

**BOARD OF FIRE COMMISSIONERS
HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1**

RESOLUTION 2014-10

**A RESOLUTION AUTHORIZING A NON FAIR AND OPEN CONTRACT WITH BOWMAN
AND COMPANY, LLP FOR FINANCIAL AUDITING SERVICES, REVIEW OF LENGTH OF
SERVICE AWARD PROGRAM, AND MANAGEMENT OF A SECTION 125 CAFETERIA
PLAN**

WHEREAS, there exists a need for professional services for financial auditing services and management of a section 125 cafeteria plan; and

WHEREAS, Bowman and Company, LLP provides financial auditing services and management of a section 125 cafeteria plan; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires a resolution authorizing the award of contracts for “Professional Services” without competitive bids, and that the contract itself shall be made available for public inspection, and any contract in excess of \$17,500.00 is subject to the requirements of the New Jersey Pay to Play regulations; and

WHEREAS, the Board has determined that the value of the contract will exceed \$17,500.00; and

WHEREAS, Bowman and Company, LLP has completed and submitted a Business Entity Disclosure Certification which certifies that Bowman and Company, LLP has not made any reportable contributions to a political or candidate committee in the Hopewell Township Fire District No.1, Board of Fire Commissioners in the previous year, and that the contract will prohibit Bowman and Company, LLP from making any reportable contributions through the term of the contract.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Fire Commissioners of Hopewell Township Fire District No. 1 authorizes a Non Fair and Open contract and appoints Bowman and Company, LLP to provide financial auditing services and management of a section 125 cafeteria plan awarded without competitive bidding as a “Professional Service” under the provisions of the Local Public Contracts Law (N.J.S.A. 40A:11-5(1)(a) and the New Jersey Pay to Play Regulations; and

BE IT FURTHER RESOLVED, that the contract with Bowman and Company, LLP not exceed \$41,000.00 for the term January 1, 2014 until December 31, 2014, and be available for public inspection in the office of the Chief of Emergency Services.

RECORD OF BOARD VOTE ON PASSAGE

Commissioner	Moved	Second	Aye	Nay	Abstain	Absent
Cseremsak	✓		✓			
Kintzel			✓			
Lenarski		✓	✓			
Lynch			✓			
Chipowsky			✓			


Mr. Donald C. Kintzel, Secretary

A CERTIFIED COPY

January 9, 2014

16

January 16, 2014

Township of Hopewell Fire District No. 1
201 Washington Crossing-Pennington Road
Titusville, New Jersey 08560-1410
Attn: Chairman Michael A. Chipowsky

Dear Chairman Chipowsky:

We are pleased to confirm our understanding of the services we are to provide for the Township of Hopewell Fire District No. 1 (hereafter referred to as the "Fire District") for the year ended December 31, 2013. We understand that we have been appointed by the Board of Fire Commissioners by way of a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.4 et seq. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Fire District as of and for the year ended December 31, 2013. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and budgetary comparison schedules, to supplement the Fire District'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 the Fire District's RSI in accordance with auditing standards generally accepted in the United States of America. 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. We 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 generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

Management's Discussion and Analysis
Schedule of Funding Progress for Health Benefits Plan, if applicable
Budgetary Comparison Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the Fire District'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 auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

Other Supplementary Information for Capital Projects Fund and Long Term Debt, if applicable

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to 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. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, and will include tests of the accounting records of the Fire District and other procedures we consider necessary to enable us to express such opinions. 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 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.

Audit Objectives (Cont'd)

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Fire District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. 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) additional information that we may request for the purpose of the audit, and (3) 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 for confirming to us in the written 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 taken 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 Fire District complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

Management Responsibilities (Cont'd)

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. 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 OR 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. 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 GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that 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 for us 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 other 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.

With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. In addition, with regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

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 rather than absolute 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 entity or to acts by management or employees acting on behalf of the entity. 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 may exist and not 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. 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. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Audit Procedures – General (Cont'd)

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 the financial statements and related matters.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the Fire District 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*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. 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 and *Government Auditing Standards*.

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 Fire District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit 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*.

Engagement Administration, Fees, and Other

We will provide copies of our reports to the Fire District; 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 Bowman & Company LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal 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 Bowman & Company LLP 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 awarding agency 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.

