Department of Human Services
Division of Developmental Disabilities
Hunterdon Developmental Center

July 1, 1997 to March 31, 1999

Richard L. Fair
State Auditor
The Honorable Christine Todd Whitman  
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 Human Services, Division of Developmental Disabilities, Hunterdon Developmental Center for the period July 1, 1997 to March 31, 1999.

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

Richard L. Fair  
State Auditor  
May 7, 1999
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**Scope**

We have completed an audit of the Department of Human Services, Division of Developmental Disabilities, Hunterdon Developmental Center for the period July 1, 1997 to March 31, 1999. Our audit included financial activities accounted for in the state’s General Fund.

Annual General Fund expenditures and revenues for the center were approximately $45 million and $1.6 million, respectively. The prime responsibility of the Department of Human Services, Division of Developmental Disabilities, Hunterdon Developmental Center is to serve as a treatment and training facility for profoundly to mildly retarded residents.

**Objectives**

The objectives of our audit were to determine whether financial transactions were related to the center, were reasonable and were recorded properly in the accounting systems. We also tested for resolution of significant conditions noted 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 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 center. 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 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 selected randomly. Other transactions were selected judgmentally.

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 center, were reasonable and were recorded properly in the accounting systems. We also noted that the center has taken steps to resolve the issues noted in our prior report.