



# Proposal to Provide Independent Audit Services

*Prepared For:*

MID-HUDSON LIBRARY SYSTEM

*August 10, 2021*

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# Statement of Confidentiality

The information in this document is considered by Roth & Company, LLP to be confidential, and we request that it be treated as such. In turn, we assure you that all information provided by the Mid-Hudson Library System for this proposal will be treated in the same manner.



  
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Saran Camara  
Finance Manager & Personnel Officer  
103 Market Street, Poughkeepsie, NY 12601

August 10, 2021

Dear Ms. Camaran,

Thank you for the opportunity to present our professional services proposal to be your external auditor. We know that an audit goes beyond numbers. Strong professional relationships and a prioritization of the continual improvement of our audit execution have been the tenets of our client service delivery.

Roth & Company is widely recognized for its financial work with many other organizations in your industry, and has excelled in serving similar entities and individuals, making us ideally positioned to assist you with much more than just basic audit, accounting, and tax work. We have a unique ability to provide Mid-Hudson Library System (MHLS) with the breadth of skills you expect from a large firm, combined with a personalized approach to client service and a commitment to extensive partner involvement. Roth & Company's focus has always been, and continues to be, service excellence.

We are dedicated to developing a professional services relationship with MHLS by performing an efficient, timely, cost-effective audit, supported by the firm's resources that are reserved for our most important clients. Further, we will provide the full breadth and depth of our diverse service line experience to become MHLS' preferred service provider for all of its audit and assurance needs.

We have detailed our recommended services on the following pages. We appreciate the opportunity to be able to service your precise needs. We look forward to working with you and enjoying a long-term, mutually beneficial relationship together.

*Zacharia Waxler, CPA*  
Entrepreneurial Services  
Co-Managing Partner  
Roth & Company

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## Profile of the Firm

Roth & Company is recognized as of the community's leading accounting and consulting firms with four offices and more than 160 partners and staff. We have offices in New York, New Jersey, Illinois, and Israel and with an established alliance with BDO USA and over 150 specialized firms, we further enhance our geographic coverage and breadth of resources for industry-related and technological experience.

Roth & Company was founded in 1978 by Abraham Roth. We are members of the American Institute of Certified Public Accountants (AICPA), including PCPS (Private Companies Practice Section) and GAQC (Governmental Audit Quality Center) divisions. We adhere to their strict quality control standards, including continuing professional education and periodic peer reviews of our audit practice and system of quality control.

As stated above, we are also part of the BDO Alliance USA. The BDO Alliance USA is a nationwide association of independently owned local and regional CPA firms and businesses. As a member of the alliance, we are able to retain our distinct identity and independence yet provide our clients with the resources and expertise of a multinational CPA firm.

For Roth & Company there is only one measure of success: "Client Satisfaction." This is our continual objective, driving an unrelenting pursuit of a firmwide customer service philosophy with a three-pronged focus:

**Reliability:** Roth & Company has a long history of service, dependability, and reliable expertise in the business, government, and nonprofit communities. It is a history of accumulated skills and experience we can apply to help our clients reach their goals.

**Knowledge:** We have become trusted advisors to clients depending on our knowledge of their industry and our specialized experience in real estate. Roth & Company professionals become members of clients' decision-making teams because they trust and value our judgment.

**Responsiveness:** Roth & Company professionals, trained to listen to our clients, have a well-earned reputation for devising innovative and creative solutions to today's challenges.

The proposed services will be performed by our Illinois Office (composed of 6 Partners, 8 Managers/Supervisors, 26 staff and other team members) which specializes in providing a broad range of business services to nonprofit, state and local government units, educational institutions including public schools, city and community colleges and public universities, and regional offices of education. Our wide variety of services to clients in the nonprofit and government sectors include financial and single audits, preparation of Comprehensive Annual Financial Reports, compliance examination, review of internal control activities and processes, and industry-specific consulting governmental and public services.



