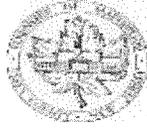


TOWNSHIP OF MAPLEWOOD



RESOLUTION NO.238-15

**RESOLUTION APPROVING CORRECTIVE ACTION PLAN
FOR 2014 AUDIT FINDINGS**

WHEREAS, pursuant to Local Finance Notice 97-16 issued by the Division of Local Government Services, a corrective action plan must be prepared by the Chief Financial Officer addressing all audit findings and recommendations;

WHEREAS, the Chief Financial Officer accordingly has prepared a corrective action plan for the 2014 audit findings, which covers all findings and recommendations, including Federal (if any), State and general findings, as well as status, in accordance with the Federal Single Audit Act, Federal Office of Management and Budget circular A-133, and State of NJ Office of Management and Budget circular letter 98-07;

WHEREAS, the corrective action plan must be submitted to the Division of Local Government Services not later than sixty (60) days after receipt of the Audit;

WHEREAS, the Governing Body must accept and approve the 2014 corrective action plan, which in turn authorizes the Chief Financial Officer to timely submit it to the Division of Local Government Services in compliance with the above indicated mandates;

WHEREAS, the corrective action plan must be placed on file with the Municipal Clerk, and referenced in the synopsis of the audit report that must be published in a local newspaper;

I, Elizabeth J. Fritzen, Township Clerk of the Township of Maplewood, in the County of Essex and the State of New Jersey, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Township of Maplewood, County of Essex and the State of New Jersey, at a regular meeting of said Committee held on December 15, 2015.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the seal of the Township of Maplewood in the County of Essex and State of New Jersey this 15th day of December 2015.

Elizabeth J. Fritzen, R.M.C.
Township Clerk



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JUAN URIBE
CHIEF FINANCIAL OFFICER
TAX COLLECTOR

**2014 AUDIT FINDINGS
CORRECTIVE ACTION PLAN**

**FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FINDINGS IN ACCORDANCE WITH OMB CIRCULAR NO. A-133**

None.

**OVERALL AUDIT FINDINGS OTHER THAN
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

Finding/Condition #2014-1 *

Amounts due to the State of New Jersey for 2014 marriage licenses were not in agreement with fiscal year 2014 payments. Underpayment exists in the amount of \$75.00.

Recommendation:

The underpayment to the State of New Jersey for marriage license fees must be reviewed and a determination made as to proper disposition.

Explanation and Corrective Action:

Clerk's office inadvertently remitted short payment. Error will be corrected at the next payment cycle, and the State will be notified in writing.

Implementation Date:

January 31, 2016

Status:

Corrective measures in progress

Finding/Condition #2014-2 *

The adjusted cash receipts book for the Health Department did not agree to the Tax Collector's records. A difference exists in the amount of \$2,637.20.

Recommendation:

That all fees collected by the Health Department be posted in the cash receipts book.

Explanation and Corrective Action:

According to department head in 2014 there were multiple changes in personnel, which caused errors in properly recording dog and cat licenses. Health Officer will verify each transaction for accuracy personally and reconcile to tax collection records monthly.

Implementation Date:

September 2015

Status:

Corrective measures in progress



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Finding/Condition #2014-3*

Fees collected by the Health Department for dog licenses were not posted in the cash receipts book.

Recommendation:

All fees collected by the Health Department must be posted in the cash receipts book.

Explanation and Corrective Action:

Reports generated by Health Department software were not being interpreted correctly by departmental staff.

Implementation Date:

September 25, 2015

Status:

Corrective measures in progress

Finding/Condition #2014-4*

Several late fees were not charged for dog and cat licenses that were collected after January 31st.

Recommendation:

Late fees must be charged for all dog and cat licenses issued after January 31st.

Explanation and Corrective Action:

Late date of Jan. 31 was established on 10/01/13, and there was confusion about the effective date, since the Township website listed it as April 1, according to department head. Dates will be synchronized and staff instructed to follow ordinance, including certain circumstances in which late fees are not applicable.

Implementation Date:

January 31, 2016

Status:

Corrective measures in progress

Finding/Condition #2014-5*

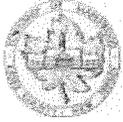
Amounts due to the State of New Jersey for 2014 dog licenses were not in agreement with fiscal year 2014 payments. Underpayment exists in the amount of \$75.20

Recommendation:

The underpayment to the State of New Jersey for dog license fees must be reviewed and a Determination made as to proper disposition.

Explanation and Corrective Action:

Poor record keeping and data entry into the dog licensing computer application caused this deficiency, which is consistent with finding 2014-2. Similarly Health Officer will take matter into his own hands



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To assure accuracy in remission of payments. Error will be adjusted in the next cycle, and the State will be notified.

Implementation Date:

January 31, 2016

Status:

Corrective measures in progress

Finding/Condition #2014-6*

Several cat applications were not available for audit review.

Recommendation:

All cat applications must be available for audit review.

Explanation and Corrective Action:

Health Officer cannot ascertain the reason for deficiency, but assured his approach will be proactive in maintaining records.

Implementation Date:

November 1, 2015

Status:

Considered corrected.

Finding/Condition #2014-7*

The Recreation Department cash receipts book contained several posting errors which resulted in the inability to reconcile collections to the records of the Tax Collector.

Recommendation:

More care must be exercised in maintaining the cash receipts book for the Recreation Department and collections must be reconciled to the records of the Tax Collector on a monthly basis.

Explanation and Corrective Action:

The Recreation Director was not able to ascertain the reasons for the posting errors, but assumed staff turnover was the cause. Currently a reconciliation is being conducted with the tax collection records.

