

RESOLUTION #2013-181
TOWNSHIP OF HADDON
COUNTY OF CAMDEN

SUBJECT: CORRECTIVE ACTION PLAN FOR 2012 AUDIT

WHEREAS, the Township of Haddon has received a report of audit for the year ending December 31, 2012; and

WHEREAS, the New Jersey Division of Local Government Services requires that the Chief Financial Officer submits a Corrective Action Plan for all findings in the audit within 60 days of receipt of the Report of Audit; and

WHEREAS, the Chief Financial Officer has completed a Corrective Action Plan relating to the findings of the 2012 Audit;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Commissioners of the Township of Haddon, that it does hereby approve the Corrective Action Plan for the 2012 Report of Audit.

BE IT FURTHER RESOLVED that the Township Clerk be directed to forward a copy of the Corrective Action Plan to the New Jersey Division of Local Government Services.

DATED:

BOARD OF COMMISSIONERS

Randall W. Teague, Mayor

John C. Foley, Commissioner

Paul Dougherty, Commissioner

I, hereby certify the foregoing to be a true copy of a Resolution adopted by the Board of Commissioners of the Township of Haddon at a meeting held on the 24th day of September, 2013.

Dawn M. Pennock, Township Clerk

**CORRECTIVE ACTION PLAN
REPORT OF AUDIT
FOR YEAR ENDING 12/31/12**

Township of Haddon, County of Camden
Date of Receipt of Audit: June 24, 2013
Date of Plan: September 24, 2013

CORRECTIVE ACTION PLAN

Director
Division of Local Government Services
William Ashby Building
CN 803
Trenton, New Jersey 08625-0803

September 24, 2013

Re: 2012 Audit Corrective Action Plan
Township of Haddon, County of Camden

Dear Director:

On behalf of the Honorable Mayor and Members of the Township Commission of *Township of Haddon*, County of Camden, I herein submit the aforementioned Corrective Action Plan in connection with the audit report for the calendar year **2012**.

Finding No. 2012-1

Condition

An accounting of third party lien and premium balances is not being maintained by the tax collector.

Recommendation

That the Township maintains an accounting of third party lien and premium balances being collected and retained in the Township trust account.

Explanation and Corrective Action:

The third party liens and premiums in the trust account were not analyzed mainly because several amounts pre-date the current tax collector. It has been established and it is stipulated that the current year activity is being properly maintained. The tax collector will be notified of the finding and corrective action will be taken accordingly.

Implementation Date:

Immediately

Finding No. 2012-2

Condition

The Fixed Asset Control schedule has not been maintained timely.

Recommendation

That the Fixed Asset Control schedule be updated to reflect all fixed asset additions and deletions on a timely basis.

Explanation and Corrective Action:

The Fixed Asset Control schedule did not reflect all fixed asset additions and deletions on a timely basis. A review will be made of the Fixed Asset Control schedule to insure proper recording of fixed asset additions and deletions.

Implementation Date:

Immediately

Finding No. 2012-3

Condition

The payroll activity of the Township is not being accounted for accurately in the general ledger accounting system. The Township has not maintained an analysis of the payroll reserve balance in the general ledger accounting system.

Recommendation

That the payroll activity of the Township be properly recorded in the general ledger accounting system and that the payroll deduction reserve balance be properly analyzed.

Explanation and Corrective Action:

The accounting for payroll deductions has been maintained in accordance with established accounting practices. It is recommended that the general ledger provide additional detail for the accounting of the deductions. This will require updating the general ledger with a new account structure with subsequent transactions being maintained with additional detail as recommended.

Implementation Date:

Immediately

Prior Audit Findings

All prior audit findings were resolved in 2011.

This corrective action plan as been adopted by the governing body as evidenced by the enclosed Resolution adopted

If you have any questions please do not hesitate to contact me.

Respectively submitted,

John A. Bruno, Jr., CPA, RMA
Chief Financial Officer

cc: Borough Clerk