TOWNSHIP OF FREDON
RESOLUTION 2019-44
CORRECTIVE ACTION PLAN
2018 Report of Audit

Township of Fredon          May, 2019

Finding #1  Segregation of Duties

1. Description:  Adequate segregation of duties where possible be maintained with respect to the recording and treasury functions.

2. Analysis:  This is due, in most part, to the limited number of personnel of the Township, accordingly, management and the Township Committee are aware of this situation and realize that concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

3. Corrective Action:  Due to budgetary constraints, no resolution can be made at this time.

4. Implementation Date:  Continues to be monitored.

Finding #2  The transfer amount to tax title liens be reconciled and corrected; the monthly bank reconciliations were inaccurate and the balance of the Tax Title Liens was large.

1. Description:  During the course of the audit, it was noted that the transfer of prior year taxes to tax title liens was not in agreement with the prior year analysis of taxes receivable.  Additionally, the tax collector’s bank reconciliations were inaccurate and the balance of Tax Title Liens was large.

2. Analysis:  Management will make an effort to facilitate the corrections and reconciliations and return of the tax title liens to a tax paying basis.

3. Corrective Action:  Every effort will be made to ensure that the tax collector completes the monthly bank reconciliations and reconciles and corrects the transfer amount to tax title liens so they are in agreement with the analysis of taxes receivable.  Additionally, a focus will be placed on getting the Tax Title Liens back to a tax paying basis.

4. Implementation Date:  May 16, 2019

CERTIFICATION

I hereby certify that the above is a true copy of a Resolution passed by the Fredon Township Committee at a Regular Meeting of that body held on May 23, 2019.

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Debra Prommel
Acting Municipal Clerk