

RESOLUTION 2013 – 034

**RESOLUTION APPROVING
THE BORDENTOWN SEWERAGE AUTHORITY
CORRECTIVE ACTION PLAN**

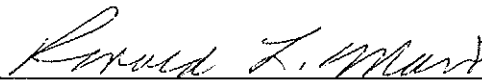
WHEREAS, The Bordentown Sewerage Authority is required to prepare a Corrective Action Plan as part of its annual audit process that addresses all findings and recommendations contained in the annual audit report, and specifies the manner in which the findings and recommendations will be corrected; and

WHEREAS, the Corrective Action Plan is required to be submitted to the Division of Local Government Services and kept on file in the office of the Authority within sixty (60) days from the date that the audit is received by the Authority.

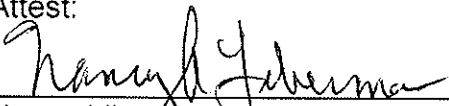
NOW, THEREFORE, BE IT RESOLVED by The Bordentown Sewerage Authority, this 15th day of April, 2013 as follows:

1. The Corrective Action Plan attached hereto is hereby adopted by the Authority.
2. A copy of the Corrective Action Plan shall be submitted to the Division of Local Government Services and kept on file in the office of the Authority, as required by law.

THE BORDENTOWN SEWERAGE AUTHORITY

By: 
Ronald L. Marino, Chairman

Attest:


Nancy Liberman, Secretary

CORRECTIVE ACTION PLAN

AUDIT REPORT YEAR:
DECEMBER 1, 2011 – NOVEMBER 30, 2012

APPROVED: April 15, 2013

The Bordentown Sewerage Authority hereby approves the following Corrective Action Plan for the audit year indicated above.

Finding:

The 2012 3rd Quarter State tax reports were prepared without including the last payroll of the quarter.

Recommendation:

Quarterly payroll reports should be reconciled with payroll records before filing.

Explanation and Corrective Action:

State Quarterly taxes were under-paid in the amount of \$64.07 for Disability, Unemployment and Family Leave as a result of not including the last payroll of the quarter. State GIT and Federal FICA/FWT were paid properly since separate reporting indicates the tax withholding for each pay period and the amounts due for Federal biweekly and State monthly payments due. The State of New Jersey was contacted and the under-payment was made immediately on January 27, 2013.

When Quarterly taxes are due, the Administrative Manager will arrange to be in an environment that is conducive to the concentration necessary to the process.

Finding:

Two employees' pension withholding obligations were under-withheld by a total of \$569.01.

Recommendation:

Quarterly State pension reports should be reconciled with employee withholding records.

Explanation and Corrective Action:

In one instance the employee's last day of service was not recognized by Pension. As a result, the one month of pension contribution due for the period was reflected as three (3) months of required contribution. In the second instance, the employee resigned with 2 days notice. As a result, the Administrative Manager did not take note that "back" pension contributions were still due and owing from the individual. These should have been deducted from the last paycheck as they were due to Pension. Pension has been contacted for a refund in the first instance. In the latter, more time will be taken in the future to review all deductions to insure nothing is due to the Authority before a final check is processed.