Department of Military and Veterans Affairs
New Jersey Veterans’ Memorial Home at Vineland

July 1, 2000 to March 31, 2002

Richard L. Fair
State Auditor
The Honorable James E. McGreevey  
Governor of New Jersey  

The Honorable John O. Bennett  
President of the Senate  

The Honorable Richard J. Codey  
President of the Senate  

The Honorable Albio Sires  
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 Military and Veterans Affairs, New Jersey Veterans’ Memorial Home at Vineland for the period July 1, 2000 to March 31, 2002. If you would like a personal briefing, please call me at (609) 292-3700.

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Department of Military and Veterans Affairs
New Jersey Veterans’ Memorial Home at Vineland

Scope
We have completed an audit of the Department of Military and Veterans Affairs, New Jersey Veterans’ Memorial Home at Vineland for the period July 1, 2000 to March 31, 2002. Our audit included financial activities accounted for in the state’s General Fund and the home’s nonappropriated accounts.

Total annual appropriated expenditures of the home were $15.7 million. The prime responsibility of the home is to provide direct long-term nursing and medical care for New Jersey veterans and their spouses with chronic disabilities. The home also provides for other needs such as rehabilitation programs, counseling services, referral services on benefit programs and financial services. Annual home revenues were $7.5 million and the major components of revenue were payments received from the Veterans Administration and care and maintenance fees collected from the residents.

Objectives
The objectives of our audit were to determine whether financial transactions were related to the home'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 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 home. Provisions that we considered significant were documented and compliance with those requirements was verified by interview, observation, and through our review of financial transactions. We also read the budget message, reviewed financial trends, and interviewed home 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. Transactions were judgmentally selected.

To ascertain the status of findings included in our prior report, we identified corrective action taken by the home 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 home’s programs, were reasonable, and were recorded properly in the accounting systems. We also found that the home has resolved the significant issues noted in our prior report.