



BOROUGH OF ELMWOOD PARK
MUNICIPAL BUILDING
182 MARKET STREET
ELMWOOD PARK, NEW JERSEY 07407

Roy Riggitano
CMFO

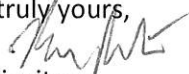
201-796-1457ext. 216
FAX 201-796-1612

August 1, 2019

Division of Local Government Services
101 South Broad Street
Trenton, New Jersey 08625

Pursuant to Local Finance Notice 97-16, A Corrective Action Plan, which outlines actions the Borough of Elmwood Park will take to correct the findings listed will be prepared in accordance with Federal and State requirements. A copy of it will be placed on file and made available for public inspection in the Office of the Borough Clerk.

Very truly yours,


Roy Riggitano
CFO, Borough of Elmwood Park

Cc: Mayor and Council



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Roy Riggitano
CMFO

201-796-1457ext. 216
FAX 201-796-1612

To: Finance, Purchasing, Payroll Departments

From: Roy Riggitano, CFO,

Re: Corrective Action 2018 Audit Findings

Date: August 1, 2019

Findings 2018, 1


1. Goods and services are being ordered prior to the issuance of a purchase order.
2. The Borough is using a banking institution not included on list of designated depositories.
3. Competitive quotes were not obtained for some purchases in excess of bid threshold.
4. Not all Trust Fund/Reserves are approved by Dedication by Rider through the New Jersey Division of Local Government Services.
5. Reserve balances in the Other Trust Fund for Tax Title Lien Premiums are not in agreement
6. The annual equitable sharing and certification report filed with the Federal Departments of Justice and treasury is not in agreement with the financial records of the borough.
7. The prior year audit balance in municipal liens receivable is not in agreement with tax collector records.

Explanation and Corrective Action

1. Goods and Services shall be ordered after an issuance of a purchase order.
2. All depositories shall be approved at the Reorganization meeting of Mayor and Council.
3. Competitive quotes must be obtained for purchases in excess of the quote threshold.
4. Submit Dedication by Rider to Division of Local Government Services.
5. Reserve balances in the Other Trust Fund for Tax Title Lien Premiums and Redemptions shall be reconciled .
6. Reconciled the equitable sharing and certification report with financial records of the borough.
7. Prior year municipal liens shall be in agreement with tax collector records.

Implementation Date: August 1, 2019

Very truly yours,


Roy Riggitano
CFO, Borough of Elmwood Park



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Roy Riggitano
CMFO

201-796-1457ext. 216
FAX 201-796-1612

To: Administration/Clerk
From: Roy Riggitano, CFO,
Re: Corrective Action 2018 Audit Findings
Date: August 1, 2019

Findings 2018, 1


1. Not all professional service contracts were awarded via resolution or in compliance with the state's "Pay to Play" statute (P.L. 2005, c.51)
2. Not all required bid documents were obtained for vegetative waste recycling services.
3. A resolution establishing rate of interest on delinquent taxes was not presented or approved by the Mayor and Council for 2018 in accordance with N.J.S.A. 54:4-67.
4. Not all minutes were subsequently presented to the Mayor and Council for approval.

Explanation and Corrective Action

1. All professional contracts when awarded shall be advertise.
2. All bid documents shall be available for audit for vegetative waste recycling services.
3. A resolution shall be submitted for delinquent tax percentages in accordance with N.J.S.A. 54:4-67.
4. All minutes must be presented to the mayor and Council for approval.

Implementation Date: August 1, 2019

Very truly yours,


Roy Riggitano
CFO, Borough of Elmwood Park

Cc: Mayor and Council



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Roy Riggitano
CMFO

201-796-1457ext. 216
FAX 201-796-1612

To: Municipal Court

From: Roy Riggitano, CFO,

Re: Corrective Action 2018 Audit Findings

Date: August 1, 2019

Findings 2018, 1


1. All outstanding tickets in excess of 6 months old be recalled.
2. The analysis of open bail per the ATS/ACS reports does not agree with the reconciled cash in bail account.

