

AGREEMENT

THIS AGREEMENT made this ____ day of _____ 20__ by and between the School District of the Asbury Park Board of Education, County of Monmouth, New Jersey, hereinafter referred to as "District" and Jerry W. Conaty, C.P.A., R.M.A., P.S.A., C.F.E., of Holman Frenia Allison, P.C., hereinafter referred to as "Auditor";

WITNESSETH:

The following matters and things are hereby determined declared and recited:

Audit Scope and Objectives

The Auditor agrees to perform the professional services ordinarily provided by Public School Accountants of the State of New Jersey. The Auditor audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the School Year ended **June 30, 2022**. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Asbury Park Board of Education's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement we will apply certain limited procedures to Asbury Park Board of Education 's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. The Auditor will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) The Budgetary Comparison Schedules
- 3) GASB – Required Supplementary Pension, OPEB and Infrastructure Information
- 4) (GASB 75)
- 5) Budget-to-GAAP Reconciliation
- 6) Schedules Related to Accounting and Reporting for Pensions (GASB 68)
- 7) Schedules Related to Accounting and Reporting for Other Employment Benefits (GASB 75)

The Auditor has also been engaged to report on supplementary information other than RSI that accompanies Asbury Park Board of Education's 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining Statements
- 2) Individual Fund Statements
- 3) Supporting Schedules
- 4) Schedules of Expenditures of Federal Awards and/or State Financial Assistance

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, the Auditor is required to describe it in our report:

- 1) The Introductory Section
- 2) Statistical Data

The Auditor's objectives of the audit is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material

misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include 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 federal statutes, regulations, and the terms and conditions of federal awards and state financial assistance 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid (NJ OMB Circular 15-08)*.

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

The Auditor will conduct the audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance and NJ OMB Circular 15-08, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance and NJ OMB Circular 15-08, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

The Auditor evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable 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 government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

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 an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS 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 on major programs. However, the Auditor will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. The Auditor will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. The Auditor include such matters in the reports required for a Single Audit. 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.

The Auditor will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

The Auditor's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. The Auditor will also request written representations from your attorneys as part of the engagement, and they may bill you separately for their response to such inquiries.

The Auditors have identified the following significant risk(s) of material misstatement for your industry as part of the audit planning:

- Management override of controls
- Self review threat
- Improper revenue recognition due to fraud
- Risk of Noncompliance with state government regulatory requirements

As of the date of this letter, planning has not concluded and modifications to these risks may be made. Additionally, risks specific to your organization may be identified. If new significant risks are identified after the date of this letter, we will communicate them to those charged with governance in a timely manner, in writing.

The Auditor may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine

that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

The Auditor will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. 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 NJ OMB Circular 15-08, the Auditor 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 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 NJ OMB Circular 15-08.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. 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*, and the Uniform Guidance and NJ OMB Circular 15-08.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Auditor will perform tests of Asbury Park Board of Education'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 NJ OMB Circular 15-08, requires that the Auditor also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal 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* for the types of compliance requirements that could have a direct and material effect on each of Asbury Park Board of Education's major programs. For federal and state programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Asbury Park Board of Education's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and NJ OMB Circular 15-08.

Other Services

The Auditor will also assist in preparing the financial statements, schedule of expenditures of federal and state awards, and related disclosures of Asbury Park Board of Education in conformity with in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, and the Uniform Guidance and NJ OMB Circular 15-08 based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The Auditor will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards and state financial assistance, and related disclosure services previously defined. The Auditor, 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.

Responsibilities of Management for the Financial Statements and Single Audit

The audit will be conducted on the basis that the Board acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards and state financial assistance, 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. Management is also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards and state financial assistance, and all accompanying information in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Management 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.

The Board is also responsible for making drafts of financial statements, schedule of expenditures of federal awards and state financial assistance, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and NJ OMB Circular 15-08; (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. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards and state financial assistance; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

The Board's 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 of each opinion unit taken as a whole.

The Board is 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 government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to

remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance and NJ OMB Circular 15-08, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards and state financial assistance; 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 prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review.

The Board is responsible for identifying all federal awards and state financial assistance received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards and state financial assistance (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance and NJ OMB Circular 15-08. You agree to include our report on the schedule of expenditures of federal awards and state financial assistance in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards and state financial assistance. The Board also agrees to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards and state financial assistance no later than the date the schedule of expenditures of federal awards and state financial assistance is issued with our report thereon. The Board's responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards and state financial assistance in accordance with the Uniform Guidance and NJ OMB Circular 15-08; (2) you believe the schedule of expenditures of federal awards and state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance and NJ OMB Circular 15-08; (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 schedule of expenditures of federal awards and state financial assistance.

