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

Department of Corrections
Mid State Correctional Facility

July 1, 1999 to March 2, 2001

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State Auditor
The Honorable Donald T. DiFrancesco  
Acting Governor of New Jersey

The Honorable Donald T. DiFrancesco  
President of the Senate

The Honorable Jack Collins  
Speaker of the General Assembly

Mr. Albert Porroni  
Executive Director  
Office of Legislative Services

Enclosed is our report on the audit of the Department of Corrections, Mid State Correctional Facility for the period July 1, 1999 to March 2, 2001.

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

May 2, 2001
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Department of Corrections
Mid State Correctional Facility

Scope

We have completed an audit of the Department of Corrections, Mid State Correctional Facility for the period July 1, 1999 to March 2, 2001. Our audit included financial activities accounted for in the state’s General Fund.

Total annual expenditures of the agency were $19 million. The prime responsibility of the Department of Corrections, Mid State Correctional Facility is the detention and rehabilitation of offenders requiring medium security. There are no state revenues recorded in the facility’s accounts.

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 reported in our prior report.

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 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 test 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 transactions were systematically and judgmentally selected.

To ascertain the status of findings included in our prior report, we identified corrective action, if any, taken by the agency 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 system. We also found that the agency has resolved the significant issues noted in our prior report.