



Borough of North Plainfield

MUNICIPAL BUILDING

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February 12, 2012

State of New Jersey
Division of Local Government Services
CN #803
Trenton, New Jersey 08625

Re: Corrective Action Plan
2010 Municipal Audit

I am responding to the 2010 Municipal Audit Recommendations by providing the following Corrective Action Plan.

Comments and Recommendations:

Recommendation #1:

That the use of state approved contracts as an exception to the Local Public Contracts law follow the appropriate approval process as set forth in the law, and that any purchase orders issued utilizing state contract pricing include the applicable state contract number on its face as required by governing regulations.

Explanation and Corrective Action:

The purchase order process has been reviewed with all department heads and the use of state contract vendors that exceed the bidding threshold are now be presented by resolution to the Governing Body for approval. If approved, the state contract number is now referenced on the purchase order and a resolution is prepared listing all state contract vendors.

Implementation Date:

July 1, 2011

Recommendation #2:

That contracts and/or contract extensions requiring the approval of the Governing Body be executed only upon the adoption of awarding resolution as required by the local public contracts law and regulations thereto.

Explanation and Corrective Action:

When required, all contract and or contract extensions are now presented by resolution to the Governing Body for approval prior to the award.

Implementation Date:
January 1, 2011

Recommendation #3:

That the reserve for extra Duty Pay general ledger account balance be proved to the itemized subsidiary record of billings, charges and balances at least annually and that any charges for administrative costs and equipment use be segregated from personnel costs charged.

Explanation and Corrective Action:

The reserve account for extra duty pay is now proved out as recommended by this comment.

Implementation Date:
January 1, 2011

Recommendation #4:

That a review of grant fund account balances relating to infrastructure improvements be performed to confirm the continuing viability and available balances of the projects reported therein.

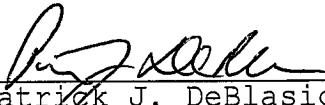
Explanation and Corrective Action:

The Administrative and Finance Departments will meet periodically with the various departments that apply for and utilize grant funds to review the status of each and every grant receipt and appropriated balances. Cancellations, if any, will be presented by resolution to the governing body.

Implementation Date:
July 1, 2011

If I can provide any further additional information, please contact me.

Sincerely,



Patrick J. DeBlasio, CPA, CMFO, CGFM, CTC
Chief Finance Officer