | Simple | Complex |
| Degree of management judgment in financial statements for the assertion | Low | High |
| Past history of error in the assertion | No prior errors | Significant prior errors |
| Degree to which financial conditions may motivate management to misstate the assertion | Strong financial condition and/or no motivation to show certain results | Weak financial condition and/or motivation to show certain results |

AUDIT PLAN & APPROACHES (cont.)

Specific Audit Approach – Risk Assessment and Materiality (cont.):

| FACTOR | Material Error | |
|---|------------------|----------------------|
| | LESS LIKELY | MORE LIKELY |
| Experience of personnel involved in accounting functions | Experienced | New or inexperienced |
| Management (including senior accounting personnel) turnover during audit period | Nominal turnover | High turnover |
| Emphasis on meeting budget projections | Realistic | Extreme |
| Centralization of operation | Centralized | Decentralized |
| Contentious accounting issues | Infrequent, few | Frequent, many |
| Frequency and significance of hard-to-audit transactions | Low | High |

Once risk has been assessed, the auditor then determines the quality and quantity of audit evidence required to limit that risk to an acceptable level.

Typical reactions to perceived higher risk take the form of:

- **Increased partner/manager involvement.**
- **Use of more experienced managers/seniors.**
- **Earlier partner/manager involvement.**
- **Substitution of tests closer to the balance sheet date.**
- **More extensive use of externally vs. internally generated evidence.**

We plan to concentrate our audit effort in those areas where the dollar volume of transactions is significant and/or the risk of material misstatement is greatest.

The concept of materiality is of fundamental importance to both financial statement preparers and auditors. Yet there are no universally agreed-upon numerical guidelines or specific criteria for determining whether a given fact is material. Further, materiality judgments are influenced significantly by surrounding facts and circumstances.

To minimize the level of audit effort in low-risk areas, we will make extensive use of analytical and quantitative techniques to support our opinion on the financial statements. We view analytical procedures and sampling as important tools to be included among the techniques to be used to assess audit risk. The audit tools used in each audit area will be matched against the specific audit risks of that area.

Analytical reviews involve examining trends and relationships in financial data. Analytical review procedures will play a significant role in the conduct of the District’s audit. These procedures will be important because extensive auditing and analyses are already being performed and high-transaction volumes and large numbers of individual small-dollar items prohibit a cost-effective audit using only detail testing. Reliance will be placed on analytical review procedures because they will:

AUDIT PLAN & APPROACHES (cont.)

Specific Audit Approach – Risk Assessment and Materiality (cont.):

- **Aid in identifying potential areas of audit concern.** Such concerns can be identified when unusual fluctuations occur in specific balances or when an operating unit’s financial performance appears unusual relative to homogeneous group averages.
- **Assist in determining appropriate sampling structure and size.** The judgment about the extent of overall sampling required can be influenced by the amount and quality of corroborative analytical evidence. Analyses indicating that current account balances are close to expected year trend values provide evidence on which overall audit effort judgments can be made.

Our testing phase of the audit will consist of the following two types:

Compliance Testing: Compliance testing is performed when it is believed that the results thereof may be used to restrict substantive testing. The purpose of these tests is to determine whether the internal accounting controls identified are functioning as described and the District’s financial activities are being performed in accordance with various federal and state laws and regulations. Sampling techniques that are used to objectively select the appropriate number of transactions permit the formulation of reliable conclusions and allow for the determination of the characteristics of the data to be examined.

Our sampling strategy for compliance tests provides us with a rational and systematic approach to limit the extent of required substantive testing by directly impacting the required sample sizes for detailed test work.

Substantive Testing: The purpose of the substantive tests will be to provide reasonable assurance of the validity of the information produced by the accounting system. Such tests will include confirmations, review of invoices and their supporting documents, and so on.

