

RESOLUTION NO. 20-97

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODBURY
APPROVING SUBMISSION OF CORRECTIVE ACTION PLAN FOR 2018 AUDIT**

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, The Annual Report of Audit for the year 2018 has been filed by a Registered Municipal Accountant with the Municipal Clerk, pursuant to N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body, and

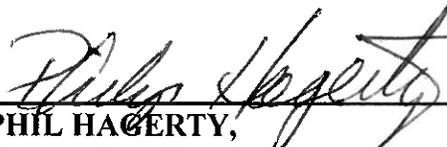
WHEREAS, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated in Resolution No. 20-96 adopted May 13, 2020 and have subscribed to the affidavit, as provided by the Local Finance Board, and

WHEREAS, the Chief Financial Officer has prepared the attached Corrective Action Plan for the 2018 Annual Audit, responding to the Schedule of Findings and Recommendations.

NOW, THEREFORE BE IT RESOLVED, by the Mayor and Council of the City of Woodbury, that the attached Corrective Action Plan for the 2018 Audit is hereby approved for submission to the Division of Local Government Services, New Jersey Department of Community Affairs.

ADOPTED at the regular meeting of the Mayor and City Council of the City of Woodbury held on May 13, 2020.

CITY OF WOODBURY

By: 

**PHIL HAGERTY,
Council President Pro-Tempore**

ATTEST:



DANEEN FUSS, City Clerk

Council Member	Ayes	Nays	Abstain	Absent
Councilwoman Carter	✓			
Councilman Fleming	✓			
Councilman Hagerty	✓			
Councilman Johnson	✓			
Councilman McIlvaine	✓			
Councilman Merinuk	✓			
Councilwoman Miller	✓			
Councilwoman O'Connor	✓			
Council President Parker				✓
Mayor Floyd				

CERTIFICATION

I, Daneen D. Fuss hereby certify that the foregoing Resolution was adopted by the City Council, of the City of Woodbury, in the County of Gloucester and State of New Jersey at the meeting held on **May 13, 2020** at City Hall 33 Delaware Street, Woodbury, New Jersey 08096.

Daneen D. Fuss
City Clerk

RESOLUTION 20-97

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CITY OF WOODBURY 2018 AUDIT REPORT

CORRECTIVE ACTION PLAN

General Requirements:

In general, a Corrective Action Plan (CAP) includes the following items or actions, as required by the NJ Department of Community Affairs, Division of Local Government Services:

- Resolution by the governing body, acknowledging review of audit findings
- The CAP must address each audit finding
- Provide the name(s) of contact person(s) for corrective action
- State the anticipated completion time
- If the auditee does not agree with the finding, or believes no corrective action is required, the plan shall include an explanation and specific reasons for disagreement
- For Prior Year Audit Findings Schedule:
 - State if the condition is partially corrected. What was the planned action? Has partial action been taken?
- Review the CAP with the independent auditor

Prepared by:
Dated:


Robert Law, CFO
May 13, 2020

Audit filed on April 30, 2020
Audit Resolution at May 13, 2020 Council Meeting
Corrective Action Plan at May 13, 2020 Council Meeting

**CITY OF WOODBURY
2018 AUDIT REPORT**

CORRECTIVE ACTION PLAN

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Finding No. 2018-001:

CONDITION:

The City did not maintain a fully operational and balanced general ledger accounting system that was reconciled to all internal departmental reports as required by N.J.A.C. 5:30-5.7. In addition, various 2018 expenditures charged to budget account status reports were not properly or accurately recorded.

AUDITOR RECOMMENDATION:

That a complete and balanced general ledger accounting system be maintained and reconciled with internal department records in accordance with N.J.A.C. 5:30-5.7.

EXPLANATION AND CORRECTIVE ACTION:

In 2018 and 2019, the city experienced changes in staffing within the Finance Department, which has been stabilized in 2019 and 2020. Personnel changes have been made so that the Chief Financial Officer (CFO) can make the CFO position his primary focus. The 2019 General Ledger is reconciled and 2019 expenditures have been properly recorded. The AFS continues to be prepared by the CFO.

Finding No. 2018-002:

CONDITION:

The City's bank reconciliations were not fully completed in a timely and accurate manner.

AUDITOR RECOMMENDATION:

The City should establish proper internal controls over the preparation of timely and accurate bank reconciliations.

EXPLANATION AND CORRECTIVE ACTION:

In 2018 and 2019, the city experienced changes in staffing within the Finance Department, which has been stabilized in 2019 and 2020. Personnel changes have been made so that the Chief Financial Officer (CFO) can make the CFO position his primary focus. The 2019 bank reconciliations have been completed, and the CFO will continue to oversee the preparation of timely and accurate bank reconciliations going forward.

Finding No. 2018-003:

CONDITION:

The City did not publish at least once in the newspaper and circulated in the municipality, the capital ordinances introduced and adopted by City Council.

AUDITOR RECOMMENDATION:

Every ordinance after being introduced and having passed a first reading should be published in a newspaper and circulated in the municipality.

EXPLANATION AND CORRECTIVE ACTION:

When reviewing our capital ordinances, the City Clerk noted that proper publication was not performed for some of the ordinances. In 2019, City Council re-introduced new ordinances and properly advertised them to correct the previous ordinances.