



**PROPOSAL FOR ACCOUNTING SERVICES**  
**PRESBYTERY OF NEW BRUNSWICK**

**Prepared by:** Klatzkin & Company<sub>LLP</sub>  
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# Proposal for Professional Accounting Services

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Certified Public Accountants and Advisors

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## A. Firm Background and Philosophy

### Qualifications

Klatzkin & Company<sup>LLP</sup> is a Certified Public Accounting firm with offices in Hamilton, New Jersey and Langhorne, Pennsylvania. The firm was founded in 1930, and has since established a tradition of excellence, integrity, innovation, and individualized service. We have served nonprofit clients for many years, and have acquired a significant amount of experience providing accounting, auditing, and management advisory services to organizations similar to yours. We greatly value the important services provided by our nonprofit clients and in turn strive to provide them with high quality services and helpful advice.

### Nonprofit Services

We regularly perform audit, compilation, review, bookkeeping, and Form 990 preparation services for nonprofit organizations. Currently, we have approximately 80 nonprofit clients, the majority of which are located in New Jersey. In addition, several of our partners and staff have experience serving as board members and interim controllers for nonprofit organizations, which adds a unique perspective to our experience. We know what it's like on the inside, and understand the issues that you face on a daily basis. We utilize all of our experiences to enhance the services that we provide for you. Our partners and staff serve, and have served, nonprofit organizations in many capacities.

We have years of experience working with nonprofit and religious organizations that provide a variety of services to the community.

Our current and recent nonprofit clients include:

- Anchor House, Inc.
- The Arc/Mercer, Inc.
- Bethanna
- Corner House Foundation
- Crisis Ministry of Mercer County, Inc.
- Council on Compulsive Gambling of New Jersey
- Crawford House, Inc.
- New Jersey Prevention Network
- Ocean-Monmouth Legal Services, Inc.
- Trenton Children's Chorus, Inc.
- The Presbyterian Church of Lawrenceville

## Staffing Philosophy

The success of the firm is dependent upon its professional staff. It is our intent to successfully serve our clients by having partners and staff who possess the capabilities, competence, and commitment to ethical principles necessary to ensure that engagements performed by the firm are in accordance with professional standards and regulatory and legal requirements. Klatzkin & Company<sup>LLP</sup> seeks to employ individuals with the highest levels of integrity, competence, intelligence, maturity, and motivation.

Your engagement team would include an engagement partner, supervisor, and paraprofessional or junior accountant. We emphasize a team approach. We will work closely with your management to ensure timely, high quality services.

## Communication

We value a candid exchange of ideas and opinions. Our relationship extends throughout the year, and we encourage clients to call when questions arise and share their concerns with us throughout the year. Communications are made through a variety of methods including phone calls, email, and face-to-face meetings. The method chosen depends upon the circumstances and what works best for that client.

## Giving Back

In addition to regularly discounting our fees to nonprofit clients and serving the community in various ways, our firm has a proud history of service projects. Recent service projects have included backpack and school supply drives for underprivileged children, food drives, Christmas gift drives for families in need, and care packages for men and women serving overseas in the armed forces.

## B. Engagement Approach and Strategy

Our understanding is that you currently use an outside contractor for an annual external audit. You are looking to replace the external auditor with a third-party accountant who will provide continuous oversight throughout the year. You currently have a full-time financial secretary. You are looking to have the accountant work in conjunction with the financial secretary on a monthly basis. The accountant would also report periodically to the Finance Council, and assist in the annual process of closing the books and preparing the budget for the following year. Initially, there would also be a review of your current accounting procedures. The goal of this process would be to streamline the accounting procedures so that they are more efficient, while providing books and records which are accurate and meaningful to your organization.

Klatzkin & Company<sup>LLP</sup> has a staff of paraprofessionals with extensive experience using Quickbooks accounting software. In addition, we have a manager with a certification in nonprofit management who would be available for consultation as needed. Our suggested solution to your needs would be to have one of our supervisors work with your staff during the initial period of reviewing current accounting procedures. This individual would work with your staff to review your current accounting methods and utilization of Quickbooks software. After gaining an understanding of your current methods, the accountant would recommend ways to most effectively use Quickbooks to produce records which accurately state your temporarily restricted funds, among other matters. The goal would be to utilize Quickbooks and its functions as much as possible so that the amount of time spent on updating spreadsheets and other records outside of Quickbooks is minimized.

Once the initial assessment period is complete, a junior accountant would visit your office on a monthly basis to perform the bank reconciliations and assist your staff in reconciling the temporarily restricted funds. The supervisor would review the work of the junior accountant each month, and recommend changes as necessary. The supervisor would also assist the junior accountant with year-end closing, and preparation of the annual budget.

