



COUNCIL	YES	NO	ABSENT	ABSTAIN	MOTION	SECOND
C. Carpenter	✓					✓
K. Gates-Ferris	✓					
D. Macfarlane	✓					
M. Murphy	✓				✓	
T. Napolitano	✓					
R. Robbins	✓					

**CORRECTIVE ACTION PLAN
FOR COMMENTS AND RECOMMENDATIONS FROM
REPORT OF AUDIT FOR THE YEAR ENDED DECEMBER 31, 2018**

Finance:

Finding/Condition #1:

*Technical Accounting Directive #2, codified as N.J.A.C 5:30-5.6, requires the Borough to place a value on all fixed assets put into service. The fixed asset report provided does not include Land and Building/Improvements and was not updated for 2018.

Recommendation:

*That the Fixed Asset Report be updated to include all eligible Borough owned assets.

Explanation and Corrective Action:

The Borough has hired a third party to compile a fixed asset inventory as of 12/31/2018. When the vendor compiles the report, the Borough will work closely with them to ensure that all items, including Land and Building/Improvements are included in the inventory.

Implementation Date: October 2019

Finding/Condition #2:

*The Reserve for Tax Title Lien Premiums and Redemptions within the Other Trust Fund does not agree to the analysis prepared for outside liens.

Recommendation:

*That the Reserve for Tax Title Lien Premiums and Redemptions within the Other Trust Fund be reviewed to ensure adequate funds are available to support all outstanding certificates.

Explanation and Corrective Action:

The tax collector has ensured that the Reserve for Tax Title Lien Premiums and Redemptions will be reviewed more closely so that adequate funds are available for all outstanding certificates.

Implementation Date: Ongoing

Finding/Condition #3:

The Borough is carrying old outstanding checks as reconciling items in the following accounts: Capital Fund, Other Trust Fund, Recreation Trust Fund, and Payroll Agency Fund.

19-125

Recommendation:

That all reconciling items be reviewed and cancelled as appropriate.

Explanation and Corrective Action:

A resolution will be prepared to cancel old outstanding checks as reconciling items.

Implementation Date: October 2019

Finding/Condition #4:

Petty cash funds were not returned at year end in accordance with N.J.S.A 40A:5-21.

Recommendation:

The Borough should return all petty cash funds at year-end in accordance with N.J.S.A 40A:5-21.

Explanation and Corrective Action:

All departments that have received petty cash will return those funds to the finance department so that they can be deposited by year end in accordance with N.J.S.A 40A:5-21.

Implementation Date: December 2019

Purchasing:

Finding/Condition #1:

*The awarding resolutions for Request for Qualifications do not include the required information such as the anticipated value of the contract or "not to exceed" cost language and a certification of availability of funds.

Recommendation:

*That resolutions awarding contracts for Request for Qualifications contain the required language in accordance with N.J.S.A. 19:44A-20.4.

Explanation and Corrective Action:

The finance office is working closely with the Clerk's office to ensure that the required language is on resolutions moving forward.

Implementation Date: Ongoing

Finding/Condition #2:

*There were instances in which the certification of available funds was not included in resolution awarding contracts resulting from bids requested by public advertising.

Recommendation:

*That a certification of available funds be included in all resolutions awarding contracts.

Explanation and Corrective Action:

The Clerk's office is working to add the required language on resolutions awarding contracts resulting from bids by public advertising moving forward.

Implementation Date: Ongoing

Finding/Condition #3:

*Documentation of formal evaluations for Request for Qualifications submissions were not available at the time of audit

Recommendation:

*That documentation of formal evaluations be prepared prior to awarding contracts resulting from Request for Qualifications.

Explanation and Corrective Action:

Formal evaluations will be prepared prior to awarding contracts and will be available at time of audit.

Implementation Date: October 2019

Finding/Condition #4:

Informal quotes were not obtained for purchases which exceeded 15% of the bid threshold as required by N.J.S.A 40A:11-6.1.

Recommendation:

That all purchases in excess of 15% of the bid threshold have informal quotes obtained as required by Local Public Contracts Law.

Explanation and Corrective Action:

There are a few instances in which departments have obtained purchases which have exceeded the 15% bid threshold. The Borough will institute additional internal controls to ensure that three quotes are obtained before making the purchase and provide additional training to departments to prevent this violation in the future.

Implementation Date: Ongoing

Finding/Condition #5:

Goods and services are being ordered prior to the execution of a purchase order in violation of Technical Accounting Directive #1.

Recommendation:

That all goods/services be encumbered prior to being ordered in accordance with Technical Accounting Directive #1.

