



KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

April 16, 2019

Mr. David J. Kaschak, CPA, CGFM
Manager
Office of Legislative Services
Office of the State Auditor
125 South Warren Street – CN 067
Trenton, New Jersey 08625-0067

Dear Mr. Kaschak:

We have audited the financial statements of the State of New Jersey, Division of Pensions and Benefits (the Division) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Division's basic financial statements, and you have asked us to furnish you with the following information because you will express an opinion on the financial statements of the State of New Jersey (the State) and its component units, which includes the Division.

We are familiar with the requirements of the American Institute of Certified Public Accountants (AICPA). As far as the Division and the State are concerned, our firm has been, for the period covered by the financial statements under report and thereafter to date, in fact independent as contemplated by such AICPA requirements.

We also acknowledge that:

1. We are aware you will rely on our opinion on the Division's financial statements as of and for the year ended June 30, 2018 in expressing your opinion on the financial statements of the State.
2. We are familiar with accounting principles generally accepted in the United States of America and generally accepted auditing standards promulgated by the AICPA and have conducted our audit and reported in accordance therewith.

Very truly yours,

KPMG LLP

cc: Mr. John D. Megariotis, Deputy Director of Finance, State of New Jersey Division of Pensions and Benefits