

**Parsippany Troy Hills Fire District #1
Corrective Action Plan
For Audit as of December 31, 2024**

Finding 2024-001

The Fire District does not maintain an adequate segregation of duties due to a limited number of personnel. The functions of handling cash, preparation of cash receipts and cash disbursements books and the general ledger for the various funds and reconciliation of bank accounts are performed by one individual. This is not unusual in operations the size of the Fire District, but management should constantly be aware of this condition and realize the concentration of duties and responsibility in a limited number of individuals is not desirable from a control point of view. Concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Recommendation:

It is recommended that the District maintain an adequate segregation of duties with respect to the functions of handling cash, preparation of cash receipts and cash disbursements books and the general ledger for the various funds and reconciliation of bank accounts.

Corrective Action:

Finding 2024-001 was evaluated, however, due to budgetary constraints, no resolution can be made at this time.

Implementation Date:

N/A

Finding 2024-002

The District completed a paving project at the Powdermill firehouse in 2024. Even though quotes were obtained for the paving project, the District did not award the contract through a formal bid process..

Recommendation:

It is recommended that the District adheres to the Local Public Contract Law.

Corrective Action:

To follow all state guidelines in reference to contracts over \$17,500.00

Implementation Date:

May 28, 2025

Finding 2024-003

During our review of purchases and disbursements, we noted instances where the supporting documentation, such as the voucher and/or invoices, were not maintained on file for review. We also noted that claimant, receipt of goods and approval signatures were not obtained for all vouchers.

Recommendation:

It is recommended that extra care be taken to ensure that all vouchers and invoices are maintained on file and all required signatures are obtained on purchase orders before payments are released.

Corrective Action:

May 28, 2025

Implementation Date:

Finding 2024-004

During our audit, we noticed that there were over-expenditures of certain budget line items.

Recommendation:

It is recommended that the budget balances be reviewed periodically and necessary budget transfers be made.

Corrective Action:

To adhere to suggested action by auditor. Track line item over expenditures

Implementation Date:

May,28,2025