SUSSEX BOROUGH
RESOLUTION #2026-108R

CORRECTIVE ACTION PLAN AUDIT YEAR 2025

WHEREAS, the 2025 Annual Audit Report was delivered on and regulations promulgated by the Local Fiscal Affairs Law, N.J.S.A. 40A:5 requires that the Chief Financial Officer prepare a Corrective Action Plan covering all findings and recommendations in the audit report; and

WHEREAS, N.J.S.A. 40A:5 further requires approval of the Corrective Action Plan within 60 days of audit receipt by the Borough Council;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body, of the Borough of Sussex that the Corrective Action Plan for the 2025 Annual Audit Report prepared by the Borough Chief Financial Officer and attached hereto as "Appendix A" be approved.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of a resolution duly adopted by the Governing Body of the Borough of Sussex, in the County of Sussex, New Jersey, at a meeting held on September 15, 2026.

Antoinette Smith, Municipal Clerk
Borough of Sussex

BOROUGH OF SUSSEX

CORRECTIVE ACTION PLAN

AUDIT YEAR – 2025

Finding/Comment #1

The Borough does not maintain an adequate segregation of duties within the Treasury Department.

Recommendation

That adequate segregation of duties within the Treasury Department be maintained.

Corrective Action

Duties of personnel will be reviewed to determine whether more adequate segregation of duties can be provided within budget constraints and the limited number of employees qualified to perform other accounting functions.

Implementation Date: On-going

Comment #2

Several purchases selected for testing were missing proper approvals.

Recommendation

That all purchases receive proper approvals in accordance with Borough policies.

Corrective Action

Every effort will be made to ensure proper approvals are obtained for all purchases.

Implementation Date: On-going

Comment #3

Resolutions awarding professional service contracts through non-competitive practices were missing budget line-item appropriations and not-to-exceed cost language.

Recommendation

That resolutions awarding professional service contracts include budget line-item appropriations and cost language.

Corrective Action

Resolutions awarding professional service contracts now include budget line-item appropriations and cost language.

Implementation Date: 2026

Comment #4

Interfund balances are not being liquidated in a timely manner.

Recommendation

That interfund balances be reviewed and liquidated, where applicable.

Corrective Action

Interfund balances have been reviewed and liquidated, where applicable.

Implementation Date: 2026

Comment #5

The Claims account could not be reconciled to the general ledger.

Recommendation

That the Claims account be reconciled to the general ledger on a monthly basis.

Corrective Action

The Claims account is reconciled and being phased out of use.

Implementation Date: 2027

Comment #6

An updated accounting of fixed assets was not available for audit.

Recommendation

That a fixed asset ledger be maintained at least annually and be made available for audit.

Corrective Action

The Borough will conduct a full fixed asset inventory.

Implementation Date: 2027

Comment #7

The annual debt statement filed with the State was incorrect.

Recommendation

That the annual debt statement be amended and re-filed.

Corrective Action

The annual debt statement will be amended and re-filed.

Implementation Date: 2026