Explanation and Corrective Action:

There have been a few instances where departments have not been compliant with the Borough's purchasing procedures making purchases prior to obtaining a purchase order. The Borough will institute additional internal controls to monitor such activity and provide training with employees to prevent such violations in the future.

Implementation Date: Ongoing

Finding/Condition #6:

There were several instances in which a valid New Jersey Business Registration Certificate for vendors doing business with the Borough could not be located for

Recommendation:

A valid New Jersey Business Registration Certificate be maintained on file for all vendors for which the Town does business with.

Explanation and Corrective Action:

The Borough will institute additional internal controls that will ensure that a Business Registration Certificate will be on file before a vendor will be utilized.

Implementation Date: Ongoing

Tax Collector:

Finding/Condition #1:

The listing of municipal liens per the Munidex System includes liens which are not valid.

Recommendation:

That all liens be reviewed and the system updated accordingly.

Explanation and Corrective Action:

The tax collector is going through the liens within Munidex System and have ensured that the liens which are not valid are updated and removed from the system.

Implementation Date: Ongoing

Payroll:

Finding/Condition #1:

There were instances in which detailed monthly health benefit rosters were not available for review.

Recommendation:

That detailed monthly health benefit rosters be maintained and available for audit.

Explanation and Corrective Action:

The Borough since the beginning of the year has printed out from the Division of Pensions and Benefits all reports related to health benefit to ensure that the proper employees are receiving health benefits and the Borough is not paying for anyone who no longer works for them.

Implementation Date: January 2019

Borough Clerk:

Finding/Condition #1:

There were instances in which Mayor and Council Meeting minutes were not signed by the Borough Clerk.

Recommendation:

That all Mayor and Council Meeting minutes be signed by the Borough Clerk.

Explanation and Corrective Action:

The Borough notified the Clerk of this finding and the Clerk has been cognizant of this and ensured that all minutes are signed before they are added to the minute book.

Implementation Date:

January 2019

Municipal Court:

Finding/Condition #1:

There are 17 tickets eligible for FTA over 14 days on the December Monthly Management Report

Recommendation:

That tickets Eligible for FTA over 14 Days be processed in a timely manner.

Explanation and Corrective Action:

The Borough contracted with the Borough of Little Ferry in 2011 to provide municipal court services. As part of its agreement, Little Ferry is required to operate the Borough's court in accordance with the laws and standards put forth by the State. The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #2:

There are 35 tickets Eligible for Dismissal on the December Monthly Management Report

Recommendation:

That tickets Eligible for Dismissal be processed in a timely manner.

19-125

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #3:

There are 47 tickets Eligible for Order of D/L Suspension on the December Monthly Management Report.

Recommendation:

That tickets Eligible for Order of D/L Suspension be processed in a timely manner.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #4:

There are 20 tickets in Other Case Statuses on the December Monthly Management Report.

Recommendation:

That tickets in Other Case Statuses be processed in a timely manner.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #5:

There are 17 tickets Assigned over 180 Days on the December Monthly Management Report.

Recommendation:

That tickets Assigned over 180 Days be recalled by the Court Administrator.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #6:

There are 36 tickets issued but not Assigned on the December Monthly Management Report.

19-125

Recommendation:

That all tickets be assigned prior to issuance by that Court Administrator.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #7:

There are 36 complaints Eligible for FTA over 14 days on the December Monthly Management Report.

Recommendation:

That all complaints Eligible for FTA over 17 Days be processed in a timely manner.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #8:

The reconciled cash balance in the Bail Account does not agree to the Bail on Account per the ATS/ACS System.

Recommendation:

Bail on Account must be reconciled to the Bail Account cash on a monthly basis.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #9:

There are bank service charges from prior years being carried as reconciling items in the Fines Account

Recommendation:

That all long outstanding reconciling items be reviewed and properly accounted for.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

19-125

Implementation Date: January 2019

Finding/Condition #10:

Deposits into the Bail Account are not being made in a timely manner.

Recommendation:

That all deposits be made within 48 hours of receipt in accordance with N.J.S.A. 40A:5

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #11:

Overpayments are not being refunded in a timely manner.

Recommendation:

That all overpayments collected be refunded in a timely manner.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

Finding/Condition #12:

The Over/Under Payment List does not accurately reflect the outstanding balance as of December 31, 2018.

Recommendation:

That the Over/Under Payment List be reviewed and corrections made to accurately reflect balances.

Explanation and Corrective Action:

The Borough has alerted the Court Administrator of this finding and she has ensured that this finding has been rectified.

Implementation Date: January 2019

I hereby certify that this is a true copy of a Resolution adopted by the Mayor and Council of the Borough of Bogota at a Public Meeting held on

October 3, 2019

Jeanne Cook
Borough Clerk