Engagement Administration, Fees, and Other (Cont'd)

L. Jarred Corn is the engagement partner and is responsible for supervising the engagement and signing the reports. Our fee for these services will be at our standard hourly rates except that we agree that our gross fee will not exceed \$27,500.00. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended through the date of termination.

The aforementioned fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our standard hourly rates by category (for services rendered during the period July 1, 2013 through June 30, 2014) are as follows:

General Administration /	
Report Processing	\$50.00
Staff Accountant	81.00/86.00/88.00
Senior Accountant	89.00/93.00/96.00
Supervisor	114.00/120.00/126.00
Manager	143.00/168.00/196.00
Partner	210.00

Government Auditing Standards require that we provide you with a copy of our 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. Our 2011 peer review accompanies this letter (Appendix I).

Mediation / Disputes

In the unlikely event that a dispute arises out of or relates to the engagement described herein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Mediation Rules, before resorting to arbitration, litigation or some other dispute resolution procedure.

Affirmative Action

Mandatory Equal Employment Opportunity Language
N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)
N.J.A.C. 17:27

Goods, Professional Service and General Service Contracts

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

The Accountant 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 Accountant will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their 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 Accountant 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.

Affirmative Action (Cont'd)

The Accountant or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the Accountant, 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 Accountant or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the Accountant's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Accountant or subcontractor, where applicable, agrees to comply with any 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 Accountant or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The Accountant or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and 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 Accountant 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 Accountant 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, race, creed, color, national 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, and applicable Federal law and applicable Federal court decisions.

The Accountant 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 From AA302

The Accountant and its subcontractors shall furnish such reports or other documents to the Division of Contract Compliance and EEO as may be requested by the Division 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 Contract Compliance and EEO for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.

Appreciation

We appreciate the opportunity to be of service to the Township of Hopewell Fire District No. 1 and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copies, and return one to us.

Respectfully submitted,

BOWMAN & COMPANY LLP



L. Jarred Corn, Partner
Certified Public Accountant

APPROVED:

Township of Hopewell Fire District No. 1

By: M. A. Cyron

Title: CHAIR

Date: 1-16-14

APPENDIX I - EXTERNAL QUALITY CONTROL REVIEW REPORT



EisnerAmper LLP
2015 Lincoln Highway
P.O. Box 988
Edison, NJ 08818
T 732.287.1000
F 732.287.3200
www.eisneramper.com

System Review Report

To the Partners of Bowman & Company LLP
And the Peer Review Committee of the New Jersey Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Bowman & Company LLP (the firm) in effect for the year ended May 31, 2011. 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. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Bowman & Company LLP in effect for the year ended May 31, 2011, 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. Bowman & Company LLP received a peer review rating of pass.

EisnerAmper LLP

EisnerAmper LLP
Edison, NJ
September 9, 2011

September 1, 2013

Mr. Matthew Martin
Chief of Emergency Services
Hopewell Fire District No. 1
201 Washington Crossing-Pennington Road
Titusville, NJ 080560

Dear Chief:

This letter is to confirm and specify the terms of our engagement with Hopewell Fire District No. 1 for their Section 125 Cafeteria Plan for the 2014 Plan Year and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom services are performed to confirm the arrangements.

We will provide the following services:

- * Attendance at an employee informational meeting and enrollment meeting, if requested;
- * Record keeping of individual contributions to the plan, ordinary allowable claim review and preparation of advice to Payroll Department when applicable;
- * We can accommodate debit cards, direct deposit, checks and processing through payroll;
- * Employer and Employee access to Web-Portal for account review;
- * Various Employer reports to be emailed to Administrator;
- * Statements will be emailed or mailed to participants monthly;
- * Testing to assure Plan complies with Internal Revenue Service Non-Discrimination Rules;
- * Technical updates and management consulting relative to the plan.

