

## **RESOLUTION NO. 2024-103**

### **A RESOLUTION REVIEWING THE CORRECTIVE ACTION PLAN IN RESPONSE TO THE 2023 AUDIT**

**BE IT RESOLVED**, by the Township Council of the Township of Aberdeen, County of Monmouth, State of New Jersey, that the following Corrective Action Plan be adopted in response to the 2023 audit findings:

#### **Financial Administration**

##### **Findings:**

There is a delay in Cash Flow stemming from time of Tax Payments received from residents, and the time that the Township pays the School District. Funds are transferred between accounts to cover costs and to be returned on a timely basis in the Bank and on the Books

##### **Recommendation:**

That all Interfunds be liquidated at year end.

##### **Explanation and Corrective Action:**

The township agreed to a new payment schedule with the School District to pay in installments on months where cash flow is tight. In addition to this, the finance office will better monitor our Interfunds to avoid this issue.

##### **Findings:**

The bank reconciliation are done monthly by finance staff. The CFO has been responsible for reviewing reconciling items. The reconciling items tend to roll month to month on the bank recs instead of closed out at month end.

##### **Recommendation:**

That bank reconciliation outstanding items be reviewed and cleared on a timely basis.

##### **Explanation and Corrective Action:**

The CFO will work with supporting staff to ensure bank reconciliations are better managed and items are removed monthly.

##### **Findings:**

The Township had numerous over expenditures in 2023 resulting from some unforeseen circumstances and lack of appropriation reserves.

##### **Recommendation:**

That Appropriations and Improvement Authorizations be monitored to avoid over expenditures and expenditures without appropriations.

**Explanation and Corrective Action:**

The CFO will run quarterly reports from Edmunds "Statement of Expenditures and Revenues" to track progress of budget at quarter end. Department heads will be instructed to cease spending in late October without approval from Manager.

**Findings:**

The Police OT was being billed out to vendors after the fact, and they do not pay on a timely manner. There is a receivable balance still outstanding from prior years.

**Recommendation:**

The Police off Duty Services be billed and collected in advance accordance with LFN 2000-14 and all the detailed analysis of the balance be reconciled to the GL balance.

**Explanation and Corrective Action:**

The billing is now being done by 3rd party vendor "Jobs 4 Blue". The Township is being paid in advance and 3rd party taking on the receivable. Township will attempt to collect prior balances

**Findings:**

The Township has multiple shared service agreements with contracts in place. Finance Department needs to send an official invoice to the other townships for payment.

**Recommendation:**

The Interlocal Service Agreements be billed on a timely basis and that all outstanding balances be collected

**Explanation and Corrective Action:**

CFO will make sure Invoice is sent on a timely basis per contract. 2023 Receivables already collected from Matawan.

**ROLL CALL VOTE:**

Ayes: Councilmembers Cannon, Hirsch, Kelley, Martucci, Swindle, Deputy Mayor Montone, Mayor Tagliarini

Nays: None

Abstain: None

Absent: None

**ROLL CALL VOTE:**

Ayes: Councilmembers Cannon, Hirsch, Kelley, Martucci, Swindle, Deputy Mayor Montone, Mayor Tagliarini

Nays: None

Abstain: None

Absent: None

I hereby certify the foregoing to be a true copy  
of a Resolution adopted by the Township  
Council of the Township of Aberdeen on August 15, 2024

Melissa Pfeifer

Melissa Pfeifer, Township Clerk