



BOROUGH OF RIVERDALE NEW JERSEY



Resolution No: 97-2016
Date of Adoption: July 27, 2016

TITLE:

RESOLUTION APPROVING THE CORRECTIVE ACTION PLAN PREPARED BY THE CHIEF FINANCIAL OFFICER IN RESPONSE TO THE FINDINGS AND RECOMMENDATIONS IN THE 2015 AUDIT REPORT

WHEREAS, the audit report for the year ended December 31, 2015 was received by the Borough of Riverdale on June 29, 2016; and

WHEREAS, the Division of Local Government Services requires a corrective action plan to be prepared and submitted within 60 days from the date the audit is received by the Governing Body; and

WHEREAS, the corrective action plan covers all findings and recommendations in the audit report, including state, federal and general findings, as well as, the status of prior year findings and recommendations; and

WHEREAS, the corrective action plan should be prepared by the Chief Financial Officer, with the assistance from other municipal officials affected by the audit recommendations, and approved by the Governing Body.

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Riverdale hereby approves the corrective action plan prepared and submitted by the Chief Financial Officer in response to the findings and recommendations included as part of the audit report for the year ended December 31, 2015.

RECORD OF COUNCIL VOTE

Motion – by Councilman: _____ Second - by Councilman: _____

COUNCILMAN Yes No Absent Abstain COUNCILMAN Yes No Absent Abstain

Astarita						Pellegrini				
Revis						Desai				
Clinton						Oswald				

A.J. Jalloh, Borough Clerk

Paul M. Carelli, Mayor

This resolution, when adopted, must remain in the possession of the Borough Clerk. Certified copies are available.

CLERK'S CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution duly adopted by the Mayor and Council of the Borough of Riverdale at a regular meeting held on July 27, 2016.

Municipal Clerk

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF LOCAL GOVERNMENT SERVICES
CORRECTIVE ACTION PLAN

<u>MUNICIPALITY</u>	<u>COUNTY</u>	<u>DATE AUDIT RECEIVED</u>
Borough of Riverdale	Morris	June 29, 2016

Administration: Solid Waste and Recycling Contracts

GENERAL FINDING #1

Finding/Condition:

It was noted that a contract for Solid Waste and Recyclable Collection was awarded to Bella Cleaning and Carting which was subsequently challenged by the second lowest responsible bidder - Blue Diamond Disposal, Inc. The Borough did not officially cancel or rescind the contract with Bella Cleaning and Carting nor did it ever officially award the contract to Blue Diamond Disposal, Inc. to which payments were made starting in February of 2015.

Recommendation:

That proper procedures be followed for the awarding/rescinding of all contracts.

Explanation and Corrective Action:

The Solid Waste and Recycling Contracts were awarded to the lowest responsible bidder. The award was subsequently challenged by the second lowest responsible bidder.

The Superior Court of New Jersey ordered that the Borough's Solid Waste and Recycling Contracts with Bella Cleaning and Carting be deemed withdrawn. In addition, the Borough was ordered to enter into the Solid Waste and Recycling Contracts with Blue Diamond Disposal, Inc. The Borough followed the proper procedures for awarding the Solid Waste and Recycling Contracts.

Implementation Date:

Corrective action is not required.

Administration: Fixed Assets

GENERAL FINDING #2

Finding/Condition:

The Borough has not had an independent outside appraisal done of its fixed assets for a number of years and has not been accounting for any deletions to its fixed assets.

Recommendation:

That an independent outside appraisal be undertaken by the Borough to obtain an up to date accounting of its fixed assets.

Explanation and Corrective Action:

As a result of retirements and staffing changes the Borough did not properly update its fixed asset inventory. The prior responsibility assumed was not subsequently assigned.

Administration is in the process of soliciting the services of an independent outside appraisal firm to provide an inventory of all fixed assets of the Borough. The firm will also be hired to update the inventory on an annual basis, including but not limited to additions and deletions.

Implementation Date:

Corrective action is scheduled to be implemented for December 31, 2016.