Software to be Utilized: The following software programs are utilized in performing audits:

| SOFTWARE | USE |
|----------------------------|--|
| Microsoft Excel | Electronic Spreadsheet. |
| Microsoft Word | Utilized extensively in our narratives. |
| Random Sample Generator | Utilized in developing the types of samples and components which will be tested within the sample size. Random sampling includes, but is not limited to, population, series, confidence level, stratified, unstratified and detection of errors. |
| Audit Program Generator | Utilized to assist auditors in preparing and tailoring audit programs for specific clients. |
| Accountant’s Trial Balance | Utilized to prepare trial balance, financial statements, variance analysis between periods, etc. |
| T-Value | Utilized in interest and amortization schedules. |
| Mun-Ease | A fully-integrated software product that provides comprehensive debt calculations including sizing, refunding, TIC & NIC, arbitrage and rebate. |
| Pro System FX Engagement | Paperless work paper management system. |

AUDIT PLAN & APPROACHES (cont.)

Audit Approach to Federal Title 2 of the Code of Federal Regulations and New Jersey OMB Circular 15-08 Audits – Single Audit:

The major phases of an examination under the proposed Federal Title 2 of the Code of Federal Regulations and OMB Circular 15-08 will include:

- **Background review and detailed survey**
- **Control systems evaluation and substantive testing**
- **Detailed testing**
 - for effectiveness of control systems
 - for compliance with laws and regulations
- **Audit conclusions briefing and report preparation**

We will gain an understanding of your operations, the flow of financial data among the significant account groups, the reporting process, and the internal accounting and administrative controls. This information will be vital to our developing a tentative plan for conducting Title 2 and 15-08 audits.

To the extent practicable, our approach will be to integrate our procedures with the financial statement audit so there will be no duplication of effort.

This segment of the audit will give us information on an entity's federal and state financial assistance programs, the results of past audits, the systems in place for administering grant programs, and the federal and state reporting process. We will review pertinent records relative to federal and state awards, inquire and observe the support systems used to administer federal and state financial assistance programs, and walk related transactions through the system. We also will identify the fiscal, legal reporting and compliance requirements applicable to the various federal and state programs and design the audit protocols to be used in working with client personnel. In addition to the federal and state governments' specific requirements, this phase of the audit will also focus on any special audit needs revealed in our discussions with management.

Our internal control evaluation will determine the adequacy of accounting and administrative systems of internal controls; the extent of compliance with applicable federal and state laws and regulations; and the appropriateness of the reports made to federal and state program officials.

This objective requires that we study the systems of internal controls (accounting and administrative) using methods similar to those used for the financial statement audit. All systems related to major federal and state financial assistance programs, and those of certain non-major financial assistance programs will be included in this study, whether or not we intend to rely on such systems to limit substantive testing for other aspects of the audit.

Our study will determine if the systems of control are sufficient to ensure:

1. The allowability of costs charged to federal and state programs;
2. The eligibility of aid recipients;
3. Compliance with federal and state matching conditions;
4. Monitoring of sub-grantees;

AUDIT PLAN & APPROACHES (cont.)

Audit Approach to Federal Title 2 of the Code of Federal Regulations and New Jersey OMB Circular 15-08 Audits – Single Audit (cont.):

- 5. The appropriateness of reports;
- 6. The appropriateness of indirect cost plans;
- 7. The timeliness of cash draw-downs; and
- 8. Compliance with other specific requirements.

Where applicable, we will use the OMB Compliance Supplement to identify specific tests for eligibility, matching share, earmarking requirements, reporting responsibilities, cash draw-downs, advance funding practices and specific program conditions.

At the conclusion of our audit, we will meet with client officials to discuss the results of our audit. If any exceptions related to noncompliance are noted, we will seek your input. Also, if you desire, we will meet with the cognizant federal and state audit agencies to discuss our audit reports.

COST PROPOSAL

We continually strive to keep our fees at the lowest level consistent with the highest professional standards and your requirements for timely service.

We propose the following all-inclusive not to exceed fee of **\$37,500**, plus the costs associated with bank confirmations, if applicable, for preparation of the audit of the Glassboro Board of Education for the fiscal year ending June 30, 2021. Fee includes cost to prepare the annual CAFR of the 2020-2021 fiscal year.