Explanation and Corrective Action

1. Clear all outstanding tickets in excess of 6 months.
2. Reconcile the ATS/ACS report to the reconciled cash in bail account

Implementation Date: September 1, 2019

Very truly yours,


Roy Riggitano
CFO, Borough of Elmwood Park

Cc: Mayor and Council

**BOROUGH OF ELMWOOD PARK
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2018**

COMMENTS

Finance/Treasurer/Accounts Payable:

1. *Goods and services are being ordered prior to the issuance of a purchase order.
2. The Borough is utilizing a banking institution that is not included on the list of designated depositories as approved at the Reorganization meeting of the Mayor and Council.
3. *Competitive quotes were not obtained for some purchases in excess of the quote threshold.
4. Not all Trust Fund/Reserves are approved by Dedication by Rider through the New Jersey Division of Local Government Services.
5. Reserve balances in the Other Trust Fund for Tax Title Line Premiums and Redemptions are not in agreement with supporting documentation.
6. The annual Equitable Sharing and Certification report filed with the Federal Departments of Justice and Treasury is not in agreement with the financial records of the Borough.
7. The prior year audit balance in municipal liens receivable is not in agreement with tax collector records.

Administration/Clerk

1. Not all professional service contracts were awarded via resolution or in compliance with the state's "Pay to Play" statute (P.L. 2005, c. 51)
2. Not all required bid documents were obtained for vegetative waste recycling services.
3. A Resolution establishing the rate of interest on delinquent taxes was not presented or approved by Mayor and Council for 2018 in accordance with N.J.S.A. 54:4-67.
4. Not all minutes were subsequently presented to the Mayor and Council for approval.

Municipal Court

1. A review of the December monthly management report indicated there is a significant amount of tickets assigned but not issued over 180 days.
2. The analysis of open bail per the ATS/ACS reports does not agree with the reconciled cash in the Bail Account.

**BOROUGH OF ELMWOOD PARK
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2018**

RECOMMENDATIONS

Finance/Treasurer/Accounts Payable:

1. *Purchase orders are issued at the time the order is placed for goods and services.
2. *All banking institutions utilized by the Borough be approved by the Mayor and Council via resolution.
3. *Competitive quotes be obtained for purchases in excess of the quote threshold as required.
4. Dedication by Rider approvals be obtained for those Trust Funds for which one was never submitted to the Division of Local Government Services.
5. Adjustments be made to bring the reserve balances for Tax Title Lien Premiums and Redemptions in agreement with tax collector reports.
6. Further investigation and adjustments be made to determine accurate balances to be reported on the annual Equitable Sharing and Certification Report.
7. The balance in municipal liens receivable be investigated to determine the correct receivable balance and adjustments made if necessary.

Administration/Clerk

1. All professional service contracts be awarded via resolution and in accordance with the state's "Pay to Play" statute.
 - a. Awarding resolutions contain the line item appropriation to be charged and not to exceed cost language be implemented.
 - b. Justification and rationale for the award of a contract be documented and provided for auditor review.
 - c. Awarding resolutions stipulate the anticipated value of the contract and contain not to exceed language.
2. All required bid documents be included in bid specification packages.
 - a. Bid Bond
 - b. Consent of Surety
3. A resolution establishing the rate of interest to be charged on delinquent taxes be approved by the Mayor and Council each year as required.
4. Minutes of Mayor and Council meetings be prepared and submitted for approval of the governing body at subsequent meetings.

**BOROUGH OF ELMWOOD PARK
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2018**

RECOMMENDATIONS, (CONTINUED)

Municipal Court

1. Tickets assigned but not issued over 180 days be recalled and either re-assigned or destroyed.
2. Discrepancies between the reconciled bail and that on the analysis of open bail per ATS/ACS be investigated and corrections and /or adjustments be made to ensure the balances are in agreement.

BOROUGH OF ELMWOOD PARK

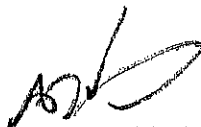
STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior year recommendations and corrective action was taken on all except for the Findings/Recommendations marked with an "*".

ACKNOWLEDGMENT

We received the complete cooperation of all of the officials of the municipality and we greatly appreciate the courtesies extended to all members of the audit team.

Respectfully submitted,



Steven D. Wielkottz
Registered Municipal Accountant
No. CR00413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

July 22, 2019