

CORRECTIVE ACTION PLAN
Township of West Orange
County of Essex
Audit report for Year Ending December 31, 2014

Comments and Recommendations**Payroll & Human Resources*****FINDING***

Form I-9's were not properly signed by an authorized representative of the Township.

RECOMENDATION

All Form I-9's should be properly signed by an authorized representative of the Township.

EXPLANATION

A number of these forms were inadvertently not executed by the Township.

CORRECTIVE ACTION

All Form I-9's will be properly signed by an authorized representative of the Township.

Recreation Department***FINDINGS***

Receipts were issued only for cash transactions and not for transactions executed with checks.

There are funds held by the department for more than 48 hours. Funds for recreation programs are held until it is determined that the program will commence. If the program does not commence, the original funds are returned to the payor.

The cash book for recreation is not totaled on a monthly basis and does not consistently record receipts by program.

RECOMENDATIONS

Receipts should be issued to the payor for all amounts paid to the department.

The department should deposit all funds within 48 hours.

EXPLANATION

The department's bookkeeping system has been traditionally maintained manually which is not the most effective and efficient system given the nature of the departments activities.

CORRECTIVE ACTION

The Township has acquired software services that will be implemented with staff training in the fall of 2015 which will address these deficiencies.

Construction Code

FINDINGS

It was noted that there was an overpayment to the State of New Jersey for DCA fees.

Fees charged for "Backflow Preventor" were charged \$20.00 while the Municipal Code establishes the fee amount at \$50.00.

RECOMENDATIONS

Greater care should be taken when remitting fees to the state.

All fees should be charged in accordance with the municipal code.

EXPLANATION

The Township has discovered certain weaknesses within its current software solutions serving the department.

CORRECTIVE ACTION

The Township has acquired additional redundant software services that will be implemented with staff training in the fall of 2015 which will address these deficiencies.

Section 8 Housing

FINDING

It was noted that required documentation necessary for compliance with Federal Grant guidelines was missing or incomplete.

Recommendation

The department should review applicable Federal guidelines in order to ensure compliance with respect to documentation and record retention.

EXPLANATION

Reduced funding from the program has resulted in labor and subsequent ability to monitor all aspects of the program.

CORRECTIVE ACTION

The department will review applicable Federal guidelines in order to ensure compliance with respect to documentation, record retention and address the deficiencies noted in the audit.

Service Organization Controls – Third Party Administrator

FINDING

As per Local Finance Bulletin 2003-15 and SSAE No. 16, a SOC 1 report was not acquired from the medical claims processing vendor in 2014.

RECOMENDATION

Local Finance Bulletin 2003-15 should be adhered to and a SOC 1 report received on annual basis.

EXPLANATION

The Township's Third Party Administrator asserts that because the organization was in the process of a merger in 2014, no SOC 1 report was required nor performed.

CORRECTIVE ACTION

A SOC 1 report will be performed and provided for 2015.

Voucher Testing

FINDING

During voucher testing various exceptions were noted including the use of confirming orders, and lack of supporting documentation.

RECOMENDATION

All applicable purchasing guidelines and Local Public Contracts Law should be adhered to.

EXPLANATION

Voucher maintenance has improved in 2014, however, additional attention to documentation is still required.

CORRECTIVE ACTION

All applicable purchasing guidelines and Local Public Contracts Law will be adhered to.

Outside Police Services

FINDING

During voucher testing various exceptions were noted including the use of confirming orders, and lack of supporting documentation.

RECOMENDATION

All applicable purchasing guidelines and Local Public Contracts Law should be adhered to.

EXPLANATION

The Township began the planning of converting its processes in 2014, but did not complete it.

CORRECTIVE ACTION

All applicable purchasing guidelines and Local Public Contracts Law will be adhered to.