



Michael Wolff Advisory Services
Michael T. Wolff, CIA

Proposal for Internal Audit Services
to the
Averill Park Central School District

Michael Wolff Advisory Services

Years ending June 30, 2020—2022

“Original”

The following proposal has been assembled based upon the information supplied in the Request for Proposal. Michael Wolff Advisory Services understands the work that is required for the annual completion of the audit engagement.

As the current Internal Auditor for similar sized districts as well as being the Claims Auditor for Capital Region BOCES, our firm has the knowledge base and familiarity with common procedures and best practices that will enhance the audit process with the Averill Park Central School District.

Additional considerations for accepting this proposal:

- Michael Wolff Advisory Services only works with School Districts and BOCES. As a result, the audit services the District receives from Michael Wolff will be tailored for the district's environment and needs and will not be treated as a general audit client.
- Included within the proposal is approximately 2 hours of Extra-classroom training that is tailored specifically for the Averill Park School District. Additional training can be provided as time allows.

A. Firm Background

Michael T. Wolff, CIA, Advisory Services provides internal auditing and claims auditing services to School Districts and Boards of Cooperative Educational Services ("BOCES"). Michael T. Wolff is the sole owner/officer of the firm and is a Certified Internal Auditor. Michael T. Wolff has been performing internal audits since 1992 and has focused on school districts and BOCES since February 2011. Michael was the Audit Manager supervising three part-time staff and completing the annual risk assessments for twenty-seven school districts, while working for the Rensselaer City School District. Michael Wolff began his own practice when Rensselaer closed their Internal Audit Department due to regulatory changes.

Currently, Michael Wolff is the appointed Internal Auditor for ten school districts in the Capital Region performing internal audits and risk assessments. He also provides Claims Audit services to Capital Region BOCES, Dutchess County BOCES and six other districts. He is also the Internal Auditor for a local Teachers Association Benefit Trust and an Education Foundation and the Treasurer for an Education Foundations. Michael provides training in Extra-Classroom, Claims Auditing, and purchasing activities to numerous school districts throughout the state.

Prior to working with school districts, Michael was the Director of Internal Audit for the investment banking firm Gleacher Securities Group. As Director of Internal Audit, Michael oversaw the annual completion of the annual audit plan and all aspects of Sarbanes-Oxley compliance. Michael documented and tested the internal controls, recommended improvements to the design of internal controls and provided training to staff and management on sound internal control processes. Michael was the liaison to the firm's external auditor with the investment banking firm obtaining a reduction in audit fees by relying upon Michael documentation and test work.

Prior to Michael's thirteen years with Gleacher Securities Group, he performed supervisory audits for credit unions, and internal audits for the commercial bank, KeyCorp.

Michael Wolff is the past-President of the Albany Chapter of the Institute of Internal Auditors. Michael has been a speaker for training events held by the New York State Association of School Business Administrators and also provides school districts with training on extra-classroom activities and claims

auditing. {See Appendix A for Resume of Michael Wolff}

Michael Wolff Advisory Services has one part-time employee who may assist with fieldwork at times. Patty Hutchins is a former colleague of Michael's working at Gleacher Securities. Patty is currently the Claims Auditor for North Colonie Central School and has been working with Michael for approximately 10 months performing numerous risk assessments and audits during that time. Patty's background includes accounting and payroll related work.

B. Audit Methodology

Risk Assessment

The primary objective of the audit is to perform the required annual Risk Assessment and update the assessment from the previous year. The Risk Assessment is completed through interviews of key personnel, internal control questionnaires (ICQs), and through a review of policies, procedures and Board of Education minutes. Typical areas of review during the Risk Assessment process include:

- Cash Management
- Payroll
- Purchasing/Receiving
- Investments
- Claims Auditor
- Information Technology
- Transportation
- Buildings & Grounds
- Outsourced Operations
- Extra-Classroom Activities
- Human Resources
- Cafeteria Operations
- Budgeting & Reserves
- Fixed Assets
- Medicaid