We are also available to provide audit preparation services in the event that you require an external audit. Our team has extensive audit experience and would provide your auditors with the information they need so that your audit runs smoothly and quickly. It is our understanding that these services are currently outside of the scope of this engagement, and no external audit is currently required.

## C. Scheduling and Staffing of Engagement

Listed below are the qualifications of the individuals who we anticipate will serve on your engagement:

### **Thomas H. Martin, CPA**

Mr. Martin is an audit partner with the firm, and will serve as partner-in-charge for your engagement. He is a NJ and PA licensed CPA. He has over twenty-five years of experience in nonprofit auditing, including OMB A-133 Single Audits and audits performed for the New Jersey Department of Human Services. Tom has also served as a member of the New Jersey State Society of Certified Public Accountants' nonprofit committee, and has given audit, 990, and other nonprofit related presentations to various organizations. Mr. Martin is active in community affairs. He has served on the audit review committee of the Bucks County United Way. He has also served as chairperson of various committees, and as treasurer of the Morrisville United Methodist Church. In addition, Mr. Martin has coached youth soccer, volunteered for Habitat for Humanity and a local homeless shelter. Mr. Martin is a graduate of The College of New Jersey and received honors as the top accounting student in his graduating class.

### **Michelle Robb, CPA**

Ms. Robb is a supervisor in the firm and is a NJ licensed CPA. She specializes in audits of nonprofit organizations. With over thirteen years of experience working with nonprofit organizations, she also provides management and consulting services. Ms. Robb is a member of the firm's committee that organizes service projects benefitting local nonprofit organizations. Ms. Robb currently serves as Treasurer of the Executive Board of the Mercer County Estate Planning Council, and has been active in many other community and professional groups. Ms. Robb received a Master of Business Administration from Rider University, and a Bachelor of Science in Accountancy from The College of New Jersey. Upon graduation she was nominated for membership to The Phi Beta Kappa Society for academic honors, and is also a member of Beta Gamma Sigma, an honor society which recognizes business excellence.

## D. Engagement Fees

Below is a summary of the fee estimates for the service options that we feel would be the best solutions for the Presbytery of New Brunswick:

Bookkeeping and accounting services, supervisor oversight - average of 1 hour per month .....	<u>\$ 1,680</u>
Bookkeeping and accounting services, junior accountant Preparation - average of 7 hours per month.....	<u>\$ 8,400</u>
Year-end closing and preparation of annual budget .....	<u>\$ 1,920</u>
Initial review of accounting system and utilization of Quickbooks, supervisor oversight – estimated at 20 hours .....	<u>\$ 2,800</u>

We understand that containing administrative costs is critical to the success of a nonprofit organization. We do our best to quote a realistic fee that is fair to you and will enable our professional staff to devote the appropriate amount of time to your organization so that you receive the high quality services that you deserve. The fee quote is based upon anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee quote before we incur the additional costs.

**Additional Services.** Other consulting services requested will be billed at standard hourly rates, which currently range from \$100 to \$140 per hour for professional staff. Partner time is currently billed at \$250 per hour. We will always provide you with an estimate of the fee for any additional services, before starting the engagement.

Please contact us if you have any questions regarding our fee quotes.

## E. References

Our clients are organizations that provide important social service programs.

These clients are available to confirm that Klatzkin & Company<sup>LLP</sup> is the best choice to make.

**The Arc Mercer, Inc.  
Ewing, NJ**

Ms. Donna Rachels  
Associate Executive Director  
609-406-0181  
drachels@arcmercercer.org

**Millhill Child and  
Family Development Center  
Trenton, NJ**

Ms. Cynthia Oberkofler  
Executive Director  
609-989-7333  
coberkofler@millhillcenter.org

**New Jersey Pediatric Council on  
Research & Education (PCORE)  
Trenton, NJ**

Ms. Cynthia Heulitt, Financial Controller  
609-588-9988  
cheulitt@aapnj.org

**Masonry Contractors of New Jersey  
Bordentown, NJ**

Mr. Carol Ciesielski  
Executive Director  
609-324-1140  
carol@masonrycontractorsofNJ.org

**The Crisis Ministry of Mercer County, Inc.  
Trenton, NJ**

Ms. Carolyn Biondi  
Executive Director  
609-396-9355 ext. 13  
carolynb@thecrisisministry.org

**New Jersey Prevention Network  
Lakewood, NJ**

Ms. Nancy O'Hara  
Controller  
732-367-0611  
nancy@njpn.org