



**New Jersey State Legislature  
Office of Legislative Services  
Office of the State Auditor**

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**EXECUTIVE SUMMARY**

**DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PROCUREMENT OF PROFESSIONAL SERVICES CONTRACTS  
July 1, 2016 to September 30, 2018**

We found the financial transactions included in our testing were related to the division's programs and were reasonable. We found general compliance with laws and regulations and an overall effective contracting process. We also found contracts were awarded properly based on established regulations and procedures. In making these determinations, we noted certain internal control weaknesses and matters of compliance with a state circular that merit management's attention.

**AUDIT HIGHLIGHTS**

State agencies were not in compliance with control measures requiring assignment of trained State Contract Managers and to have them periodically report the financial and overall project and other contract performance status to the division.

We found:

- Seven of 14 State Contract Managers did not receive training or did not complete the online training module. Of these seven, three were the original designated State Contract Managers and four were appointed subsequent to the start of the contract.
- Four of 14 State Contract Managers were unfamiliar with the circular and one was not aware he was designated as the State Contract Manager.
- Nine of 11 contracts requiring submission of a biannual project status report did not file one with the division.

Untrained or improperly trained State Contract Managers could lead to mismanagement or ineffectiveness of contracts. Unfiled or untimely biannual reports could inhibit the division from monitoring the contract payments and deliverables.

**AUDITEE RESPONSE**

The department concurs with our findings and recommendations.

For the complete audit report or to print this Executive Summary, click [here](#).