The above fee assumes that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary as a result of errors, omissions, misstatements, or other inadequacies in the financial records or as a result of a discovery of material weaknesses in the internal controls, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Additionally, should the Department of Education impose additional auditing requirements which would require us to expand our engagement beyond the procedures and tests presently contemplated, we will advise you in writing of any such circumstance that would require us to seek an adjustment of the above fee.

If additional work is required to be performed, the following standard hourly rates would apply:

| STANDARD HOURLY RATES | |
|-------------------------------|-----------------|
| Engagement Partner | \$200.00 |
| Quality Review Partner | \$200.00 |
| Principal | \$185.00 |
| Manager | \$160.00 |
| Senior | \$120.00 |
| Staff | \$100.00 |

SERVICES BEYOND THE CORE REQUIREMENTS

- **Advisory and Consulting Services**

HMA specifically addresses the needs of clients through a variety of financial, governance and management consulting services. Our firm provides the following services: diligence services on issuance of temporary and permanent debt, verification services for debt refunding, forecasts and projections, business plans, strategic plans, alternate revenue streams, and cost allocation studies to name a few.

- **Operational Reviews**

HMA has undertaken many different types of reviews for our clients and has the ability and experience to perform any type of operational review required by our clients.

- **Forensic and Investigation Services**

HMA is staffed with a Certified Fraud Examiner who is highly qualified and experienced in the performance of in-depth and complex forensic investigations, which include management fraud, employee embezzlement and investment scams. Our highly qualified professionals assist in identifying and tracing fraudulent transactions. They provide a timely response to identify fraudulent activity, quantify the amount of the fraud, locate diverted assets, and institute preventive measures to guard against future frauds.

- **Internal Control Advisory Services**

HMA offers a variety of services to assist clients in assessment and design of internal control systems. Our firm can review current operations and existing internal control documentation, provide an all-encompassing internal control and standard operating procedure manual, provide internal control training to staff to ensure staff are familiar with and understand the importance of maintaining internal controls in the organization.

- **Employee Benefit Plans**

HMA has the resources to provide employee benefit plan audits and qualified retirement benefit plan services to a variety of clients, including preparation of audit reports in accordance with GAAP, Form 5500 filing and assistance to ensure clients are in compliance with the IRS regulations.

ADDITIONAL FIRM INFORMATION

- **Affirmative Action**

HMA has complied with all affirmative action requirements; a copy of our current Certificate of Employee Information Report is included in this proposal.

- **Federal, State & Professional Licenses**

HMA is in possession of all appropriate federal and state licenses to conduct business. All assigned key professional staff are properly registered/licensed to practice in New Jersey. Licenses are included in this proposal.

- **Independence**

No principal of HMA has any immediate relatives who are employees or elected officials of the Glassboro Board of Education.

ADDITIONAL FIRM INFORMATION (cont.)

- **Anti-Discrimination Provisions**
HMA is in compliance with all applicable provisions of N.J.S.A. 10:2-1. Antidiscrimination provisions.
- **Anti-Bullying Bill of Rights**
HMA is in compliance with all applicable provisions of the New Jersey Anti-Bullying Bill of Rights Act - N.J.S.A. 18A:37-13.1 et seq., all applicable code and regulations, and the Anti-Bullying Policy of the Board of Education.
- **Employees**
We would confirm that all work is performed by HMA, personnel and qualified subcontractors, as needed.
- **N.J. Public School Contracts Law**
HMA is in compliance with all applicable requirements of the New Jersey Public School Contracts Law (N.J.S.A. 18A:18A-1 et. seq.)
- **Certification of True and Accurate Information/Ability to Perform**
HMA hereby certifies that our proposal contains true and accurate information and that as an entity, we have the capability to provide all of the listed services and complete tasks assigned by the board in a timely fashion.

