RESOLUTION
BOROUGH OF CLAYTON
APPOINTING NICK PETRONI AS AUDITOR
FOR THE BOROUGH OF CLAYTON FOR THE YEAR 2021
PURSUANT TO THE LOCAL PUBLIC CONTRACTS LAW
(N.J.S.A. 40A:11-1, ET SEQ.)

R-3-21

WHEREAS, there exists a need for an Auditor in the Borough of Clayton for the purpose of providing the Mayor and Council of said Borough with accounting services and budgetary advice; and

WHEREAS, funds are or will be available for this purpose; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires the governing body of a contracting unit to publish a notice in a newspaper authorized by law to publish its legal advertisements, setting forth the nature, duration, service and amount of the contract where such contract is awarded for "professional services" without competitive bidding;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Clayton as follows:

1. That Nick Petroni is hereby appointed as Auditor for the Borough of Clayton, to provide accounting services and budgetary advice to the officials of said Borough for the year 2021.

2. The term of this contract shall be from January 1, 2021 to December 31, 2021, in an amount not to exceed $63,350.00.

3. Donna Nestore, CFO, for the Borough of Clayton certifies the above referenced dollar amount is available through the Auditor O&E line item in the 2021 budget. The maximum dollar value is based on a reasonable estimate of the goods or services required over the contract term, and the Borough of Clayton is not obligated to spend that amount.

2. That the appropriate officers of the Borough of Clayton are hereby authorized to enter into the contract with the firm of Petroni & Associates for the accounting services above

specified, for a term of one year. The fees to the auditor shall be at a rate which is just and proper in accordance with fees established by said profession.

3. This contract is awarded without competitive bidding as a "professional service" under the provision of the Local Public Contracts Law because the specialized training, education, experience and specialized knowledge needed for this position cannot be properly described in specifications which would have to be prepared for competitive bidding, and because the law permits agreements for professional services without public advertising and bidding therefore.

4. A notice of the award of this contract shall forthwith be printed once in The Sentinel or South Jersey Times, the official newspaper of the Borough of Clayton, authorized by law to publish the legal advertisements of the Borough of Clayton, setting forth the nature, duration, service and amount of the contract, and further stating that this resolution and the annexed contract are on file and available for public inspection in the Office of the Clerk of the Borough of Clayton.

ADOPTED, at the reorganization meeting of the Mayor and Council of the Borough of Clayton on January 7, 2021.

BOROUGH OF CLAYTON

Thomas Bianco, Mayor

ATTEST:

Christine Newcomb
Municipal Clerk

CERTIFICATION

I, Christine Newcomb, Municipal Clerk of the Borough of Clayton, do hereby certify that the foregoing Resolution was presented and duly adopted by the Borough Council at the reorganization meeting of the Borough of Clayton, held on January 7, 2021.

Christine Newcomb, Municipal Clerk

CONTRACT AND AGREEMENT FOR THE RENDERING OF PROFESSIONAL SERVICES BY A REGISTERED MUNICIPAL ACCOUNTANT

THIS CONTRACT AND AGREEMENT is made on this 7th day of January 2021, by and between the BOROUGH OF CLAYTON, a municipal corporation of the State of New Jersey, with offices located at 125 North Delsea Drive, Clayton, NJ 08312, (hereinafter referred to as the "MUNICIPALITY"), and NICK L. PETRONI, Registered Municipal Accountant in the State of New Jersey of PETRONI & ASSOCIATES LLC, a New Jersey Limited Liability Company, with an address at 102 High St. W, Suite 100, Glassboro, New Jersey 08028, (hereinafter referred to as the "AUDITOR").

The following terms and conditions are hereby determined, declared and recited:

A. The AUDITOR agrees to audit the financial statements of the MUNICIPALITY, as required by N.J.S.A. 40A:5-4 for the year ended December 31, 2021. Also, the document we submit to you will include the following additional information that will be subjected to the auditing procedures applied in our audit of the financial statements:

1. Schedule of expenditures of federal awards.
2. Schedule of expenditures of state awards.

B. Audit Objectives

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with the basis of accounting prescribed by the Division of Local Government Services in the New Jersey Department of Community Affairs, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a regulatory basis of accounting other than generally accepted accounting principles (hereinafter referred to as the "Regulatory Basis"); and to report on the fairness of the additional information referred to in paragraph A when considered in relation to the financial statements taken as a whole. The objective also includes reporting on —

- Internal control related to the financial statements and compliance with the provision of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

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

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

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General

of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; the Single Audit Act Amendments of 1996; the Uniform Guidance; and New Jersey OMB Circular 15-08, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Honorable Mayor and Members of the Borough Council of the MUNICIPALITY. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

C. Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable 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 abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting 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 a risk that material misstatements or noncompliance may exist and be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

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

D. Audit Procedures—Internal Control

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

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

E. Audit Procedures—Compliance

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

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

F. Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes of the MUNICIPALITY in conformity with the Regulatory Basis, the Uniform Guidance, and New Jersey OMB Circular 15-08 based on information provided by you. We will also assist in the services listed below in paragraphs J, K, and L. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with

Government Auditing Standards. We 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, schedule of expenditures of state financial assistance, and related notes services previously defined and to services listed in paragraphs J, K, and L. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

G. Management Responsibilities

Management is responsible 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 and state awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and all accompanying information in conformity with the Regulatory Basis; and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and New Jersey 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.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance and New Jersey OMB Circular 15-08, it is management's responsibility to evaluate and monitor noncompliance with federal and state statutes, regulations, and the terms and conditions of federal and state

awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards in conformity with the Uniform Guidance, and the schedule of expenditures of state financial assistance in accordance with the requirements of New Jersey OMB Circular 15-08. You agree to include our report on the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance, in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your 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 in accordance with the Uniform Guidance and the schedule of expenditures of state financial assistance in accordance with New Jersey OMB Circular 15-08; (2) you believe the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, respectively; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on in conformity with the

Regulatory Basis of accounting. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the Regulatory Basis; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the Regulatory Basis; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial

assistance and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

H. Audit Administration

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

AUDITOR will not act as dissemination agent for the MUNICIPALITY in connection with the MUNICIPALITY's obligations, if any, to provide secondary market disclosure. Our work to prepare secondary market disclosure documents shall consist of and be limited to distribution of the MUNICIPALITY's audited financial statements to the MUNICIPALITY or its designated dissemination agent in an electronic format that complies with the requirements of the Municipal Securities Rulemaking Board's Electronic Municipal Market Access Data Port. The MUNICIPALITY, or its designated dissemination agent, shall remain responsible for filing required secondary market disclosure information and "material event" notices in accordance with any prior undertakings, and AUDITOR shall not have any responsibility nor liability for the failure of the

MUNICIPALITY, or its designated dissemination agent, to comply with the MUNICIPALITY's secondary market disclosure undertakings.

We will provide copies of our reports to the MUNICIPALITY; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, containing privileged and confidential information, copies of our reports are to be made available for public inspections.

The audit documentation for this engagement is the property of the AUDITOR and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation may made available upon request and in a timely manner to the New Jersey Division of Local Government Services, a federal or 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. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of AUDITOR 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 or for any additional period requested by the New Jersey Division of Local Government Services. If we are aware that a state or federal awarding agency, pass-through government, 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.

I. Auditor Involvement with Exempt Offering Documents

MUNICIPALITY may wish to include our report on these financial statements in an exempt offering document. MUNICIPALITY agrees that the aforementioned

auditor's report, or reference to Petroni & Associates LLC, will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement to perform agreed upon procedures as prescribed by Statement on Auditing Standards No. 133, *Auditor Involvement with Exempt Offering Documents.*

J. Annual Financial Statement

The AUDITOR will assist the MUNICIPALITY'S Chief Financial Officer with the preparation of the unaudited Annual Financial Statement for the year 2021 as required by NJSA 40A:5-12. The AUDITOR will perform certain agreed upon procedures thereon as promulgated by the New Jersey Division of Local Government Services.

K. Annual Debt Statement

The AUDITOR will assist the MUNICIPALITY'S Chief Financial Officer with the preparation of the Annual Debt Statement for the year 2021 as required by NJSA 40A:2-40.

L. Local Municipal Budget

The AUDITOR will assist the Governing Body in the preparation of the Local Municipal Budget for the year 2021. The assistance will be in the form of a technical review of the budget to determine compliance with the NJSA 40A:4-1 et. seq. and the regulations promulgated by the Local Finance Board.

M. Special Services

In the event services of a special nature materialize from unusual findings or unforeseen situations during the audit engagement, or the AUDITOR is called upon to perform services that Registered Municipal Accountants are usually expected to do, the rate of compensation will be at the current hourly rates of the AUDITOR.

N. Effective Date

This contract will take effect on January 1, 2021 and continue until the 2021 Audit is completed during the year 2022.

O. Quality Control Report

Government Auditing Standards require that we provide you with a copy of our most recent quality control review report. Our January 18, 2019 peer review report accompanies this contract.

P. Employee Information Report / Business Registration Certificate

The Certificate of Employee Information Report and the Business Registration Certificate required by the State of New Jersey accompany this contract.