## **Profile of the Firm (Continued)**

### **Governmental and Public Services**

Our governmental entity staff includes industry leaders and former public sector employees and members. Our firm has first-hand experience on the realities of government complexity and is well equipped to guide entities on all levels of local and state governments. We provide these services in a pro-active manner, always seeking to provide solutions and new ideas before problem arise.

Audits of these entities also include pension and other post-employment benefit funds, TIF district compliance, preparation of comprehensive annual financial reports, audit of governments' component units, as well as single audits in accordance with the Uniform Guidance.

### **Nonprofit Entities**

Our nonprofit team provides audit and accounting services to educational institutions and universities, regional offices of educations, foundations and trusts, social organizations, congregations, and special need organizations. The firm has been providing full range of services for nonprofits which include financial statements audits, compilations and review, compliance examinations, single audit, internal compliance audits and accounting assistance and CFO services. We are proud to service nonprofit entities while additionally providing industry-specific consulting services, assisting clients in achieving their financial and programmatic goals.

### **For Profit Entities**

Our expert team provides tax, assurance, and advisory services to clients within the industries of construction, food service, gaming, healthcare services, high net-worth individuals, investments companies such as broker-dealers, investment bankers and corporate financiers. We have also been providing other advisory services such as litigation support, business valuations, estates and succession planning, due diligence, business strategy and decision and projections.



# Company Culture

With a spirit of cooperation, collaboration, concentration, and communication, Roth & Company provides innovative accounting and financial solutions to meet your needs. We have a team of professionals who will work with you to bring you value-added services.

## Client Service Approach


Roth & Company's approach to client service rests on the principle that successful professional relationships are built on close communication. Equally important is the participation of service team members who know your business. These two factors—communication and experience—will ensure the timely delivery of efficient professional services to you.

Roth & Company prides itself on a reputation for a hands-on, service-oriented philosophy and demonstrated commitment to quality, reliability, and responsiveness to client needs. The partners' open door policy, professional culture, distinctive style, and values set us apart from the ordinary. This client service philosophy has enabled us to retain significant client relationships spanning more than 40 years.

There are no complaints leveled by the relevant state board of accountancy or other regulatory authorities against the firm and any of our team members.

## Independence

Your audits will be conducted in accordance with generally accepted auditing standards which require that an auditor be independent in both fact and appearance. Independence is the cornerstone of the public accounting profession. The very integrity and credibility of the U.S. financial reporting process depends on our Firm and the rest of the profession complying with the independence rules. Our Firm meets the independence standards of the AICPA's Code of Professional Ethics Independence rules.



# **Responsiveness, Accessibility & Communication**

Our service-oriented approach is structured to help you achieve your goals and objectives and strengthen your management processes. As our client, you will continue to experience this philosophy through all aspects of our service.

Open, candid communications and an intimate knowledge of your concerns will enable us to offer proactive advice and counsel. We promptly address issues and report back to you, which will be critical given the timely nature of your reporting deadlines.

You will have access to each member of your service team at all times. As a result, you will benefit from partner-level experience and creativity at the early stages of discussing an issue when you are in a position to take advantage of the alternatives before you.

We encourage regular meetings to ensure that we contribute meaningful ideas, strategies, and plans to address your financial challenges. Such substantive and frequent contact makes it possible to define and prioritize goals, define timetables, and designate responsibility to appropriate individuals.

We commit to maintaining a consistent level of communication with the key staff and Finance Committee. We will discuss areas critical to the key staff and focus our attention on those areas. Through constant communication and involvement with the key staff and Financial Committee, we will help address issues early in the process before they develop into problems or “surprises” to the key staff and Finance Committee.



# Why Choose Us?

Roth & Company has a long history of service, dependability, and reliable expertise in the business, government, and nonprofit communities. It is a history of accumulated skills and experience we can apply to help our clients reach their goals. We represent clients in a broad range of business services and one of our specialties is nonprofit government entities.