Implementation Date:

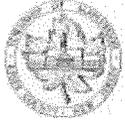
December 31, 2015

Status:

Corrective measures in progress

Finding/Condition #2014-8

During review it was noted that umpires were paid out of the Petty Cash Fund.



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Recommendation:

The umpires must be paid by voucher and not from the Petty Cash Fund

Explanation and Corrective Action:

The umpires do not accept payments by vouchers. Recreation Director is currently discussing other alternatives with the softball organization; nevertheless petty cash will not be used going forward for this type of payments.

Implementation Date:

Immediately

Status:

Considered corrected

Finding/Condition #2014-9

A detailed list of security deposits was not available for audit review.

Recommendation:

A detailed list of security deposits must be available for audit review.

Explanation and Corrective Action:

Recreation Department was not aware of this requirement, according to department head. A log book in electronic format will be used onward to provide detailed information about security deposits.

Implementation Date:

January 1, 2016

Status:

Corrective measures in progress

Finding/Condition #2014-10*

All tickets that have been assigned must be issued within six months. On December 31, 2014, there were 676 tickets that were assigned at the Municipal Court, but not issued in excess of six months.

Recommendation:

Tickets assigned but not issued in excess of six months must be reviewed for proper disposition and follow-up procedures must be implemented for tickets whether issued or assigned.

Explanation and Corrective Action:

According to Court Administrator, a notification procedure is currently in place reminding Officers semiannually a directive to return any outstanding ticket books to reassign them. Results have been satisfactory since implementation. Efforts will be made to obtain even better results with this notification process.



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Implementation Date:

July 1, 2015

Status:

Corrective measures in progress

Finding/Condition #2014-11*

All tickets that are issued must be properly assigned. On December 31, 2014, there were 6 tickets that were issued but not assigned.

Recommendation:

Tickets assigned but not issued in excess of six months must be reviewed for proper disposition and follow-up procedures must be implemented for tickets whether issued or assigned.

Explanation and Corrective Action:

Staffing levels still prevent full compliance with this finding, according to Court Administrator, but improvements have been noticeable since last year. Efforts will be made to fully comply.

Implementation Date:

Immediately

Status:

Corrective measures in progress

Finding/Condition #2014-12

Several monthly disbursements were made to the agencies after the 15th of the following month.

Recommendation:

All balances must be remitted to the proper agencies by the 15th of the next month.

Explanation and Corrective Action:

Demands from the Court Administrator workload oftentimes prevent from remitting funds before deadline. Administrative process is under review in an attempt to make it more efficient.

Implementation Date:

January 1, 2016

Status:

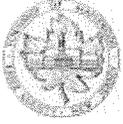
Corrective measures in progress

Finding/Condition #2014-13 *

Two accounts receivable items, as reflected on the Current Fund and General Trust Fund balance sheets, have remained open as of December 31, 2014

Recommendation:

Accounts receivable items must be reviewed and a determination made as to proper disposition.



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Explanation and Corrective Action:

These items have been in the books for numerous years, and ascertaining reasons of occurrence has proven to be difficult. Serious efforts have been made to recover the \$3,600 and \$1,094.21 open balances, but it appears that debtors are no longer in the area. Efforts will continue to locate them, although ultimately a write off of uncollectable debt might be necessary.

Implementation Date:

Immediately

Status:

Work in progress

Finding/Condition #2014-14 *

Credit card fees collected by the Township for taxes and sewer charges were not approved by ordinance adopted by the Township Committee.

Recommendation:

Credit card fees must be approved by ordinance adopted by the Township Committee.

Explanation and Corrective Action:

These fees have been in place for a few years now, but staff was not aware of the lack of approval by ordinance since they were confused with the Municipal Court and Recreation Department fees. A request will be submitted to the governing body in January 2016 to correct anomaly.

Implementation Date:

January 31, 2016

Status:

Corrective measures in progress

Finding/Condition #2014-15

A detailed list of Premiums on Tax Sale and Tax Title Lien Redemptions was prepared by the Tax Collector but did not agree to audit controls.

Recommendation:

A detailed list of Premiums on Tax Sale and Tax Title Lien Redemptions must be reconciled to cash controls on a monthly basis.

Explanation and Corrective Action:

CFO became aware during the audit process that some discrepancies among these records exist emanating from a few years back, apparently for lack of posting of some journal entries. Reconciliation is a time consuming process, which has been hampered by higher priority tasks, intense workload and high volume of transactions in a small department. Reconciliation is conducted every month, but reconciling items have yet to be cleared out. Every effort will be made to reconcile account accurately.



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Implementation Date:

January 31, 2015

Status:

Work in progress

Finding/Condition #2014-16

The audit reports submitted by two PILOT developments were received by the Township, however, the audits did not provide a certified calculation for the payment in lieu of taxes based on the gross revenue, also 5% of the payment received for in lieu of taxes was not paid to the County of Essex.

Recommendation:

The audits submitted must include a certified calculation for the payment in lieu of taxes and the 5% due to the County of Essex must be paid.

Explanation and Corrective Action:

PILOT recipients are being notified accordingly and 5% taxes will be subsequently remitted to the County

Implementation Date:

January 31, 2015

Status:

Work in progress

Finding/Condition #2014-17 *

Certain grant funds have not been realized or have not been fully expended:

Recommendation:

Certain grants must be reviewed and appropriate action must be taken as to their disposition.

Explanation and Corrective Action:

Transactions in question emanate from a years past. Efforts will be made to clear out those items as soon as practicable.

Implementation Date:

January 31, 2016

Status:

Work in progress