Focus Area (s)

A focus area is an internal control review of at least one specific area which is required annually along with the Risk Assessment. However, based upon the size of the District and priorities of the Board of Education, more than one functional area may be selected. The review of the focus area is usually performed by selecting a sample of transactions and reviewing them for completeness, accuracy, authorization, accounting treatment, and compliance with policies, procedures and, or, regulation. Areas typically selected for the focus area are payroll, cash receipts, cash disbursements, bank reconciliations, extra-classroom activities, café operations or information technology. However, Michael Wolff Advisory Services will work with the Board of Education to review any area requested.

Audit Approach

The typical Risk Assessment and focus area will begin by selecting what will be reviewed and selecting dates for an on-site visit. Prior to arriving, a "first day" letter is sent to the District's business official requesting items to be sent to the Internal Audit Services group electronically. Typical items on the "first day letter" include transaction reports, Board of Education minutes, past external audit reports and any other information that can be reviewed prior to arriving on-site and will assist with the audit. Samples will be selected from the transaction report and sent to the District's business official for employees of the district to have assembled on the arrival date of the audit team.

Once on-site, the audit team will test the selected sample items, interview key personnel and will review all pertinent data not sent prior to the audit team's arrival. Any exceptions noted during this process will be discussed and summarized with the Audit Committee and/or business official during an exit conference to be held prior to finishing on-site work. At any time during the review, if a defalcation is suspected the Audit Committee or designee will be alerted.

After the on-site work has been completed a draft report will be prepared for review by the District's Audit Committee and/or business official and any other designated officials to ensure agreement on the conclusions. The Audit Committee or Board will receive a copy of the final report and a presentation can be made at the next scheduled meeting. If there are no requests for changes to the report, the report can be considered "final" and can be accepted by the Audit Committee or Board.

C. Conflicts of Interest

There are no conflicts of interest that Michael Wolff Advisory Services is aware of that would impair the performance of internal auditing services to the Averill Park Central School District.

D. Audit Schedule

All scheduling would be coordinated with the Business Manager or their designee. Usually the Risk Assessment would be performed first in the beginning half of the year and require 4 to 6 days. The focus area could be chosen based upon the results of the risk assessment or at the direction of the Audit Committee. The focus area generally takes 6 – 9 days.

Based upon the size of the district the following is an approximate schedule of time required:

<u>Audit Area</u>	<u>Approximate Fieldwork Time</u>
Risk Assessment	4 – 6 days
Focus Area	6 – 9 days
Total Time:	10 - 15 Days

Based upon past experience, this schedule has also provided to incorporate one to two hours of extra-classroom training.

Part II – Costs

- A. Based upon the required risk assessment and internal audits to be performed each year by the Audit and Finance Committee, it is expected that the yearly engagement will take approximately 10 – 15 days. Based upon these assumptions, the following are the proposed fees to be charged per year ended:

<u>Year</u>	<u>Contract</u>
June 30, 2020:	\$8,750
June 30, 2021:	\$9,000
June 30, 2022:	\$9,250

- B. There will be no other incidental costs or travel related costs.
- C. These costs are based on Advisory Services for Internal Audit only. These fees do not include specialty auditing services such as forensic auditing, fraud examination, or information technology penetration testing. These services would have to be discussed and/or negotiated if the determination was made these services were warranted.