Our service team is best suited to provide an assurance service led by highly qualified Partner that understands your operation and has experience and extensive knowledge with generally accepted accounting principles as apply to governmental units that are prescribed by the Government Accounting Standards Board GASB). Other proposed team members are also "handpicked" from the teams who have played key roles in the audits of our nonprofit and local governmental clients. You have our commitment that we will deliver an external audit service that is focused on your unique risks, operations, and financial reporting requirements. We will deliver highly efficient, innovative, and of the highest quality professional service.

"Client Satisfaction" is only one measure of our success!

## Excellence and Experience

Roth & Company has been providing professional accounting services for over 40 years and is highly respected in the local business community.

## Large-Firm Services, Small-Firm Relationships

With dedicated departments focusing on financial statement audits, we provide the encompassing services of a large firm, with the service and attention to detail of a boutique practice.

## Personal Care and Attention

We pride ourselves on giving each client the individual care and attention they need. You will find each of our staff members to be professional, friendly, and highly responsive to all your needs, questions, and concerns.

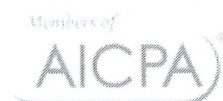
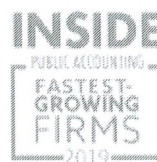
## Global Reach, Local Presence

Our alliance with the highly reputable BDO USA, LLP (the 7th largest accounting firm worldwide) has allowed us to add many highly specialized and international service capabilities to our portfolio, while maintaining our independent, personal approach.



## Memberships

We are members of the American Institute of Certified Public Accountants (AICPA), including PCPS (Private Companies Practice Section) and GAQC (Governmental Audit Quality Center) divisions.



# Experience and References

Below are some of the representative clients that Roth & Company has been providing accounting, auditing, tax, and business advisory services. Roth & Company performs financial audits of these nonprofit and governmental clients.

Public Sector and Government Agencies	Public Universities	Not-for-Profit Organizations	Gaming Industry
<ul style="list-style-type: none"> <li>• Illinois Finance Authority</li> <li>• Illinois Department of Employment Security</li> <li>• Department of Commerce and Economic Opportunity</li> <li>• Illinois Department of Public Health</li> <li>• Office of the Governor</li> <li>• Department of Financial and Professional Regulation</li> <li>• Illinois Emergency Management Agency</li> <li>• Environmental Protection Agency</li> <li>• Illinois State Board of Education</li> <li>• Illinois State Lottery</li> <li>• Illinois Supreme Court</li> <li>• City of Chicago</li> <li>• City of East St. Louis</li> <li>• Village of Posen</li> <li>• Metropolitan Enforcement Groups</li> <li>• Regional Offices of Education</li> </ul>	<ul style="list-style-type: none"> <li>• Chicago State University</li> <li>• Northeastern Illinois University</li> <li>• University of Illinois</li> <li>• Western Illinois University</li> <li>• Governor State University</li> <li>• Eastern Illinois University</li> <li>• Southern Illinois University</li> </ul>	<ul style="list-style-type: none"> <li>• United We Care Employee Relief Fund</li> <li>• United Airlines Scholarship Fund</li> <li>• Intersect Illinois</li> <li>• CPS Student Science Fair Inc.</li> <li>• National Inclusion Project, Inc.</li> <li>• Chicago Minority Supplier Development Council</li> </ul>	<ul style="list-style-type: none"> <li>• Casino Queen</li> <li>• Hollywood Casino Joliet</li> <li>• Grand Victoria Casino</li> <li>• Harrah's Metropolitan</li> <li>• Par-A-Dice Casino</li> </ul>

## Experience and References (Continued)

We encourage you to contact the following organizations and people for their opinion of our work, service philosophy, and overall value to their organization.

### ***INTERSECT ILLINOIS***

Intersect Illinois (Intersect) is a nonprofit organization (annual revenue of about \$2 million), with the core mission of increasing Illinois' competitiveness for job creation and investment. The organization connects companies both within and outside Illinois to the robust workforce of the state. Roth&Co has been performing the annual financial audit for Intersect since incorporation. We also review the state grant expenditures as supplementary procedure for the client's Grant Accountability and Transparency Act - Consolidated Year-End Financial Report. We express an opinion on the financial statements of Intersect based on our audit conducted in accordance with the *Government Auditing Standards*.

