



**CERTIFIED PUBLIC ACCOUNTANTS**

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**AGREEMENT FOR ACCOUNTING SERVICES**

THIS AGREEMENT made and entered into this 22nd day of September, 2017 by and between the Millville 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) capital fund program; and (c) housing choice voucher 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 one (1) year, commencing September 1, 2017 to August 31, 2018 with an option to renew for September 1, 2018 to August 31, 2019.

## 2. SCOPE OF FEE ACCOUNTING SERVICES

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 management of the Authority's finance and accounting department, including supervision of all accounting personnel employed by the Authority
- 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 Capital Fund Program
  - 3) The Housing Choice Voucher 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, finance personnel, and housing management 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, suggestions for improved internal control and efficiency in accounting procedures, 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 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

Millville 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 meetings of the Authority's Board of Commissioners if requested and offer opinions as requested by the Millville 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 amount of \$ 58,200.00 per annum, payable monthly in the amount of \$ 4,850.00 for the one year period beginning September 1, 2017 to August 31, 2018 and the amount of \$ 58,200.00 per annum, payable monthly in the amount of \$ 4,850.00 for the option of renewal for the additional one year beginning from September 1, 2018 to August 31, 2019, 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 he has performed the work under this contract and that he is entitled to receive the amount requisitioned under the terms of the contract.

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

IN WITNESS WHEREOF, the parties have hereunto set their hands and seal this 22<sup>nd</sup> day September, 2017.

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Millville Housing Authority  
City of Millville

  
Polcari & Company, CPA's