{See Appendix B – for Agreement for Internal Audit Services}

Part III – Reference List

Internal Audit Service Clients

Client & Contact Info	Services Provided
East Greenbush Central School District 29 Englewood Avenue East Greenbush, NY 12061	<ul style="list-style-type: none"> • Risk Assessment Review • 5 Focus Area Audits • Extra-classroom Training • Claims Auditor Training
South Colonie Central School District 102 Loralee Drive Albany, NY 12205	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit
Niskayuna Central School District 1239 Van Antwerp Rd Niskayuna, NY 12309	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Purchasing Training
Hudson City School District 215 Harry Howard Avenue Hudson, NY 12534	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Claims Auditor Training • Purchasing Training
Ichabod Crane Central School District 2910 Route 9 Valatie, NY 12184	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Extra-classroom Training • Claims Auditor Training • Purchasing Training
Glens Falls City School District 15 Quade Street Glens Falls, NY 12801	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit
Cohoes City School District 7 Bevan Street Cohoes, NY 12047	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Claims Auditor Training
Ravena Coeymans Selkirk Central School District 15 Mountain Rd. Ravena, NY 12143	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Extra-classroom Training
Saugerties Central School District 310 Washington Ave. Ext. Saugerties, NY 12477	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Extra-classroom Training
Hoosick Falls Central School District 21187 Route 22 Hoosick, NY 12090	<ul style="list-style-type: none"> • Risk Assessment Review • 1 Focus Area Audit • Procedure Documentation
Burnt Hills-Ballston Lake Central School District 50 Cypress Drive Glenville, NY 12302	<ul style="list-style-type: none"> • Extra-classroom Training • Extra-Classroom Auditing
Cairo-Durham Central School District PO Box 780 Cairo, NY 12413	<ul style="list-style-type: none"> • Extra-classroom Training

Tech Valley High School Education Foundation 246 Tricentennial Drive Albany, NY 12203	• Bookkeeper
Ichabod Crane Teachers Association 2910 Route 9 Valatie, NY 12184	• Annual Financial Audit

Internal Claims Auditing Clients

Client & Contact Info	Services Provided
Capital Region BOCES & Tech Valley High School 900 Watervliet-Shaker Road Albany, NY 12205	• Claims Auditing
Dutchess County BOCES 5 BOCES Road Poughkeepsie, NY 12601	• Claims Auditing
Menands Union Free School 19 Wards Lane Menands, NY 12204	• Claims Auditing
Rensselaer City School District 25 Van Rensselaer Dr. Rensselaer, NY 12144	• Claims Auditing
Brunswick/Brittonkill Central School District (October 2014) 3992 NY Route 2 Troy, NY 12180	• Claims Auditing

Internal Claims Auditing Clients – Patty Hutchins

Client & Contact Info	Services Provided
North Colonie Central School District 91 Fiddlers Lane Latham, NY 12110	• Claims Auditing

Appendix A – Resume

MICHAEL WOLFF ADVISORY SERVICES

MICHAEL T. WOLFF, CIA

50B Raylinsky Lane
Mechanicville, New York 12118
(518) 618-8107; Michael@mwadvisoryservices.com

Professional Experience:

