

RESOLUTION

WHEREAS, In accordance with the Single Audit Act, U.S. Office of Management and Budget Circular A-128 and the New Jersey office of Management and Budget Circular Letter 93-05, and regulations of the Division of Local Government Services, all municipalities are require to prepare and file a Corrective Action Plan, and

WHEREAS, this plan must be filed with the Division within 60 days from the date the statutory audit is received by the governing body, and

WHEREAS, such a plan was prepared by the Chief Financial Officer and reviewed by the members of the governing body of the Township of West Orange,

NOW THEREFORE BE IT RESOLVED, that the 2010 Corrective Action Plan, attached hereto, be approved by the governing body of the Township of West Orange and filed with the Division of Local Government Services.

**Karen J. Carnevale, Municipal Clerk
President**

Sal M. Anderson, Council

Adopted: June 28, 2011

COMMENTS AND RECOMMENDATIONS

December 31, 2010

FINDINGS-Capital Fund

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- 1- **FINDING:** Green Acre matching grant receivable on Ordinance # 1992-04 of \$103,270.02 has been carried for a number of years.
 - 2- **RECOMMENDATION:** The receivable should be reviewed in order to determine its collectability.
 - 3- **CORRECTIVE ACTION:** The Township Engineer has resolved all outstanding issues with the Essex County Engineer, but still must satisfy the concerns of the County Counsel.
 - 4- **IMPLEMENTATION DATE:** Fall 2011
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- 1- **FINDING:** There is a receivable associated with the 2005 NJDEA loan. The loan is amortized with interest, yet the receivable has not changed.
 - 2- **RECOMMENDATION:** The receivable of \$2,447,091 should be reviewed in order to determine its collectability.
 - 3- **CORRECTIVE ACTION:** The contract for the Mayfair Sanitary Sewer Improvements was awarded on November 4, 2010, and subsequently approved by the NJ Department of Environmental Protection and the NJ Environmental Trust, and construction will commence shortly.
 - 4- **IMPLEMENTATION DATE:** Fall 2011

FINDINGS-Dedication by Rider

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- 1- **FINDING:** Certain Accounts classified herein as Special Deposits in the General Trust Fund may be subject to the provision of Dedication by Rider, N.J.S. 40A:4-29. Statutory regulations require that resolutions be adopted by the Governing Body and Subsequent approval by the Division of Local Government Services for any account dedicated by rider to the municipal budget
- 2- **RECOMMENDATION:** That certain trust accounts be reviewed by Township officials for possible inclusion in the municipal budget under the provisions if dedication by Rider, N.J.S. 40A-39.
- 3- **CORRECTIVE ACTION:** All Trust Accounts are being reviewed, and continue to be reviewed to ascertain, if a Dedication by Rider is necessary.
- 4- **IMPLEMENTATION DATE:** July 1, 2011

FINDINGS-Police Special Duty

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- 1- **FINDING:** A review of activity for police special duty work disclosed that fees are not being collected from vendors before the work is scheduled as required. This has resulted in the

Township financing the cost for police special duty work.

- 2- RECOMMENDATION: That vendors pay in advance for projects in which police officers are scheduled to provide police special duty.
- 3- CORRECTIVE ACTION: The Township Attorney's Office is in the process of preparing a Sample Agreement, in conjunction with Police Administration, to be used on all special duty assignments that call for an escrow account being established.
- 4- IMPLEMENTATION DATE: October 1, 2011 (already partially implemented)

FINDINGS-Revenue Department

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- 1- FINDING: The rental fee being charged for uses of a second room at the Toby Katz Community Center was not in agreement with the approved fee schedule.
 - 2- RECOMMENDATION: That the fee charged for rental of a second room at the Toby Katz Community Center agrees with the fee schedule.
 - 3- CORRECTIVE ACTION: In the spring of 2010, the operation of the Toby Katz Community Center was moved from the Katz Center to the Main Office of the Recreation Department. Responsibility for the facility was shifted from a part time employee to a full time member of the office staff.
 - 4- IMPLEMENTATION DATE: Already Implemented
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- 1- FINDING: not all program applications requested were made available for audit.
 - 2- RECOMMENDATION: All program applications be made available for audit.
 - 3- CORRECTIVE ACTION: One Team Registration from an area high school for the 2010 High School Summer Basketball was missing and presumed to have been properly submitted. The problem was explained to the Program Coordinator, a part time employee. The team was placed on probation for the summer of 2011.
 - 4- IMPLEMENTATION DATE: Already implemented