Q. Fees

The AUDITOR shall be paid for services rendered in accordance with the *Schedule of Fees* attached to this contract as "Attachment A" and made of part hereof.

R. Affirmative Action Compliance:

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

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national

origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during 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. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

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

The contractor or subcontractor, 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 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 the 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 afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2 or Good faith efforts to meet targeted 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, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

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

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, natural origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, 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 subcontractors shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office 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 Public Contracts Equal Opportunity Compliance for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code N.J.A.C. 17:27

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly executed and their corporate seals (where applicable) affixed and attested to as of the day and year first above written.

BOROUGH OF CLAYTON

BY:_____

MAYOR

ATTEST:

BY:_____

BOROUGH CLERK

_____

AUDITOR

ATTEST:

BY:_____

ADMINISTRATIVE ASSISTANT

ATTACHMENT A

SCHEDULE OF FEES

BOROUGH OF CLAYTON, COUNTY OF GLOUCESTER

Fee Schedule Supporting 2021 Agreement for the Rendering of Professional Services by a Registered Municipal Accountant.

1. Assist the Governing Body in the preparation of the 2021 Local Municipal Budget:

Current Fund	$5,400.00
Water & Sewer Utility Fund	$3,400.00

2. Assist the Chief Financial Officer with the preparation of the 2021 Annual Debt Statement and 2021 Unaudited Annual Financial Statement by the statutory due dates of January 31, 2022 and February 10, 2022, respectively.

Current Fund	$6,900.00
Water & Sewer Utility Fund	$3,850.00

3. Audit of the financial statements for the year ended December 31, 2018, submitted by the statutory due date of June 30, 2021.

Current Fund	$26,975.00
Water & Sewer Utility Fund	$19,975.00

The audit requires the confirmation of taxpayers and other accounts receivable. The actual out-of-pocket costs will be billed in addition to the above fees.

4. Preparation of any Supplemental Debt Statements $400.00 each occurrence

5. Any special accounting engagements will be billed at the following rates:

Nick L. Petroni, CPA, RMA, PSA	$190.00/hr.
CPA, RMA, PSA	$170.00/hr.
Senior Accountant	$155.00/hr.
Staff Accountant	$128.00/hr.
Paraprofessional	$ 76.00/hr.
Clerical/Secretarial Staff	$ 60.00/hr.

FORD-SCOTT
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Report on the Firm's System of Quality Control

January 18, 2019

To the Owner of Petroni & Associates, LLC
And the Peer Review Committee of the New Jersey Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Petroni & Associates, LLC (the firm) in effect for the year ended July 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Petroni & Associates, LLC in effect for the year ended July 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Petroni & Associates, LLC has received a peer review rating of *pass*.

Ford, Scott & Assoc., LLC

Ford, Scott & Associates, L.L.C.
Certified Public Accountants

Certification 5145

CERTIFICATE OF EMPLOYEE INFORMATION REPORT

RENEWAL

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of 15-AUG-2019 to 15-AUG-2026

PETRONI & ASSOCIATES LLC
102 HIGH ST. W, SUITE 100
GLASSBORO NJ 08028

ELIZABETH MAHER MUOIO
State Treasurer

STATE OF NEW JERSEY

BUSINESS REGISTRATION CERTIFICATE

DEPARTMENT OF TREASURY/
DIVISION OF REVENUE
P.O. BOX 252
TRENTON, N.J. 08646-0252

TAXPAYER NAME:

PETRONI & ASSOCIATES LLC

TRADE NAME:

ADDRESS:

102 HIGH ST WEST, STE 100
GLASSBORO NJ 08028-2521

SEQUENCE NUMBER:

1522977

EFFECTIVE DATE:

11/06/09

ISSUANCE DATE:

12/20/12

Director
New Jersey Division of Revenue

FORM BRC

This certificate is not assignable or transferable. It must be conspicuously displayed at your address.

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

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

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

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Nick Petroni

2 Business name/disregarded entity name, if different from above
Petroni & Associates LLC

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)

Exemption from FATCA reporting code (if any)

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
PO Box 279

Requester's name and address (optional)
Borough of Clayton
125 Delsea Drive
Clayton, NJ 08312

6 City, state, and ZIP code
Glassboro, NJ 08028

7 List account number(s) here (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
☐☐☐ – ☐☐ – ☐☐☐☐

or

Employer identification number
2 7 – 1 2 2 2 4 1 0

Part II Certification

Under penalties of perjury, I certify that:

1. 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
2. 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
3. I am a U.S. citizen or other U.S. person (defined below); and
4. 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 ▶** Nick Petroni | **Date ▶** 1/19/21

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-INT (interest earned or paid)
- 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.*