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

Department of Corrections
New Jersey State Prison

July 1, 1995 to May 31, 1997

Richard L. Fair
State Auditor
Enclosed is our report on the audit of the Department of Corrections, New Jersey State Prison for the period July 1, 1995 to May 31, 1997.

If you would like a personal briefing, please call me at (609) 292-3700.

Richard L. Fair
State Auditor
July 9, 1997
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Department of Corrections
New Jersey State Prison

Scope
We have completed an audit of the Department of Corrections, New Jersey State Prison for the period July 1, 1995 to May 31, 1997. Our audit included financial activities accounted for in the state’s General Fund. Non-appropriated fund activities were not included as these were audited by the department’s internal audit unit concurrently with our audit.

Total expenditures of the agency during the 23 month audit period were $151.1 million. The prime responsibility of Department of Corrections, New Jersey State Prison is to protect the public and provide for the custody, discipline, training and treatment of persons committed to the institution.

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 systems. We also tested for resolution of significant conditions noted in our prior report, except for the non-appropriated funds which were addressed by the department’s internal audit unit.

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 and 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
control structure.

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 judgmentally selected.

To ascertain the status of findings included in our prior report, we identified corrective action, if any, taken by the center and walked through the system to determine if the corrective action was effective.

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 systems.

We also found that the agency has resolved the significant issues noted in our prior report.