- 7/2013- **Internal Control Specialist - Michael Wolff Advisory Services, Mechanicville, NY**
Present Appointed Internal Auditor for ten school districts in the Capital Region performing internal audits and risk assessments. I also provide Claims Audits services to Capital Region BOCES, Dutchess County BOCES and five other districts. I am the Internal Auditor for a local Teachers Association Benefit Trust and an Education Foundation. I provide training in Extra-Classroom, Claims Auditing, and purchasing activities to numerous school districts throughout the state.
- 2/2011- **Internal Controls Auditor – Rensselaer City School District, Rensselaer, NY**
7/2013 Responsible for performing the annual risk assessment and “focused” internal controls audits at 27 school districts; Focused testing areas include accounting/treasurer functions, payroll, claims auditing, budgeting, financial reporting, investments, bonds/BANs, extra classroom activities, transportation, fixed assets, cafeteria operations, and Board of Education rules and regulations. Additional auditing responsibilities include the designation as Claims Auditor for Dutchess County BOCES. Communication responsibilities include presentations to the Audit Committees’ and Boards of Education for client Districts, extra-classroom activities training and claims auditor training. Additional management responsibilities include oversight of three part-time employees, scheduling of employees and clients, and billing for internal audit services provided.
- 4/2008- **Director of Internal Audit - Gleacher Securities Group, New York, New York**
9/2010 The responsibilities of the Business Risk Assurance Manager listed below, were merged with the responsibilities of the Director of Internal Audit, in 2008. Coinciding with this merge was a new CFO, Controller, Accounting and Payroll staff and the relocation of Corporate Headquarters from Albany, to New York City. As a result of these changes I trained the employees in the New York City location on compliance with the business process to comply with Sarbanes-Oxley, hired new Internal Audit Department staff, and developed a new risk assessment and five year audit plan for presentation and approval to the Audit Committee. Consulted with management on the “New Products Committee” to evaluate internal controls and procedures prior to the implementation of a new trading desks or new investment products; reported results of Sarbanes-Oxley testing and internal audits to executive management and the Board of Director’s Audit Committee; assisted management in the examinations performed by regulatory agencies, and provided assistance to the firm’s external independent auditor during the annual Audit of Internal Controls over Financial Reporting.
- 10/2003- **Business Risk Assurance Manager, AVP – (Gleacher Securities Group, cont.)**
9/2010 Responsibilities included the development, documentation, evaluation, and testing of internal controls for financial reporting in accordance with compliance of the Sarbanes-Oxley Act. Included within these responsibilities was the risk analysis of financial reporting by location, business line, and account; evaluated information technology controls and reviewed agreements and compliance with third party-service providers; presented results of internal controls reviews to executive management and the Board of Director’s Audit Committee; provided consultation on new projects and corporate restructuring; coordinated all activities with regulators and firm’s independent auditors. I was also the firm’s Disaster Recovery Officer

which requires the oversight to maintain the contingent infrastructure of emergency preparedness within the firm. This included emergency communications, testing of third party connectivity for data transfers and monitoring and reacting to actual emergencies.

- 1998-10/2003 **Internal Auditor, AVP – (Gleacher Securities Group, continued)**
Responsible for internal audits evaluating internal controls, regulatory compliance and the management of business risks; reported results directly to management and the Director of Internal Audit; assisted the Director in planning the annual audit schedule and performing the corporate risk assessment; assisted outside counsel as the fraud investigator for an internal investigation leading to conviction; developed audit programs for money laundering to comply with the U.S. Patriot Act; assisted in the installment of an anonymous ethics/fraud hotline to comply with the Sarbanes-Oxley Act; introduced Computer Assisted Auditing Techniques (CAATs) to internal audit to increase the efficiency of the auditing; assisted management in the sale of First Albany's retail division to First Union Securities; responsible for the analysis of results of Y2K compliance testing.
- 1997-1998 **Senior Auditor - CUC Services, Inc., Latham, New York**
Managed and conducted credit union Supervisory Committee Audits reviewing internal controls, accounting practices and compliance with government regulations; performed fraud investigations; performed monthly and quarterly accounting for credit unions with assets in excess of one million dollars; assisted in Certified Financial Audits; trained new employees; marketed the audit division to potential clients in New York and Vermont.
- 1992 - 1996 **Senior Auditor - KeyCorp Management Company, Albany, New York**
Performed complex audits evaluating business risks, opportunities to increase efficiency of operations, financial and operational reviews, regulatory compliance, and internal fraud investigations; supervised and evaluated audit team performance; communicated audit results and recommendations to senior management; provided consultation to corporate banking committees to implement industry "best practices" and improve efficiency of bank operations.

Education:

- 1991 **Bachelor of Science Business Administration/Finance** - Marist College, Poughkeepsie, New York

Professional Designations:

- 2003 **Certified Internal Auditor (#44008)** – The Institute of Internal Auditors

Civil Service Qualifications:

- 2012 **Business Manager Exam #62-105** – Grade 85%, Rank #2 - Rensselaer County, NY

Affiliations:

- Present Institute of Internal Auditors – Albany Chapter – Past President – Oversee the operational of the Chapter and various committees; assist in the coordination of training; Board of Governors (2002-2008, 2011-2018) participated as a member of the finance committee.

