



SINCE 1844

ROCKAWAY TOWNSHIP

65 MOUNT HOPE ROAD, ROCKAWAY, NEW JERSEY 07866

DEPARTMENT OF ADMINISTRATION & FINANCE

Joe Jackson, Mayor

Lisa Palmieri, Chief Financial Officer/Business Administrator

February 26, 2026

Office of the State Comptroller, Audit Division

Attn: Daniel Rosenberg, Auditor-In-Charge

Re: Township of Rockaway, County of Morris – Official Response to OSC Follow-Up Review

On behalf of the Township of Rockaway, please accept this correspondence as our formal response to the two recommendations noted as “partially implemented” by the State Comptroller in their follow-up review.

Recommendation #6 – Comply with the requirements of the Local Public Contracts Law, including N.J.A.C. 5:34-2 for the procurement of insurance and insurance services.

In reference to Recommendation #6, while the Audit Team has admitted that the Township’s insurance procurement practices have improved since the initial review in 2023, it has found that “significant issues” remain to be addressed. This finding resulted in the Audit Team’s conclusion that the team’s recommendations have been “partially implemented”. We respectfully disagree that the issues identified are significant and we further disagree that the circumstances giving rise to the Audit Team’s conclusions constitute “issues” at all.

The Township has legally taken advantage of a long-term price freeze and has reduced the chances of a price increase, by passing an award Resolution for vision coverage over a 48-month period in 4 consecutive one-year contracts. As such, each contract “term” as set forth in NJSA 40A:11-15(6) expires in one year. In fact, the state’s local public contract’s law does not aggregate insurance contracts either in time or in dollars as it does in construction contracts. The actions taken by the Township have benefited our tax payers by holding insurance premiums flat and eliminating the need for a tax increase.

The Audit Team expressed their understanding of the Township’s attempt to secure a long-term price freeze guaranty for the benefit of taxpayers. Under the circumstances, we contest the “partially implemented” classification that has been applied to this issue.

Recommendation #12 – Develop policies and procedures for the payroll department that require the timely submission and verification of Time-Off/Payroll Exception forms. The policy should require that the Time-Off/Payroll Exception forms accurately document supplemental hours worked, provide justification for the supplemental work performed, and contain appropriate approval signatures prior to the payment of supplemental pay.

In reference to Recommendation #12, the Audit Team noted one instance out of ten individuals selected where the Court Administrator approved his own overtime. As of January 1, 2025, the Court Administrator is no longer a member of the Union Council 8 Collective Bargaining Unit and is now classified as “Exempt”. An employee who is classified as “Exempt” is not entitled to overtime, and therefore this recommendation should be considered “implemented” by the Audit Team.

As the audit has not revealed any other Township employees who are in a position to approve their own overtime, and as the single instance involving the Court Administrator has been permanently rectified, there is no reason for this recommendation to be identified as anything other than fully implemented.

It should also be noted that administration of Municipal Court staff resides solely with the Judge and the New Jersey Administrative Office of the Courts. Township administration has no authority over the Court or the Judge.

In conclusion, we appreciate the opportunity to respond and clarify the issues noted in the Comptrollers follow-up review. The Township administration along with the mayor and council will continue to work together to provide outstanding services to our residents and business owners.