

TOWNSHIP OF SHREWSBURY
RESOLUTION #2023-82

ACCEPT CORRECTIVE ACTION PLAN IN CONNECTION WITH THE
2022 AUDIT RECOMMENDATIONS

WHEREAS, N.J.S.A. 40A:5-4 requires the Governing Body of every local unit to cause an annual audit of its books, accounts, and financial transactions to be made; and

WHEREAS, all local government units must prepare and submit a Corrective Action Plan as part of the annual audit process; and

WHEREAS, the Corrective Action Plan shall cover all findings and recommendations, including state, federal and general or financial statement findings in the audit report; and

WHEREAS, the Chief Financial Officer shall prepare said Corrective Action Plan with the assistance of other officials affected by the audit recommendations; and

WHEREAS, the Corrective Action Plan must be approved by the Governing Body of the local unit and is to be submitted to the Division of Local Government Services no later than sixty days from the receipt of the audit report:

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Township of Shrewsbury, in the County of Monmouth, State of New Jersey that the Corrective Action Plan for calendar year ended December 31, 2022 as prepared by the Chief Financial Officer is hereby approved as follows:

FINDING 2022-001 Trust Other: Auditors noted various reserves whereby a dedication by rider resolution approval was not obtained by the State of New Jersey. (Similar to prior year)
Corrective Action – That all trust accounts be reviewed to make sure that each one has a dedication by rider or funds are returned to general fund via resolution.

FINDING 2022-002 Purchasing: Auditor's examination of expenditures revealed deficiencies in the application of the Township's internal control policies and procedures over expenditures. Deficiencies included purchase order dates prior to invoice dates, missing Claimant's Certification and Declaration, purchase orders charged to incorrect budget account line items and incorrect capital ordinance and lack of resolution awarding professional contract. (Similar to prior year)
Corrective Action – That confirming orders be kept to a minimum, that we obtain Claimant's Certification and Declaration where required, that we charge purchases to correct budget line items and that we award all professional contracts via resolutions.

FINDING 2022-003 FIXED Assets: The Township is required to establish and maintain a physical inventory of fixed assets and nonexpendable, tangible property. The Township Fixed Asset listing

is a roll forward of additions and deletions each year, there is not a central data base where a summary is maintained.

CORRECTIVE ACTION – That a physical inventory be taken and a Fixed Assets Data Base be maintained.

BE IT FURTHER RESOLVED by the Governing Body of the Township of Shrewsbury that the Acting Township Clerk is directed to forward (2) certified copies of this resolution to the Director of the New Jersey Division of Local Government Services.

Name	Motion	Second	Ayes	Nays	Abstain	Absent
Puhak						
Lettice						
Jennings						

Adopted: September 12, 2023

I, Katrina Thornton, Acting Municipal Clerk of the Township of Shrewsbury, do hereby certify the foregoing to be a true copy of a resolution adopted by the Mayor and Governing Body at a meeting held on September 12, 2023.

Attest:

Katrina Thornton, CMR
Acting Municipal Clerk

Lester Jennings
Mayor

Catherine D LaPorta, CFO
Certification