The most recent financial audit performed was for the fiscal year ended June 30, 2020. Find below the table of contents of the report issued for Intersect.

- Independent Auditor's Report
- Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Functional Expenses
  - Statement of Cash Flows
  - Notes to the Financial Statements
- Other Supplementary Information
  - Illinois Grant Accountability and Transparency Act - Consolidated Year-End Financial Report
- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards
- Schedule of Findings and Responses

Timeline:

**Start Date:** First week of November 2020

**Completion Date:** Second week of December 2020

Contact Person:

Kaitlyn Ezeocha

Vice President, Administration & Operations, Intersect Illinois

Phone: (312) 667-6014

Email: Kaitlyn.ezeocha@intersectillinois.org

# Experience and References (Continued)

## ***SOUTHERN ILLINOIS ENFORCEMENT GROUP***

The Southern Illinois Enforcement Group (SIEG) was established pursuant to the legislative authority of the State of Illinois, through the Intergovernmental Drug Enforcement Act. The Group is one of the nine enforcement groups throughout the State of Illinois established to combat the illegal trafficking of narcotics, controlled substances, and dangerous drugs. The Group works to coordinate the enforcement of drug and gang laws without regard to jurisdictional boundaries and to cooperate with State and Federal enforcement groups. The Group (each MEG unit has annual revenue ranging from \$800,000 to \$3.0 million) is funded by the local, state and federal agencies.

Roth&Co has performed an annual financial audit (in accordance with the *Government Auditing Standards*) of the financial statements of the Group since 2018. We also reviewed the internal controls around financial reporting. This engagement includes audit of a defined benefit pension plan for regular employees managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund.

Roth&Co issued the report with the following contents.

- Independent Auditor's Report
- Government-wide Financial Statements
  - Statements of Net Position
  - Statements of Activities
- Fund Financial Statements
  - Government Fund - Balance Sheet
  - Government Fund - Reconciliation of the Government Fund Balance Sheet to the Statement of Net Position
  - Governmental Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance
  - Governmental Fund - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
  - Fiduciary Fund - Statement of Fiduciary Net Position
  - Notes to the Basic Financial Statements
- Required supplementary information
  - Illinois Municipal Retirement Fund - Schedule of Changes in Net Pension Liability and Related Ratios
  - Illinois Municipal Retirement Fund - Schedule of Employer's Contributions
- Other Supplementary Information
  - General Fund - Combining Schedule of Accounts
  - General Fund - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
  - Budgetary Comparison Schedule
  - Illinois Grant Accountability and Transparency Act – Consolidated Year-End Financial Report

## Experience and References (Continued)

- Compliance Section
  - Independent Auditor's Report on Internal Controls over Financial Reporting and on Compliance and other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

### Timeline:

**Start Date:** Second week of October 2020

**Completion Date:** Second week of December 2020

### Contact Person:

Stephanie Snyders

Illinois State Police

DCI, Investigative Support

801 S. 7th St., Ste. 200N

Springfield, Illinois, 62703

Phone: 217-785-4870

Email: Stephanie.Snyders@illinois.gov

## ***SOUTH COOK INTERMEDIATE SERVICE CENTER***

The South Cook Intermediate Service Center #4 (ISC #4 or Center) was formed to provide services designed to be responsive to the needs of various school districts and the associated special education cooperatives in Cook County, Illinois. The Center also provides training, technical assistance, coordination, and planning in other program areas to these school districts. The Center is a recipient of various state and federal grants utilize to fund its operation.

Roth&Co performed financial audit (in accordance with the *Government Auditing Standards*) of the Center (annual revenue of about \$3 million) for the fiscal year ended June 30, 2020, and the opinion units such as the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information.

Roth&Co issued the report with the following contents.