CONCLUSION

The Glassboro Board of Education deserves a high quality, cost efficient audit in order to devote your time and resources to providing services to the community. We are confident that in the pages of this proposal, we have demonstrated our capabilities, as well as our sincere desire, to work with the Board of Education. We would welcome the opportunity to present our proposal and qualifications to other decision makers, including those charged with governance.



APPENDIX:
REQUIRED INFORMATION/FORMS

LICENSES

DAVID T. MCNALLY
PSA #20CS00261600
CPA #20CC03831000

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy

HAS REGISTERED

David T. McNally
214 27th Street
Ocean City NJ 08226

FOR PRACTICE IN NEW JERSEY AS A(N): Public School Accountant

11/17/2020 TO 12/31/2023
VALID

20CS00261600
LICENSE REGISTRATION CERTIFICATION #

Signature of Licensee/Registrant/Certificate Holder: *David T. McNally*
ACTING DIRECTOR: *Paul Rodriguez*

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy

HAS REGISTERED

David T. McNally
214 27th Street
Ocean City NJ 08226

FOR PRACTICE IN NEW JERSEY AS A(N): Certified Public Accountant

11/17/2020 TO 12/31/2023
VALID

20CC03831000
LICENSE REGISTRATION CERTIFICATION #

Signature of Licensee/Registrant/Certificate Holder: *David T. McNally*
ACTING DIRECTOR: *Paul Rodriguez*

MICHAEL HOLT
PSA #20CS00114800
CPA #20CC01863800

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy

HAS REGISTERED

MICHAEL HOLT
116 Ramblewood Road
Moorestown NJ 08057

FOR PRACTICE IN NEW JERSEY AS A(N): Public School Accountant

11/16/2020 TO 12/31/2023
VALID

20CS00114800
LICENSE REGISTRATION CERTIFICATION #

Signature of Licensee/Registrant/Certificate Holder: *Michael Holt*
ACTING DIRECTOR: *Paul Rodriguez*

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy

HAS REGISTERED

MICHAEL HOLT
116 Ramblewood Road
Moorestown NJ 08057

FOR PRACTICE IN NEW JERSEY AS A(N): Certified Public Accountant

11/16/2020 TO 12/31/2023
VALID

20CC01863800
LICENSE REGISTRATION CERTIFICATION #

Signature of Licensee/Registrant/Certificate Holder: *Michael Holt*
ACTING DIRECTOR: *Paul Rodriguez*

LICENSES (cont.)

ANDREW E. LEE
PSA #20CS00273700
CPA #20CC04230100

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy


HAS REGISTERED


Andrew E. Lee
426 Heatherwood Rd
Havertown PA 19083

FOR PRACTICE IN NEW JERSEY AS A(N): Public School Accountant

11/23/2020 TO 12/31/2023
VALID

20CS00273700
LICENSE/REGISTRATION/CERTIFICATION #


Signature of Licensee/Registrant/Certificate Holder


ACTING DIRECTOR

State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs

THIS IS TO CERTIFY THAT THE
Board of Accountancy

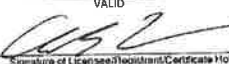
HAS REGISTERED


Andrew E. Lee
426 Heatherwood Rd
Havertown PA 19083

FOR PRACTICE IN NEW JERSEY AS A(N): Certified Public Accountant

11/23/2020 TO 12/31/2023
VALID

20CC04230100
LICENSE/REGISTRATION/CERTIFICATION #


Signature of Licensee/Registrant/Certificate Holder


ACTING DIRECTOR

AFFIRMATIVE ACTION STATEMENT – AUDITOR

The following questions must be answered by all prospective firms:

1. Do you have a federally approved or sanctioned Affirmative Action Program?

Yes _____ No X

a) If yes, please submit a copy of such approval.

2. Do you have a State Certificate of Employee Information Report approval?

Yes X No _____

a) If yes, please submit a copy of such approval.

3. If the firm cannot present #1 or #2, the firm is required to submit a completed Employees Information Report (Form AA302) at the time of the award only.