The Internal Revenue Service and the Department of Labor may select your Plan for review. Any proposed corrective adjustments by the examining agent are subject to certain rights of appeal. In the event of such government examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

Our fee for these services will be as follows:

Cafeteria Plan services which includes record keeping of contributions, tracking of disbursements, communication with payroll department regarding disbursements, discrimination testing and coordination of open enrollment process

Up to 26 Participants	Standard hourly billing rates below
26+ participants	\$4.00/participant/month

Other services, such as attendance at employee informational meetings, if requested, and preparation of employee health benefit contributions will be based upon the amount of time required at our standard hourly billing rates as listed below:

Partner	\$210.00
Manager	143.00/168.00/196.00
Supervisor	114.00/120.00/126.00
Senior Accountant	89.00/93.00/96.00
Staff Accountant	81.00/86.00/88.00
General Administration/ Report Processing	50.00

All invoices are due and payable upon presentation. This engagement letter relates only to the plan specified above. If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

BOWMAN & COMPANY LLP



Harry P. Wills, III

HPW:rmk

APPROVED:

BY: _____

DATE: _____



1-15-13

January 16, 2014

Township of Hopewell Fire District No. 1
201 Washington Crossing-Pennington Road
Titusville, New Jersey 08560-1410
Attn: Chairman Michael A. Chipowsky

Dear Chairman Chipowsky:

This letter is to confirm our understanding of the terms and objectives of our review engagement for the Township of Hopewell Fire District No. 1 (hereafter referred to as the "Fire District") Length of Service Award Program ("LOSAP") and the nature and limitations of the services we will provide.

We will perform the following services:

1. We will review the financial statements of the Township of Hopewell Fire District No. 1 Length of Service Award Program for the year ended December 31, 2013 and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services (SSARs) issued by the American Institute of Certified Public Accountants (AICPA), and as required by N.J.A.C. 5:30-14.49.

The objective of a review is to obtain limited assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America.

You are responsible for

- a. the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
- b. designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.
- c. preventing and detecting fraud.
- d. identifying and ensuring that the plan complies with the laws and regulations applicable to its operations.
- e. making all financial records and related information available to us and for the accuracy and completeness of that information.
- f. providing us, at the conclusion of the engagement, with a letter that confirms certain representations made during the review.

We will conduct our review in accordance with Statements on Standards for Accounting and Review Services (SSARs) issued by the American Institute of Certified Public Accountants (AICPA).

A review includes primarily applying analytical procedures to your financial data and making inquiries of Fire District management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. A review does not contemplate obtaining an understanding of the plan's internal control; assessing fraud risk; testing accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, or the examination of source documents (for example, canceled checks or bank images); and other procedures ordinarily performed in an audit. Accordingly, we will not express an opinion regarding the financial statements as a whole.

Our engagement cannot be relied upon to detect errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our review procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our review procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

If, for any reason, we are unable to complete our review of your financial statements, we will not issue a report on such statements as a result of this engagement.

You are responsible for assuming all management responsibilities, and for overseeing any bookkeeping, actuarial, or other services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and / or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

L. Jarred Corn is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for this service will be based on the time spent by various members of our staff, at our standard hourly rates below, which is estimated to be \$3,900.00 subject to the conditions of the records. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your engagement. Vouchers for payment of these fees may, at our discretion, be presented as work progresses. All vouchers presented in accordance with this agreement shall be paid by the Fire District within forty-five (45) days from the date remitted.

Our standard hourly rates by category (for services rendered during the period July 1, 2013 through June 30, 2014) are as follows:

General Administration /	
Report Processing	\$50.00
Staff Accountant	81.00/86.00/88.00
Senior Accountant	89.00/93.00/96.00
Supervisor	114.00/120.00/126.00
Manager	143.00/168.00/196.00
Partner	210.00

In the unlikely event that a dispute arises out of or relates to the engagement described herein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Mediation Rules, before resorting to arbitration, litigation or some other dispute resolution procedure.

Bowman & Company LLP is an equal opportunity employer with an affirmative action plan that ensures applicants are recruited and employed without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, or sex.