- Independent Auditor's Report
- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements performed in accordance with Government Auditing Standards.
- Schedule of Findings and Responses
- Government-wide Financial Statements
  - Statements of Net Position
  - Statements of Activities
- Fund Financial Statements

## Experience and References (Continued)

- Government Fund - Balance Sheet
- Government Fund - Reconciliation of the Government Fund Balance Sheet to the Statement of Net Position
- Governmental Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance
- Governmental Fund - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
- Proprietary Funds - Statement of Net Position
- Proprietary Funds - Statement of Revenues, Expenses, and Changes in Fund Net Position
- Proprietary Funds - Statement of Cash Flows
- Notes to the Basic Financial Statements
- Required Supplementary Information
  - Illinois Municipal Retirement Fund - Schedule of Changes in Net Pension Liability and Related Ratios
  - Illinois Municipal Retirement Fun - Schedule of Employer's Contributions
  - Teachers Retirement System of the State of Illinois - Schedule of the Employer's Proportionate Share of the Net Liability
  - Teachers Retirement System of the State of Illinois - Schedule of the Employer Contribution
  - Teachers' Health Insurance Security Fund - Schedule of the Employer's Proportionate Share of Collective Net OPEB Liability
  - Teachers' Health Insurance Security Fund - Schedule of Employer Contributions
  - Health Insurance Plan - Schedule of Changes in the Total OPEB Liability and Related Ratios
- Other Supplementary Information
  - Combining Schedule of Accounts
  - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
  - Education Fund - Combining Schedule of Accounts
  - Education Fund - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
  - Budgetary Comparison Schedule

Timeline:

**Start Date:** Third week of September 2020

**Completion Date:** Third week of December 2020

Contact Person:

Dr. Vanessa J. Kinder

Executive Director

253 West Jose Orr Road, Chicago Heights, IL 606411

Phone: 708-754-6600

Email: vkinder@s-cook.org

# Scope of Work

## Scoping a high-quality audit

The objective our audit is to express an opinion as to whether the financial statements of Mid-Hudson Library System are fairly presented in accordance with generally accepted accounting principles applicable to governmental units that are prescribed by the Government Accounting Standards Board (GASB). We will also perform audit procedures to determine that the MHLS is in compliance with laws and regulations as required by Single Audit.

We will provide consulting services in the areas of compliance, reporting, finance, system development and accounting policies where deemed necessary by mutual agreement.

At the completion of the audit, we are expected to prepare the New York State Annual Financial Report.

### **Our audit will be performed in accordance with the following standards:**

- Auditing standards generally accepted in the United States of America as included in Statements on Auditing Standards published in the American Institute of Certified Public Accountants.
- Standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America.
- Provisions of relevant Governmental Accounting Standards Board (GASB) statements.

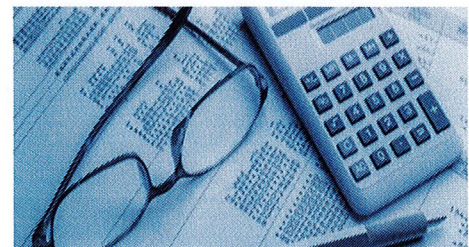
### **As your prospective external auditor, we affirm the following:**

- Our firm is licensed for public practice in New York State as Certified Public Accountants.
- We meet the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Functions published by the U.S. General Accounting Office.
- We do not have a record of substandard audit work. Refer to Appendix 1 for the copy of the report on our firm's system of quality control.

### **As your external auditor, we will perform the following:**

- Provide a Management Letter indicating findings and recommendations to the Board staff during the annual audit.
- Discuss the progress of the audit.
- Summarize results of preliminary review and identify internal controls for implementation.
- Perform regular updates during the audit period regarding testing, request for data, or documents necessary to complete work.
- Summarize results of work and during the exit conference review any significant findings that have been discovered throughout the audit.
- Make an immediate report of all irregularities and illegal acts or indication of illegal acts of which we become aware.

We understand that effective communication must be timely. Accordingly, important issues will be brought to management's attention immediately and, when appropriate, to management and those charged with governance.





