

**RESOLUTION OF THE MAYOR AND BOROUGH COUNCIL
OF THE BOROUGH OF MOUNT ARLINGTON, COUNTY OF MORRIS,
NEW JERSEY, APPROVING THE CORRECTIVE ACTION PLAN RECOMMENDED
IN THE ANNUAL REPORT OF AUDIT FOR 2014**

BE IT RESOLVED that the attached Corrective Action Plan, submitted by Carolyn Rinaldi, CFO, be approved and submitted by the Borough Clerk to the Division of Local Government Services.

BE IT FURTHER RESOLVED that a copy will be placed on file in the Borough Clerk's Office and made available for public inspection within the next 45 days.

I hereby certify this to be a true and correct Resolution of the Mayor and Borough Council of the Borough of Mount Arlington and adopted on July 7, 2015.



Linda DeSantis, RMC
Borough Clerk

Borough of Mount Arlington, County of Morris
Corrective Action Plan for the year ended December 31, 2014 Audit Report

Finding Number 1:

1. **Description:** An adequate segregation of duties be maintained with respect to the recording and treasury functions.
2. **Analysis:** Adequate segregation of duties in the Finance Office is not being maintained.
3. **Corrective Action:** The Borough has reviewed and discussed various alternatives to improve this area. Some adjustments in responsibilities have been made but due primarily to budget constraints and limited number of personnel a complete resolution cannot be made at this time.
4. **Implementation Date:** Uncertain.

Finding Number 2:

1. **Description:** The Fixed Assets inventory records of the client be reconciled to the appraisal report.
2. **Analysis:** The reconciliation for the fixed assets was not completely reconciled.
3. **Corrective Action:** A complete reconciliation will be done to accurately show the Borough's assets at year end. A post-audit report will be provided to American Appraisal to reconcile.
4. **Implementation Date:** September 4, 2015

Finding Number 3:

1. **Description:** The Tax and Utility Collection policy be modified so that the date of receipt is recorded on each tax stub to ensure that interest is calculated correctly for each delinquent receipt.
2. **Analysis:** A reconciliation report was not accurate for the calendar year.
3. **Corrective Action:** Tax and Utility Clerk has modified policy so all interest is calculated and recorded correctly for each delinquent receipt.
4. **Implementation Date:** October 2014.

Respectfully Submitted,



Carolyn Rinaldi
Chief Financial Officer