The Board also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. The Board agrees to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. The Board also agrees to 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. The Board's responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the

Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with in conformity with GAAP; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, 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.

The Board is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. The Board 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 Scope and 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. The Board is 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.

The Board agrees to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards and state financial assistance, and related disclosures, and any other non-audit services we provide. The Board will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards and state financial assistance, and related disclosures and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards and state financial assistance, and related disclosures prior to their issuance and have accepted responsibility for them. Further, the Board agrees to oversee the non-audit 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

The Auditor understands that your employees will prepare 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, the Auditor will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards and state financial assistance, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. The Auditor 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 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

The Auditor will provide copies of our reports to Asbury Park Board of Education; however, management is responsible for distribution of the reports and the financial statements. 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 Holman Frenia Allison, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Division of Local Government Services or its designee, a federal and state 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. The Auditor will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Holman Frenia Allison, P.C. 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.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal or state 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.

The Auditor expects to issue the reports no later than **December 5, 2022**. The Auditor's fee for these services will be at Holman Frenia Allison, P.C.'s standard hourly rates except that the Auditor agrees that the gross fee will not exceed **\$60,500**, plus the costs associated with bank confirmations, if applicable. The Auditor's standard hourly rates for school board audit services, which vary according to the degree of responsibility involved and the experience level of the personnel assigned to the Board's audit, are as follows:

STAFF	HOURLY RATE
Engagement Partner	\$200.00
Quality Review Partner	200.00
Principal	170.00
Manager	160.00
Supervisor	140.00
Senior	120.00
Staff II	110.00
Staff I	90.00
Administrative	80.00

If additional services are requested that are beyond the scope of services of this contract, the hourly rates may differ from the school board audit service rates listed above.

The invoices for these fees will be rendered each month as work progresses and are payable on presentation. If the Auditor elects to terminate its services for nonpayment, the engagement will be deemed to have been completed upon written notification of termination, even if the Auditor has not completed its report(s). The Board will be obligated to compensate the Auditor for all time expended and to reimburse the Auditor for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from the Board's personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, the Auditor will discuss it with the Board and arrive at a new fee estimate before the Auditor incurs the additional costs. This would include if the State of New Jersey is delayed in the release of the Accounting and Financial Reporting for Postemployment Benefits other than Pensions causing the statutory deadline to be extended. Should this occur, the Auditor would be required to perform additional procedures, which may result in additional fees.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, the Auditor request that you inform us prior to any such discussions so that the Auditor can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Reporting

The Auditor will issue written reports upon completion of the Single Audit. Our reports will be addressed to the members of the Board of Education of Asbury Park Board of Education. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with the Board 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 issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state 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. The Uniform Guidance and NJ OMB Circular 15-08 report on internal control

over compliance will state 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 based on the requirements of the Uniform Guidance and NJ OMB Circular 15-08. Both reports will state that the report is not suitable for any other purpose.

The Auditor agrees to comply with the mandatory affirmative action language of P.L. 1975, C.127 (N.J.A.C.17:27) as attached (Exhibit A).

Government Auditing Standards require that the Auditor provide the District with a copy of the Auditor's most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. The Auditor's peer review report accompanies this letter.

Auditor is advised of the responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission pursuant to *N.J.S.A.19:44A-20.13 (P.L.2007, c.271, s.3)* if the Auditor receives contracts in excess of \$50,000 from public entities in a calendar year. It is the Auditor's responsibility to determine if filing is necessary. Additional information on this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

A copy of the audit will be prepared for each School Board Member, the School Board Secretary and/or Business Manager, the Superintendent and/or Administrative Principal and the Treasurer of School Monies. A synopsis will be prepared for distribution as required by *N.J.S.18A:23-4*.

This contract shall take effect _____ and continue until the reorganization meeting in 2023. The auditor shall be available for ongoing consultation as needed.

IN WITNESS WHEREOF, the District has caused these presents to be signed by its President and attested by its School Board Secretary and the Auditor.

ATTEST:

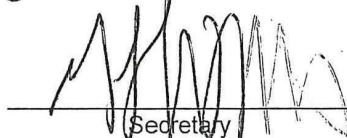
ASBURY PARK BOARD OF EDUCATION



President

6/24/22

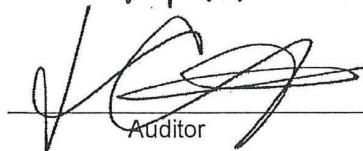
Date



Secretary

6/24/2022

Date



Auditor

06.20.22

Date