School District Internal Auditing Alliance – Advisory Board Member – Evaluate and provide knowledge, training and support to the professional community of School District Auditors.

Presentations:

“Internal Audit, External Audit, State Audits – What did they find?” - NYS Association of School Business Officials – School Business Management Workshop – 11/7/2013

“Extra Classroom Activity Funds” - NYS Association of School Business Officials – School Business Management Workshop – 11/2013, 12/2014, 11/2015, 11/2016, 11/2017, 11/2018

“Internal Controls – How well controlled is your district” - NYS Association of School Business Officials – Treasurer’s Workshop – 10/25/2012

“Determining the Feasibility of Outsourcing or Sharing Services” and “Trends: Internal Controls” - NYS Association of School Business Officials - Summer Business Management Workshop – 7/18/2012

“Cash and Banking Controls” - NYS Association of School Business Officials – School Business Management Workshop – 11/5/2015, ASBO Webinar – 1/28/2016, Dutchess County Treasurer’s workshop – 3/8/2016

“Purchasing – Procedures, Internal Controls, and Helpful Hints” – Dutchess County Business Officials – 9/11/2015

Publications:

*“Extra-Classroom – An Annual Strategy”, Michael Wolff, *The Reporter*, Winter 2017, Volume 64, Number 3. Pages 16- 18; NYSASBO Publication*

Appendix B – Example Agreement

AGREEMENT made this ____ day of _____, 20__ by and between Michael Wolff Advisory Services, hereinafter referred to as “Michael Wolff” with its principal business address at 50B Raylinsky Lane, Mechanicville, NY 12118 and Averill Park Central School District hereinafter referred to as “AVERILL PARK CENTRAL” with a principal business address at 146 Gettle Road, Averill Park, NY 12018.

WITNESSETH:

WHEREAS, Education law, section 2116-b, as added by Chapter 263 of the Laws of 2005, directs that each school district establish an internal audit function to include, among other things the development of risk assessment of district operations a review of financial policies and procedures; the testing and evaluation of district internal control; and an annual review of risk assessment.

WHEREAS, Michael Wolff has established an internal audit function and appointed an internal auditor who will provide internal audit functions for AVERILL PARK CENTRAL and is ready, willing and able to provide such functions for school districts as may be agreed upon;

WHEREAS, AVERILL PARK CENTRAL is desirous of establishing an internal audit function and has determined that Michael Wolff can provide AVERILL PARK CENTRAL with professional expertise for such purpose; and

WHEREAS, AVERILL PARK CENTRAL has undertaken a reasonable review of the cost of obtaining professional audit services and has determined that obtaining such services through Michael Wolff will afford best value to AVERILL PARK CENTRAL.

NOW, THEREFORE, in consideration of the mutual promises herein given, and other good and valuable consideration, it is agreed as follows:

1. TERM. The term of this AGREEMENT shall begin on _____ and extend for, through an including 6/30/20__.
2. WORK. Michael Wolff shall perform for AVERILL PARK CENTRAL the services described in Appendix (SCOPE OF WORK). Michael Wolff shall undertake such WORK in accordance with generally accepted professional practices and applicable regulations of the Commissioner of Education. WORK shall take place at mutually agreeable dates and times.
3. EQUIPMENT AND OTHER RESOURCES. Unless otherwise provided the SCOPE OF WORK, AVERILL PARK CENTRAL shall provide the equipment, supplies, and any other resources required to complete the WORK.
4. COMPENSATION. Michael Wolff shall be compensated for the WORK as provided in Appendix, “SCHEDULE OF FEES.” Unless otherwise provided in Appendix, Michael Wolff’s fee shall be all-inclusive.
5. PAYMENT. Payment for the WORK provided pursuant to this agreement is dependent upon the satisfactory completion of the WORK and faithful compliance with the terms and conditions of the AGREEMENT by Michael Wolff.
6. INDEPENDENT CONTRACTOR. Michael Wolff agrees to provide such work to AVERILL PARK CENTRAL as an independent contractor. It is mutually agreed that for purposes of providing the WORK, any employee or contractor of Michael Wolff shall not be an employee of AVERILL PARK CENTRAL, and shall neither hold himself out nor claim to be an officer, employee, agent or representative of AVERILL PARK CENTRAL, nor make any claim, demand or application to or for any right based upon any different status.

