



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

**Pinelands Commission
Administration**

July 1, 2004 to May 1, 2006

**Richard L. Fair
State Auditor**

2004-2005

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New Jersey State Legislature

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The Honorable Jon S. Corzine
Governor of New Jersey

The Honorable Richard J. Codey
President of the Senate

The Honorable Joseph J. Roberts, Jr.
Speaker of the General Assembly

Mr. Albert Porroni
Executive Director
Office of Legislative Services

Enclosed is our report on the audit of the Pinelands Commission Administration for the period of July 1, 2004 to May 1, 2006. If you would like a personal briefing, please call me at (609) 292-3700.

A handwritten signature in cursive script, appearing to read "Richard L. Fair".

Richard L. Fair
State Auditor
September 13, 2006

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Pinelands Commission Administration

Scope

We have completed an audit of the Pinelands Commission for the period July 1, 2004 to May 1, 2006. The primary responsibility of the Pinelands Commission is to preserve, protect and enhance the natural and cultural resources of the Pinelands National Reserve, and to encourage compatible economic activities consistent with that purpose. Expenditures of the agency during the 22 month audit period were \$10.2 million. Revenues for the audit period were \$19.2 million, of which \$9.7 million represents a new grant for pineland conservation.

Objectives

The objectives of our audit were to determine whether financial transactions were related to the agency's programs, were reasonable and were recorded properly in the accounting system.

This audit was conducted pursuant to the State Auditor's responsibilities as set forth in Article VII, Section 1, Paragraph 6 of the State Constitution and Title 52 of the New Jersey Statutes.

Methodology

Our audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

In preparation for our testing, we studied legislation, administrative code, circular letters promulgated by the State Comptroller, and policies of the agency. Provisions that we considered significant were documented and compliance with those requirements was verified by interview, observation, and through our samples of financial transactions. We also read the budget message, reviewed financial trends, and interviewed agency personnel to obtain an understanding of the programs and the internal controls.

A nonstatistical sampling approach was used. Our samples of financial transactions were designed to provide conclusions about the validity of transactions as well as internal control and compliance attributes. Sample populations were sorted and transactions were judgmentally selected for testing.

Conclusions

We found that the financial transactions included in our testing were related to the agency's programs, were reasonable, and were recorded properly in the accounting system.



State of New Jersey

THE PINELANDS COMMISSION

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JON S. CORZINE
Governor

JOHN C. STOKES
Executive Director

August 31, 2006

Mr. James B. Patterson
Assistant State Auditor
New Jersey State Legislature
Office of Legislative Services
Office of the State Auditor
P.O. Box 067
Trenton, New Jersey 08625-0067

Dear Mr. Patterson:

I have reviewed the Administration audit report of the Pinelands Commission and was gratified with the State Auditors' conclusion that during the 22 month audit period from July 1, 2004 through May 1, 2006, the Commission's financial transactions included in your testing were related to the agency's programs, were reasonable, and were recorded properly in the accounting system.

I have already conveyed the Audit Committee's appreciation to the Commission's staff for the outstanding work and business practices reflected in the Audit Reports. I'd also like to take this opportunity to thank you for the thorough work of your audit team.

We look forward to working with you during the next audit period.

Sincerely,

Dr. James Smith
Chairman, Audit Committee

CS22

c: Members of the Audit Committee
Members of the Commission
Mr. John C. Stokes, Executive Director, NJPC
Ms. Donna L. Connor, Business Manager, NJPC
Mr. Stephen M. Eells, Manager, Office of the State Auditor
Ms. Nadine B. Young, Executive Assistant to the Commission



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