CERTIFICATE OF EMPLOYEE INFORMATION REPORT

Certification 62348

CERTIFICATE OF EMPLOYEE INFORMATION REPORT
INITIAL

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-JAN-2020 to 15-JAN-2027

HOLT MCNALLY & ASSOCIATES, INC.
618 STOKES ROAD
MEDFORD NJ 08055



Elizabeth Maher Muoio
ELIZABETH MAHER MUOIO
State Treasurer

EXHIBIT A
MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE
N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27
GOODS, PROFESSIONAL SERVICES 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 take affirmative action to ensure that such applicants are recruited and employed, 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 action shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or determination; 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 employments, 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, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the public agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act 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.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, 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 personal 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.

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 Form AA302

The contractor and its subcontractor 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.**

Note: Please sign below that you have read and understand the EEO Language. This does not fulfill your obligation to submit of the above-required documents prior to award of the contract.

Company: Holt McNally & Associates, Inc.

Authorized Signature: _____



Address: 618 Stokes Road
Medford, NJ 08055

AMERICANS WITH DISABILITIES ACT OF 1990
Equal Opportunity for Individuals with Disability

The Contractor and the Owner, do hereby agree that the provisions of Title 11 of the Americans With Disabilities Act of 1990 (the "Act") (*42 U.S.C. §12101 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 there unto, are made a part of this contract. In providing any aid, benefit, or service on behalf of the owner 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 owner in any action or administrative proceeding commenced pursuant to this Act. The contractor shall indemnify, protect, and save harmless the owner, 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 owner's grievance procedure, the contractor agrees to abide by any decision of the owner which is rendered pursuant to said grievance procedure. If any action or administrative proceeding results in an award of damages against the owner, or if the owner incurs any expense to cure a violation of the ADA which has been brought pursuant to its grievance procedure, the contractor shall satisfy and discharge the same at its own expense.

The owner 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 owner or any of its agents, servants, and employees, the *owner shall* expeditiously forward or have forwarded to the contractor every demand, complaint, notice, summons, pleading, or other process received by the owner or its representatives.

It is expressly agreed and understood that any approval by the owner 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 owner pursuant to this paragraph.

It is further agreed and understood that the owner 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 owner from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

NEW JERSEY BUSINESS REGISTRATION CERTIFICATE



**STATE OF NEW JERSEY
BUSINESS REGISTRATION CERTIFICATE**

Taxpayer Name: HOLT MCNALLY & ASSOCIATES INC.

Trade Name:

Address: 618 STOKES ROAD
MEDFORD, NJ 08055

Certificate Number: 2405617

Effective Date: December 09, 2019

Date of Issuance: February 12, 2021

For Office Use Only:

20210212122656451

FIRM REGISTRATION

**State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs**

THIS IS TO CERTIFY THAT THE
Board of Accountancy

HAS REGISTERED

**HOLT MCNALLY & ASSOCIATES INC.
MICHAEL HOLT
618 Stokes Road
Medford NJ 08055**

FOR PRACTICE IN NEW JERSEY AS A(N): Firm Registration

01/02/2020 TO 06/30/2021
VALID

20CB00755100
LICENSE/REGISTRATION/CERTIFICATION #



Signature of Licensee/Registrant/Certificate Holder



ACTING DIRECTOR



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/29/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | | | |
|--|--|---|--|
| PRODUCER Insurance Agency Management 230 High Street P.O. Box 158 Burlington NJ 08016 | | CONTACT NAME: Karen Kendra PHONE (A/C, No, Ext): (609) 387-0606 FAX (A/C, No): (609) 387-5337 E-MAIL ADDRESS: | |
| INSURED Holt McNally & Associates, PC 618 Stokes Road Medford NJ 08055 | | INSURER(S) AFFORDING COVERAGE INSURER A : The Travelers Indemnity Company of America INSURER B : The Travelers Property Casualty Insurance Company of INSURER C : The Charter Oak Fire Ins. Company INSURER D : Navigators Insurance Company INSURER E : INSURER F : | |