7. **LIMITS ON COMPENSATION.** Michael Wolff agrees that neither he nor any employee or contractor of his are entitled to participate in any benefit plan provided to the employees of AVERILL PARK CENTRAL; Worker's Compensation through AVERILL PARK CENTRAL; unemployment insurance benefits through AVERILL PARK CENTRAL; nor any other benefit, right and/or privilege available to employees of AVERILL PARK CENTRAL.
8. **INDEMNIFICATION.** AVERILL PARK CENTRAL is responsible for establishing and maintaining internal controls for its financial operations. Michael Wolff shall not indemnify AVERILL PARK CENTRAL for theft, loss, unauthorized use or disposition of assets, or failure to comply with law or regulations occurs before, during or after completion of the WORK, and AVERILL PARK CENTRAL shall not indemnify Michael Wolff for theft, loss, unauthorized use or disposition of assets or failure to comply with law or regulations on the part of Michael Wolff's employees under any circumstances.
9. **AVAILABILITY OF INFORMATION, RECORDS AND PERSONNEL.** AVERILL PARK CENTRAL shall be responsible for making all financial records, related information and relevant personnel available to Michael Wolff as may be necessary for Michael Wolff to complete WORK. AVERILL PARK CENTRAL is responsible for the accuracy and completeness of any such information. AVERILL PARK CENTRAL acknowledges that Michael Wolff will not perform a detailed examination of all transactions and that there is a risk that material misstatements, illegal acts, or noncompliance may exist and not be detected during WORK. The internal auditor shall preserve the confidentiality of all AVERILL PARK CENTRAL information and/or records unless otherwise required by law. Once the schedule for internal audit services has been mutually agreed to and the calendar is set it is expected that the information, records and personnel at AVERILL PARK CENTRAL shall be prepared and ready for an Internal Auditor on the first day of engagement. Should an Internal Auditor from Michael Wolff arrive at AVERILL PARK CENTRAL and the aforementioned information, records and personnel are not available to Michael Wolff as may be necessary to complete work, then Michael Wolff shall at its discretion invoice AVERILL PARK CENTRAL for the day.
10. **REPORTING RESPONSIBILITIES.** Internal auditors assigned to perform WORK for AVERILL PARK CENTRAL shall report directly to the Board of Education of AVERILL PARK CENTRAL. The PARTIES agree that such internal auditors shall have suitable qualifications that allow him or her to undertake internal audit functions, as directed by AVERILL PARK CENTRAL Board of Education, in accordance with generally accepted professional practices and applicable regulations of the Commissioner of Education.
11. **SUBCONTRACTS.** Michael Wolff shall not enter into subcontracts for the performance of work pursuant to this AGREEMENT unless such subcontractors are approved by AVERILL PARK CENTRAL before the WORK is completed.
12. **SCHEDULE CONFLICTS.** Should either party have an unavoidable scheduling or work place conflict which necessitates a change in the previously agreed upon schedule they shall notify the other party a minimum of 3 working days in advance, excluding unavoidable emergencies.
13. **NON-ASSIGNMENT.** This AGREEMENT may not be assigned by either PARTY or its right, title or interest therein assigned transferred, conveyed or otherwise disposed of without the previous consent, in writing, of the OTHER PARTY and any attempt to assign the contract without such written consent will be null and void.
14. **DISPUTE RESOLUTION.** In the event that either PARTY has a dispute relating to the execution of WORK or compensation for WORK, including but not limited to the applicability of professional standards for such WORK, it shall provide written notice to the other party of such dispute and include a detailed description of the nature of the dispute and proposed method of resolution. Within (7) days of receiving such notice, the receiving PARTY shall contact the disputing party and a mutually acceptable time shall be set for the Parties to meet and discuss the resolution. Both PARTIES shall provide documentation or other information useful for the resolution of such dispute. Both PARTIES shall make a good faith effort to resolve such dispute in a mutually acceptable and timely manner. In the event the PARTIES cannot agree to resolve such dispute, either PARTY may exercise its right to terminate pursuant to paragraph (15) of this AGREEMENT.

