

Township of West Milford

Passaic County, New Jersey

~ Resolution 2017 – 236 ~

RESOLUTION OF THE TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, STATE OF NEW JERSEY, APPROVING SUBMISSION OF THE CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2016 TO THE STATE OF NEW JERSEY, DIVISION OF LOCAL GOVERNMENT SERVICES

WHEREAS, all municipalities operating under the Local Fiscal Affairs Law must prepare and submit a Corrective Action Plan as part of their annual audit process, and

WHEREAS, the Township of West Milford has by Resolution accepted the 2016 audit as prepared and presented by the Township Auditors, and

WHEREAS, Ellen Mageean, the Chief Financial Officer for the Township of West Milford has prepared a Corrective Action Plan to address the findings and recommendations for the 2016 audit and presented copies of same to the Mayor, Council, and Administrator,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Township of West Milford, in the County of Passaic, that the Corrective Action Plan, attached hereto and made a part hereof, be approved for submission to the Division of Local Government Services.

Adopted: July 12, 2017

Adopted this 12th day of July, 2017
and certified as a true copy of an original.

Antoinette Battaglia, Township Clerk

**Township of West Milford
Corrective Action Plan
For Audit as of December 31, 2016**

Findings # 1

Description: *That 1099s be sent to all vendors required to receive them.*
Analysis: *Several 1099's had an incorrect taxpayer identification number and therefore were not sent out*
Corrective Action: *The finance department has enrolled in a taxpayer identification matching program to ensure that they have the correct number for all 1099's*
Implementation Date: *June 2017*

Findings #2

Description: *That all vendors required to submit Political Disclosure Forms submit them.*
Analysis: *There were several vendors who had not returned their Political Disclosure Forms to the Township.*
Corrective Action: *The finance department is tracking vendors who do not return the form and following up with them on a quarterly basis. We will withhold payment until received when possible.*
Implementation Date: *June 2017*

Findings #3

Description: *That all employees be paid according to the Township's salary ordinance and the proper deductions be withheld.*
Analysis: *There was a calculation error for an employees pay and one pay several deductions were not taken from employees pay.*
Corrective Action: *Calculations and payroll reports are reviewed to ensure that the pay and deductions are correct.*
Implementation Date: *March 2017*

Findings #4

Description: *That the PERS and PFRS pension payments be made in a timely manner*
Analysis: *For several months in 2016 the monthly pension payments were made late*
Corrective Action: *The payroll clerk makes the monthly payment each month after the second payroll of the month.*
Implementation Date: *January 2017*

Findings #5

Description: *That all eligible employees be enrolled in DCRP*
Analysis: *The Township had employees that were eligible for DCRP but not enrolled.*
Corrective Action: *Procedures have been put in place to ensure that all eligible employees are enrolled in DCRP.*
Implementation Date: *April 2017*

Findings #6

Description: *That Other Trust Fund reserves be reviewed and proper action taken*
Analysis: *The Township has old trust accounts with no activity*
Corrective Action: *Review old balance determined if they should be returned or cancelled.*
Implementation Date: *June 2017*

Findings #7

Description: *That a Fixed Asset Inventory report be available for audit and be updated for deletions.*
Analysis: *Fixed Asset report not available for audit*
Corrective Action: *Fixed Assets report will be updated and available for audit.*
Implementation Date: *June 2017*

Ellen Mageean, Chief Financial Officer