

Borough of Caldwell
Corrective Action Plan

Borough of Caldwell
County of Essex
Audit Report Year: December 31, 2022

Finding 2022-01:

Recommendation:

Consideration be given to providing for a more adequate segregation of duties with respect to the recording and treasury functions.

Explanation and Corrective Action Plan

The Borough Administrator will work to reassign duties to allow for separation of functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time.

Status/Date Completed: Ongoing

Finding 2022-02(a):

Sewer Operating Utility

Recommendation:

The Borough will continue to implement formal written contracts with the remaining municipalities for sewer fees.

Explanation and Corrective Action Plan

The Borough has made a concerted effort in obtaining signed contracts from the various municipalities without success. The Borough will continue to pursue this.

Date Initiated 2015

Status/Date Completed: Ongoing

Finding 2022-02(b):

Sewer Operating Utility

Recommendation:

Every effort be made to ensure that an operating deficit in the Sewer Utility Operating Fund does not occur.

Explanation and Corrective Action Plan

Receivables from wholesale sewer customers have been held as a result of pending litigation. The Borough will no longer experience deficits in the sewer utility operating fund once litigation is resolved.

Date Initiated 2021

Status/Date Completed: Ongoing

Finding 2022-03:

Recommendation:

Purchase orders are approved prior to the order of goods and services.

Explanation and Corrective Action Plan

The Borough will make every effort possible to ensure that a purchase order is procured before ordering goods or services.

Date Initiated 2023

Status/Date Completed: Ongoing

Finding 2022-04:

Water Operating Utility

Recommendation:

Every effort be made to ensure that an operating deficit in the Water Utility Operating Fund does not occur.

Explanation and Corrective Action Plan

The Borough has increased water rates to prevent future deficits in operations.

Date Initiated 2023

Status/Date Completed: Ongoing

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Dated: 11/21/2023