

RESOLUTION
of the
BOROUGH OF NEW PROVIDENCE
Resolution No. 2015-347

Council Meeting Date: 09-28-2015

Date Adopted: 09-28-2015

TITLE: RESOLUTION APPROVING CORRECTIVE ACTION PLAN REQUIRED
AS PART OF THE ANNUAL AUDIT

Councilperson Galluccio submitted the following resolution, which was duly seconded by Councilperson Muñoz.

WHEREAS, the Local Finance Board of the State of New Jersey has promulgated a regulation requiring that a Corrective Action Plan be prepared as part of the annual audit process; and

WHEREAS, Local Finance Notice 92-15 required that this plan be prepared by the Chief Financial Officer and approved by the Governing Body.

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of New Providence, County of Union and State of New Jersey that they hereby approve the Corrective Action Plans for the year 2014, a requirement of the annual audit, prepared by the Chief Financial Officer and which is attached hereto and made part of this resolution.

APPROVED, this 28th day of September, 2015.

RECORD OF VOTE

	AYE	NAY	ABSENT	NOT VOTING
GALLUCCIO	X			
GENNARO	X			
KAPNER	X			
MADDEN	X			
MUÑOZ	X			
ROBINSON	X			
MORGAN			TO BREAK COUNCIL TIE VOTE	

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 28th day of September, 2015.

Wendi B. Barry, Borough Clerk

BOROUGH OF NEW PROVIDENCE

CORRECTIVE ACTION PLAN FOR THE 2014 AUDIT REPORT

Recommendation #1:

Description: That aging grants receivables and appropriated reserves for grants should be reviewed for follow-up and/or proper disposition.

Analysis: Several grants from previous years were noted in the Audit for follow-up action.

Corrective Action: The Finance Office has been systematically cleaning up aging grant receivables. In August, Borough Council took action to cancel various grant balances and receivables. This is an ongoing process.

Implementation Date: This action continues to be ongoing and the older grant receivables have been addressed.

Recommendation #2:

Description: That vendor invoices be reviewed for proper dates of service.

Analysis: Several invoices from McGrath's Hardware were paid as 2013 Appropriation Reserves however their invoice dates from 2012 were covered with correction tape and the 2013 dates were used to replace them.

Corrective Action: The Public Works and Finance Office have been instructed to be alert to any invoices that appear to be altered.

Implementation Date: This action has been completed as soon as it was brought to management's attention by the Auditors.

Recommendation #3:

Description: That when it is anticipated that a vendor will be paid in excess of \$17,500 during the year, Political Contribution Disclosure Forms should be obtained.

Analysis: Two vendors received cumulative payments in excess of \$17,500 during 2014 however no Political Contribution Disclosure Forms were on file.

Corrective Action: The Clerk's Office has been made aware of this situation.

Implementation Date: This action has been completed as soon as it was brought to management's attention by the Auditors.