# Your Service Team

After researching your organization and carefully reviewing your unique accounting needs, we have selected a team whose experience and credentials will bring the best value to you.

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## Your Client Service

### **Zacharia Waxler**

Co-Managing Partner  
zwaxler@rothcocpa.com

### **Leilani Rodrigo**

Assurance Services Partner  
msy@rothcocpa.com

### **Syndelle Manuel**

Assurance Services Manager  
smanuel@rothcocpa.com

### **Karren Abito**

Assurance Services Senior  
kabito@rothcocpa.com

### **Nadyne De Mesa**

Assurance Services Senior Associate  
ndemesa@rothcocpa.com

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## ✔ Team Access

Your Roth&Co team has a demonstrated track record in the industry, a strong technical background and outstanding communication skills. You will have easy access to each member of your service team throughout our relationship together, and we are confident that you will be very satisfied with the services you receive.

## ✔ Partner Involvement

The partners assigned to the engagement will be easily accessible throughout the year, and will regularly review your account, using seasoned judgment to suggest proactive steps that will provide additional value and savings. Roth&Co's philosophy is to provide you with a business partner who is available year-round to assist you.



# Meet the Team

## Zacharia Waxler, CPA

Zacharia brings over 20 years of accounting experience to his role as Co-Managing Partner at Roth&Co. He works with growing and mature businesses, in a range of industries including real estate, e-commerce, healthcare, manufacturing and wholesale distribution and not-for-profit.

Zacharia manages all facets of the firm and its' development, and frequently gives lectures and presentations throughout the community, keeping the public informed on best business practices and procedures.

Experience includes:

- Managing all facets of the firm development and growth
- Developing relationships with various entities in order to assist a wide variety of organizations
- Business consulting and operational efficiency reviews
- Tax planning for organizations, individuals and closely held businesses

## Leilani Rodrigo, CPA, CGMA

Leilani has more than 20 years of experience providing assurance and business advisory services to governmental entities, not-for-profit organizations and higher educational institutions. She specializes in providing financial audit, single audit and state compliance examination services while overseeing the Illinois office's quality control monitoring.

Leilani graduated with Academic Distinction from the Philippine School of Business Administration, receiving her B.S. in Accountancy. She worked at Ernst & Young (Philippines) prior to joining Roth&Co. She is currently a member of the AICPA and ICPAS.

Experience includes:

- Audits and financial statements for government agencies and nonprofit organizations
- Knowledgeable in analyzing business processes and providing recommendations for internal control deficiencies
- Managing the firm's quality control monitoring
- Serving as a member of the Governmental Executive Committee and the CPA Exam Award Committee of the ICPAS and the CPA Endowment Fund of Illinois' Board of Directors

# Meet the Team

## Syndelle Manuel, CPA

Syndelle has more than 9 years of experience in public accounting. She started her career as an auditor at Ernst & Young, Philippines prior to joining the firm. She has a broad range of experience servicing state and local government agencies, non-profit organizations, hedge funds, manufacturing, and airlines industries.

Syndelle graduated as a Cum Laude with a degree of B.S. in Accountancy from Colegio de De Dagupan, Philippines. She is a member of the AICPA and was awarded the Investment Foundations certificate by the CFA Institute.

Experience includes:

- Providing assurance services by performing financial statement audits, compliance examination, and agreed-upon procedures to for-profit and nonprofit entities
- Financial statement preparation for governmental and nonprofit entities

## Karren Jill Abito, CPA

Karren Jill N. Abito has more than 8 years of financial audit and accounting experience with 2 years as an auditor at Ernst and Young Global.

Experience includes:

- Compliance examination and internal controls review of receipts, expenditures, awards and grants, and financial reporting processes

## Nadyne De Mesa

A dedicated professional with over 5 years of comprehensive experience in public and private accounting practice. Skilled in performing assurance engagements of various type of clientele, from small and medium-sized to multinational companies.