COVERAGES

CERTIFICATE NUMBER: CL20122940990


REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR VWD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|-----------|----------|-----------------|-------------------------|-------------------------|---|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER: | | | 6805P175265 | 01/01/2021 | 01/01/2022 | EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Nonowned Auto coverage \$ 2,000,000 |
| A | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY | | | 6805P175265 | 01/01/2021 | 01/01/2022 | COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| B | <input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 5,000 | | | CUP5P215058 | 01/01/2021 | 01/01/2022 | EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 |
| C | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N N/A | | | UB5P214873 | 01/01/2021 | 01/01/2022 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |
| D | PROFESSIONAL LIABILITY | | | NY21APLZ042YXIV | 01/01/2021 | 01/01/2022 | LIMIT OF LIABILITY \$1,000,000 DEDUCTIBLE \$5,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

| | |
|--|--|
| Holt McNally & Associates, Inc. 618 Stokes Road Medford NJ 08055 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  |
|--|--|

Proposal Form

To Provide Services of Auditor

The undersigned agrees to provide auditing services for the Glassboro Public School District in accordance with the Request for Proposal – Auditor and any amendments or clarifications and accepts the terms therefore as a binding contractual obligation if the following proposal is accepted.

Fiscal Year Total Audit Fee: \$ 35,000

ASSA/DRTRS Audit Fee \$ 2,500

Hourly Rate per staff level: Please attach separate page

Name of Firm: Holt McNally & Associates, Inc.

Address of Firm: 618 Stokes Road, Medford, NJ 08055

Telephone Number: 609-953-0612

Fax Number: 609-257-0008

Email Address: dmcnally@hmacpainc.com

Signature: 

Printed Name and Title: David T. McNally / Vice President

Public School Client Recommendation List

1. School District: Cherry Hill Board of Education
Grade Organization: K-12
Contact Name and Title: Lynn Shugars / Business Administrator/Board Secretary
Telephone Number: 856-429-5600 Ext 4328

2. School District: Moorestown Board of Education
Grade Organization: K-12
Contact Name and Title: James Heiser / Business Administrator/Board Secretary
Telephone Number: 856-778-6600 Ext 18150

3. School District: Kingsway Regional School District
Grade Organization: 7-12
Contact Name and Title: Jason Schimpf / Business Administrator/Board Secretary
Telephone Number: 856-467-4600 Ext 4203

4. School District: Gibbsboro Board of Education
Grade Organization: K-8
Contact Name and Title: Jim Cordery / Business Administrator/Director of Curriculum
Telephone Number: 856-783-1140

5. School District: Riverside Township Board of Education
Grade Organization: K-12
Contact Name and Title: Jodi Lennon / Business Administrator/Board Secretary
Telephone Number: 856-461-1255 Ext 1112

Peer Review Statement

Holt McNally & Associates Inc. ("HMA") was formed on January 1, 2020. In accordance with the AICPA's Peer Review Program, our first peer review will not take place until eighteen (18) months after our formation or sometime in the latter half 2021. The partners and principals of HMA have over 125 years of combined experience in public accounting and have passed various peer reviews including passing peer review with their previous firm (Holman Frenia Allison, P.C.) in December of 2019. In order to ensure HMA has designed and maintains a proper system of quality control in accordance with the AICPA, they have adopted their previous firm's quality control policies and procedures. HMA is a member of the AICPA, the AICPA Governmental Quality Center and the NJCPA.

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Holt McNally & Associates Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ▶ _____

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) 5
Exemption from FATCA reporting code (if any) N/A
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
618 Stokes Road

6 City, state, and ZIP code
Medford, NJ 08055

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

| Social security number | | | | | | | | | |
|--------------------------------|---|---|---|---|---|---|---|---|---|
| | | | - | | | | | | |
| Employer identification number | | | | | | | | | |
| 8 | 4 | - | 3 | 8 | 8 | 2 | 6 | 5 | 6 |

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶ *Dave McNally* Date ▶ 1/13/2020

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.