

**RESOLUTION NO. 2020 - 07**

**RESOLUTION OF THE TOWNSHIP OF LITTLE EGG HARBOR, COUNTY OF OCEAN, STATE OF NEW JERSEY, APPOINTING KEVIN P. FRENIA, CPA, RMA, PSA, CFE OF HOLMAN FRENIA ALLISON, P.C. AS TOWNSHIP AUDITOR**

**WHEREAS**, N.J.S.A. 40A:5-4 requires that every municipality shall have an annual audit of its books, accounts and financial transactions by a registered municipal accountant of New Jersey; and

**WHEREAS**, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 *et seq.*, authorizes the award of contracts for “Professional Services” without competitive bids, the Township issued a request for proposals for professional service contracts in accordance with the competitive negotiation procedure as delineated within Section 40-8 of the Township Code of the Township of Little Egg Harbor, entitled “Fair and open process utilized to award contracts with anticipated value in excess of \$17,500”; and

**WHEREAS**, a determination of value has been made by the Township that said contract shall be a value in excess of \$17,500; and

**WHEREAS**, said competitive negotiation procedure satisfies the requirements of a fair and open process under N.J.S.A. 19:44A:20.2 *et seq.*; and

**WHEREAS**, all proposals were to be submitted to the Office of the Township Clerk by November 13, 2019; and

**WHEREAS**, Kevin P. Frenia, CPA, RMA, PSA, CFE of Holman Frenia Allison, P.C. is duly qualified to serve as Township Auditor; and

**WHEREAS**, it is the desire of the Mayor and Township Committee to appoint Kevin P. Frenia, CPA, RMA, PSA, CFE Holman Frenia Allison, P.C., as Township Auditor for the Township of Little Egg Harbor; and

**WHEREAS**, the amount of the contract to be awarded under this resolution is determined not to exceed \$55,600.00, which sum is reasonably estimated based upon such auditing services as may be required over the contract term to be awarded under this resolution, including, but not limited to, the amount spent for such services from the previous calendar year, the costs of compensation under the contract to be awarded, and any projected increase or decrease in services anticipated versus the prior year, and which sum the Township of Little Egg Harbor is under no obligation to spend and which may be exceeded; and

**WHEREAS**, the Chief Financial Officer has certified that there are funds available for this contract, which certification is annexed hereto; and

**WHEREAS**, the Local Public Contracts Law, N.J.S.A. 40A:11-1 *et seq.* authorizes the award of contracts for "Professional Services" and requires that the resolution and contract be made available for public inspection.

**NOW, THEREFORE, BE IT RESOLVED**, by the governing body of the Township of Little Egg Harbor, County of Ocean, State of New Jersey as follows:

1. That Kevin P. Frenia, CPA, RMA, PSA, CFE Holman Frenia Allison, P.C., is hereby appointed as Township Auditor for the Township of Little Egg Harbor for a term of one year, commencing January 1, 2020, and ending December 31, 2020 and shall be paid for services as set forth in Schedule A, attached hereto and made a part hereof.

2. That the Mayor is hereby authorized to execute and the Township Clerk to attest to the attached agreement with Kevin P. Frenia, CPA, RMA, PSA, CFE Holman Frenia Allison, P.C.

3. That the agreement shall be an open-ended contract with funds being encumbered contingent upon the availability of funds in the budget year. A certificate of availability of funds executed by the Chief Financial Officer is annexed hereto. The following is the line item appropriation[s], which constitute the availability of funds for this contract: 0-01-20-706-028.

4. That this agreement is awarded as a "Professional Service" in accordance with N.J.S.A. 40A:11-5(1)(a)(i) of the Local Public Contracts Law because it is for services to be performed by a person(s) authorized by law to practice a recognized profession.

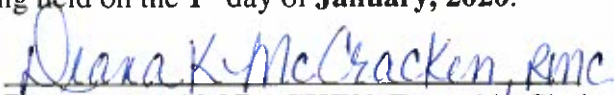
5. That a notice of this action shall be printed once in the official newspaper of the Township of Little Egg Harbor.

6. That this resolution shall take effect on January 1, 2020.

7. That a certified copy of this resolution, together with a copy of the contract between the parties, shall be provided by the Township Clerk to the Chief Financial Officer and Kevin P. Frenia, CPA, RMA, PSA, CFE Holman Frenia Allison, P.C.

#### **CERTIFICATION**

I, **DIANA K. MCCRACKEN, RMC**, Municipal Clerk of the Township of Little Egg Harbor do hereby certify that the foregoing resolution was duly adopted by the Township of Little Egg Harbor Township Committee at a meeting held on the 1<sup>st</sup> day of **January, 2020**.

  
**DIANA K. MCCRACKEN**, Township Clerk  
Little Egg Harbor Township

**CERTIFICATE OF AVAILABILITY OF FUNDS**

I, **RODNEY R. HAINES**, Chief Financial Officer for the Township of Little Egg Harbor, do hereby certify that adequate funds are available for an open-ended contract with Kevin P. Frenia, CPA, RMA, PSA, CFE Holman Frenia Allison, P.C., as Township Auditor.

The amount of the contract to be awarded under this resolution is determined not to exceed \$55,600.00, which sum is based on a reasonable estimate of the auditing services required over the contract term, the Township of Little Egg Harbor is not obligated to spend this amount and is permitted to exceed this amount during the course of performance of this contract.

The funds which are available for this open-ended contract are found in the following line item appropriation[s]: 0-01-20-706-028.



**RODNEY R. HAINES**, Chief Financial Officer  
Township of Little Egg Harbor



## COST PROPOSAL

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

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

We would propose a not to exceed fee of \$51,200 for the preparation of the audit for the year ending December 31, 2020. The not to exceed fee will include all funds, account groups, court report, animal report and single audit if necessary. All other administration fees, confirmation costs, travel, copies, etc. are also included within the not to exceed fee.

We would propose a fee of \$4,400 for the preparation of the Deferred Compensation Plan Review.

Our proposed fee for services related to debt issuances (bond issues and notes) and verification services, if necessary, would range between \$5,000 and \$10,000, contingent on level of service.

For special projects or additional services such as assistance and/or review of municipal budget, AFS, ADS, etc., our hourly rates will apply.

STANDARD HOURLY RATES	
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

Prior to the undertaking of additional work, an estimated fee will be submitted for approval. Personnel will be selected to perform these additional duties that will provide the maximum benefit at the minimum cost.

## ADDITIONAL FIRM INFORMATION

- Affirmative Action**  
 HFA has complied with all affirmative action requirements; a copy of our current Certificate of Employee Information Report is included in this proposal.
- Judgments**  
 HFA has never been adjudicated liable for professional malpractice.