We appreciate the opportunity to be of service to the Township of Hopewell Fire District No. 1 and believe this letter accurately summarizes the significant terms of this engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Respectfully submitted,

BOWMAN & COMPANY LLP



L. Jarred Corn, Partner
Certified Public Accountant

APPROVED:

Township of Hopewell Fire District No. 1

By: Mark A. Cyng

Title: CHAIR

Date: 1-16-14



HOPEWELL TOWNSHIP FIRE DISTRICT NO. 1

Board of Fire Commissioners

Mercer County

201 Washington Crossing-Pennington Road

Titusville, New Jersey 08560-1410

Certification of Estimated Contract Award Amount

Pursuant to P.L. 2004, c.19, the Commissioners of Fire District No. 1 in the Township of Hopewell, County of Mercer anticipates that the following non-fair and open contract award will be in excess of \$17,500:

Business Entity Name: Bowman and Company LLP

Contracted Item or Service: Auditing Services, Cafeteria Plan Services, LOSAP Review Services

Estimated Contract Award: \$37,000.00

Term of Contract: 1-1-14 through 12-31-14

I, Matthew G. Martin, certify that the above non-fair and open contract to be considered by the Commissioners of Fire District No. 1 in the Township of Hopewell, County of Mercer is anticipated to exceed \$17,500. The estimated contract award amount is based on the value of the full contract life, and not the amount spent annually.

Matthew G. Martin, Chief of Emergency Services

**BUSINESS ENTITY DISCLOSURE CERTIFICATION
FOR NON-FAIR AND OPEN CONTRACTS
Required Pursuant To N.J.S.A. 19:44A-20.8
HOPEWELL TOWNSHIP BOARD OF FIRE COMMISSIONERS**

Part I – Vendor Affirmation

The undersigned, being authorized and knowledgeable of the circumstances, does hereby certify that the business entity listed below has not made and will not make any reportable contributions pursuant to N.J.S.A. 19:44A-1 et seq. that, pursuant to P.L. 2004, c. 19 would bar the award of this contract in the one year period preceding the date of award listed below to any of the following named candidate committee, joint candidates committee; or political party committee representing the elected officials of the Hopewell Township Board of Fire Commissioners as defined pursuant to N.J.S.A. 19:44A-3(p), (q) and (r).

Michael Chipowsky
Michael Cseremsak
Joseph Lenarski
Tim Lynch
Donald Kintzel

Part II – Ownership Disclosure Certification

I certify that the list below contains the names and home addresses of all owners holding 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business entity:

Partnership Corporation Sole Proprietorship Subchapter S Corporation

Limited Partnership Limited Liability Corporation Limited Liability Partnership

Name of Stock or Shareholder	Home Address
none	not applicable

Part 3 – Signature and Attestation:

The undersigned is fully aware that if I have misrepresented in whole or part this affirmation and certification, I and/or the business entity, will be liable for any penalty permitted under law.

Name of Business Entity: Bowman & Company LLP

Date of Award: January 16, 2014

Signature of Affiant: *J. Jarred Corn* Title: Partner

Printed Name of Affiant: L. Jarred Corn Date: January 6, 2014

Subscribed and sworn before me this 6th day of Jan, 2014.

My Commission expires: 9/22/14

MARYBETH CHASLONG
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES SEP. 22, 2014

Marybeth Chaslong
(Witnessed or attested by)

(Seal)

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

- Partnership Corporation Sole Proprietorship
 Limited Partnership Limited Liability Corporation Limited Liability Partnership
 Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Table with 2 columns (Name, Home Address) and 3 rows for stockholder information.

Subscribed and sworn before me this 6th day of Jan, 2014
(Marybeth Chaslong)
My Commission expires: 9/22/14

Signature of L. Jarred Corn
(Affiant)
L. JARRED CORN PARTNER
(Print name & title of affiant)
(Corporate Seal)

NOTICE IS HEREBY GIVEN that the Board of Fire Commissioners of Hopewell Twp. Fire District No. 1, at a meeting held on January 16, 2014, passed the following resolution awarding contracts as provided for under N.J.S.A. 40A:11-5 of the Local Public Contracts Law and the NJ Pay to Play laws:

PAY TO PLAY RESOLUTION 2014-10

AWARDED TO: Bowman & Company LLP
SERVICES: Financial Auditing Services, Review of Length of Service Award Program, and Management of Section 125 Cafeteria Plan
TIME PERIOD: January 1, 2014 to December 31, 2014
CONTRACT AMOUNT: Not to exceed \$41,000.00

The resolutions and contracts are available for public inspection in the office of the Chief of Emergency Services.