15. **TERMINATIONS.** Both PARTIES reserve the right to terminate this AGREEMENT upon providing (60) days written notice to the other PARTY provided, however, that prior to providing such notice the PARTY seeking termination shall participate in dispute resolution as described in paragraph thirteen (14) of this AGREEMENT.
16. **NOTICES.** Any notices or other communications that must be given in connection with this AGREEMENT shall be in writing and shall be deemed to have been validly made or given when delivered personally or when received if properly deposited with the United States Postal Service, postage prepaid certified or registered mail return receipt requested or with a nationally recognized overnight courier serviced to the address set forth below:
- (a) If to MICHAEL WOLFF ADVISORY SERVICES:
- Michael T. Wolff
- Michael Wolff Advisory Services
50B Raylinsky Lane
Mechanicville, NY 12118
- (b) If to: AVERILL PARK CENTRAL
- Averill Park Central School District
146 Gettle Road
Averill Park, NY 12309
17. **HEADINGS.** Headings or titles of sections are for convenience of reference only and do not constitute a part of this agreement.
18. **FULL AGREEMENT.** This agreement, including all appendices, constitutes the full agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day and year written below.

DATE: _____

Michael Wolff Advisory Services

By: _____

DATE: _____

Averill Park Central School District

By: _____

APPENDIX - SCOPE OF WORK

Internal Auditor Michael Wolff Advisory Services will provide an internal auditor who shall perform the following WORK for AVERILL PARK CENTRAL on a per diem basis:

Financial Risk Assessment Update

AVERILL PARK CENTRAL will review the previously issued financial risk assessment and update the report to reflect AVERILL PARK CENTRAL progress on correcting previously identified risks. The updated assessment will also consider the current status of the operation and may include risks not previously identified. The service shall include the following:

Discuss financial controls, operations and procedures with management and key staff members;

Review past financial risk assessment comments;

Update previously prepared risk assessment to reflect changes in the control environment;

Assessment of the current operating environment for the purpose of determining if financial risks have changed and require reporting in the update assessment.

Deliverables: Report to AVERILL PARK CENTRAL results of financial risk assessment, to include recommendations or process improvements, if any.

Internal Audit Services (Focus Area Audit)

Michael Wolff will use sampling techniques to test significant operational controls to determine if AVERILL PARK CENTRAL internal control structure is operating as designed. This service follows, and is based upon, AVERILL PARK CENTRAL risk assessment undertaken no more than one year before the audit service.

Deliverables: Report to AVERILL PARK CENTRAL the strengths and/or weaknesses of its internal controls and make recommendations to remediate deficiencies. The internal auditor will also provide an annual update to the financial risk assessment.

APPENDIX - SCHEDULE OF FEES

- A. AVERILL PARK CENTRAL agrees to pay Michael Wolff Advisory Services the following fees for WORK identified in Appendix – Scope of Services of this AGREEMENT:

<u>Year</u>	<u>Contract</u>
June 30, 2020:	\$8,750
June 30, 2021:	\$9,000
June 30, 2022:	\$9,250

- B. Michael Wolff Advisory Services will provide AVERILL PARK CENTRAL with monthly invoices for services. AVERILL PARK CENTRAL will pay Michael Wolff Advisory Services no later than (30) days from the date of the billing statement. The invoices provided by Michael Wolff Advisory Services will detail dates of service, level of service provided as defined under scope of work and the charges for these dates.