

RESOLUTION 2021 – 87

**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 2020**

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 Council of the Borough of Mount Arlington and adopted on August 3, 2021.



Matthew N. Bansch, Borough Clerk

Borough of Mount Arlington, County of Morris
Corrective Action Plan for the year ended December 31, 2020 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 various departments/offices is not being maintained.
3. **Corrective Action:** The Borough has reviewed and discussed various alternatives to improve this area. Additional 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.

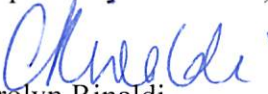
Finding Number 2:

1. **Description:** The Current Fund bank reconciliations and accompanying analysis of cash be completed accurately and compared to the general ledger balances on a monthly basis.
2. **Analysis:** More care must be taken to monitor current fund bank reconciliation and analysis.
3. **Corrective Action:** The Borough will reconcile current fund account and analyze cash compared to the general ledger monthly.
4. **Implementation Date:** January 2021

Finding Number 3:

1. **Description:** Transfers are not made from outside the CAP appropriation lines.
2. **Analysis:** A transfer was made from an inside the CAP appropriation to an outside CAP appropriation line.
3. **Corrective Action:** The Borough will ensure that future transfers are not made from outside the CAP appropriation lines basis. Financial Software will be reviewed to no longer allow this to reoccur.
4. **Implementation Date:** January 2021

Respectfully Submitted,


Carolyn Rinaldi
Chief Financial Officer