Experience includes:

- Providing assurance services by performing financial statement audits, compliance examination, and agreed-upon procedures to for-profit and nonprofit entities.
- Financial statement preparation for governmental and nonprofit entities

# Estimated Fees & Professional Hourly Rate

**Estimated Fees:**

2021	\$ 20,000	
2022	24,500	<i>due to GASB 87 implementation</i>
2023	21,000	
2024	22,000	
2025	23,000	

**Estimated Timeline/Schedule:**

Key Activities	Estimated Timeline	Expected Number of Hours/Days
Engagement acceptance	December 2021	1 hour
Entrance meeting	December 2021	1 hour
Planning and Risk Assessments <ul style="list-style-type: none"> <li>▪ Meeting with key staff to discuss on risk management, governance, and internal controls</li> <li>▪ Perform detailed walkthrough of actual processes and preliminary risk assessments</li> <li>▪ Employee fraud interviews</li> </ul>	January 2022	1 week
Fieldwork and Testing <ul style="list-style-type: none"> <li>▪ We intend to work remotely majority of the time and plan to work on site for 3-5 days.</li> <li>▪ The firm has web based shared portal for safe and secured exchange of documents</li> </ul>	February 2022	1-2 weeks
Reporting <ul style="list-style-type: none"> <li>▪ Audited Financial Statements and New York State Annual Financial report</li> </ul>	Fourth week of March 2022	1 week

During the reporting phase, we are available to present the preliminary draft report to the Audit Committee and the final report to the MHLS Board. At the conclusion of the audit, required number of reports (hard and electronic copies) will be provided. We will be available to answer reasonable questions that may arise on financial matters without additional cost to the MHLS during the year.



# Estimated Fees & Professional Hourly Rate (Continued)

***Hourly Rates for Additional Services:***

Partner	\$	285
Manager		150
Supervisor		125
Senior/Senior Associate		105
Associate		75

William J. Martini, Sr., CPA  
William J. Martini, Jr., CPA, RMA, MS\*  
John R. Martini, CPA, CFP

\*Certified in NJ & PA with a Masters  
Degree in Taxation

## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

October 7, 2019

To the partners of Roth & Company LLP  
and the Peer Review Committee of the Pennsylvania Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of **Roth & Company LLP** (*the firm*) in effect for the year ended December 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](http://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 under Government Auditing Standards, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As 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 **Roth & Company LLP** in effect for the year ended December 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*. **Roth & Company LLP** has received a peer review rating of *pass*.

*Martini & Martini*

MARTINI & MARTINI, CPA, PA



December 19, 2019

Zacharia Waxler  
Roth & Company LLP  
1428 36th St Ste 200  
Brooklyn, NY 11218-3765

Dear Zacharia Waxler:

It is my pleasure to notify you that on December 17, 2019, the Pennsylvania Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is June 30, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

*PICPA Peer Review Committee*

PICPA Peer Review Committee  
peerreview@picpa.org  
(267) 675-6250

Pennsylvania Institute of CPAs

cc: John Martini

Firm Number: 900010105008

Review Number: 565570

PICPA Peer Review Program  
Administered by the PICPA  
Ten Penn Center  
1801 Market Street, Suite 2400  
Philadelphia, PA 19103  
t: (215) 496-9272

AICPA Peer Review Program  
Administered by the PICPA



Peer Review  
Program

[www.picpa.org](http://www.picpa.org)  
[peerreview@picpa.org](mailto:peerreview@picpa.org)

## Next Steps

➔ E-Mail: **zwaxler@rothcocpa.com**

➔ Phone: 718.975.5306

We look forward to a long-term, mutually beneficial relationship together.

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This confirms that Mid-Hudson Library System instructs Roth&Co LLP to begin audit and consulting services as detailed above, and accepts the rates as set out in this proposal.

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## Client

Officer Name:

Title:

Officer Signature:

Date:

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## Other Details (Optional)

Do you have any questions or comments? \_\_\_\_\_

How would you like to us to follow up with you? \_\_\_\_\_



