AGREEMENT FOR ACCOUNTING SERVICES

THIS AGREEMENT made and entered into this 1 day of December 2022 by and between the Edison Housing Authority hereinafter referred to as "Authority" and Polcari & Company, CPA'S of 2035 Hamburg Turnpike, Wayne, NJ, hereinafter referred to as "Contractor",

WITNESSETH:

WHEREAS, the Authority has entered into an Annual Contributions Contract with the United States of America, providing for assistance in the operation of (a) public housing program; (b) modernization program; (c) existing housing certificates program; (d) moderate rehabilitation program,

WHEREAS, the Authority desires to engage the Accountant to perform "fee accounting" services and render certain technical advice and assistance in connection with such undertakings of the Authority.

NOW, THEREFORE, the Authority and the Accountant do mutually agree as follows:

1. APPOINTMENT

The Authority hereby retains the Accountant as the accountant and financial advisor for the Authority and the Accountant hereby accepts such appointment for a term of two years, commencing December 1, 2022 and ending November 30, 2024.

2. <u>SCOPE OF FEE ACCOUNTING SERVICES</u>

The accountant shall perform all the necessary services provided under this contract. The Accountants shall do, perform and carry out, in a satisfactory and proper manner, as determined by the Authority, the following:

- Provide monthly balance sheets and statements of income and expense with comparisons to budget for each of the following programs:
  1) Public Housing Program (Operations)
  2) Each Separate Modernization Program
  3) The Housing Choice Voucher Program
  4) Continuum of Care Program
- Review and analyze the general ledgers for each of the aforementioned programs monthly and provide adjusting journal entries. After such review is completed and adjusting journal entries posted, final monthly general ledgers will be printed for each program. As part of this review process, the fee accountant will meet with the Authority's Executive Director and finance personnel to discuss any matters affecting the accounting records to ascertain information concerning any matters or programmatic changes that the accountant should be made aware of (i.e. changes in operations, new programs, budget modifications, voided checks, doubtful accounts receivables, etc.)
- In conjunction with their review of the housing authority's accounting and financial data contained in its electronic data processing system, fee accountants will review other source documents supplied by housing authority personnel. This review will include checks for mathematical accuracy as appropriate, account coding and completeness of data.

- The fee accountants will assist housing authority staff in the preparation of bank account or other reconciliations as necessary.
- Review output of the housing authority's electronic data processing system for reasonableness and ensure that such output is in agreement with the underlying financial information. Ending account balances per the general ledger system will be agreed to any supporting analysis or reconciliations (e.g. bank reconciliations). Income and expense account balances will be compared to budget to identify any unusual variances which may indicate input or processing errors or inadequacies in adopted budgets. Transactions containing input errors will be discussed with appropriate housing authority personnel and adjusting journal entries will be prepared as required for approval of housing authority management prior to posting.
- Maintain a formal numbered schedule of general journal entries that have been signed by the fee accountant and approved by the Executive Director or his / her designee.
- Prepare a monthly review of interfund transfers and make recommendations for maintaining proper interfund balances to the Executive Director.
- Consult with management concerning any unexplained budget variances or likely budget overruns.
- Provide all monthly, quarterly and annual reports as required by the United States Department of Housing and urban Development and State of New Jersey. Said reports will be typed with six (6) copies of each report delivered within the time frame established by the U.S. Department of HUD or other oversight agency. Reports will be delivered to the Edison Housing Authority office. In the event that the housing authority, U.S. Department of

Housing and Urban Development or state of New Jersey change the scope or type of reports required, the fee accountants will comply with such changes.

- Upon completion of monthly reports, copies of the updated general ledgers, trial balances and budgetary statements and financial statements will be reviewed in conference with housing authority staff. At this time, the fee accountants will prepare correspondence highlighting any accounting matters that housing authority management should be made aware of.
  - Provide monthly consultation with the Executive Director to review reports prepared, and provide financial expertise on financial forecasting, planning and other accounting matters as may be deemed appropriate by the fee accountants or the Executive Director.
- Attend up to four (4) meetings of the Authority per year if requested and offer opinions as requested by the Edison Housing Authority Board of Commissioners or Executive Director on matters pertaining to the financial management or business operations of the Authority.
- In consultation with the housing authority's Executive Director or senior staff person assigned, prepare annual public housing operating budgets and Performance Funding System operating subsidy calculations together with all required exhibits, supporting schedules and other documents. These documents will be filed with the U.S. Department of Housing and Urban Development as required, either electronically or in hard copy.
- Prepare all annual reports currently required by the U.S. Department of Housing and Urban Development or the State of New Jersey. The fee accountants will also prepare any reports that these regulatory agencies may require in the future, and fee accountants will change the nature and scope of required reports as determined by the Authority or any of the aforementioned regulatory agencies. It is understood that that those reports currently required

shall include, but not be limited to the following reports , which shall be filed with the U.S. Department of HUD no later than six (6) weeks following the close of the fiscal year:

1) Combined Balance Sheet (GAAP Basis)
2) Financial Data Schedule Comparative with Supporting Documentation)
3) Electronic submission of financial statements to REAC under the Financial Assessment System (FAS) including public housing and all other programs of the Authority. Specifically, the submission will include Public Housing, Capital Fund Programs (CFP), and Housing Choice Voucher Programs. All supporting schedules as required by HUD or the state of New Jersey will be included with the submission.
4) Supporting schedules to submitted to HUD in hard copy will include the statement of operating receipts and expenditures as required by HUD, statement of income and expense, computation of PILOT, analysis of non-routine expenditures, analysis of tenant accounts receivable, year-end adjustment for utility consumption / rate, as well as any other statements that may be required by HUD, the state of New Jersey or housing authority management.

- Serve as liaison with the housing authority's independent auditors, providing them with all required schedules and account analyses. The auditor will be provided with balance sheets, income statements and other required work papers within thirty (30) days after the closing of books for the fiscal year. Fee accountants will meet with the IPA Auditor to review and resolve matters related to the audit and will respond to any written or oral requests from the IPA Auditor, Housing Authority Board or Executive Director related to the audit.

3. COMPENSATION AND METHOD OF PAYMENT

The local Public Agency will pay to the Contractor the following:

- December 1, 2022 through November 30, 2023 - $37,200, or $3,100 per month.
- December 1, 2023 through November 30, 2024 - $39,600, or $3,300 per month.

which shall constitute full and complete compensation for the Contractor's services hereunder. Such sum will be paid following the rendering of such services, and in every case subject to receipt of a requisition for payment from the Contractor specifying that the has performed the work under this contract and that he is entitled to receive the amount requisitioned under the terms of the contract. It is estimated thirty (30) working days will be required to perform these services.

THIS AGREEMENT shall extend to and be binding upon the successors and assigns of the Edison Housing Authority.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seal this 1 day of December, 2022.

Edison Housing Authority	12/1/22 Date	Polcari + Co, CPA's Polcari & Company, CPA's	11-4-22 Date