



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

State Parole Board

July 1, 2000 to July 27, 2001

**Richard L. Fair
State Auditor**

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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 State Parole Board for the period July 1, 2000 to July 27, 2001.

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

Richard L. Fair
State Auditor

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State Parole Board

Scope

We have completed an audit of the State Parole Board for the period July 1, 2000 through July 27, 2001. Our audit included financial activities accounted for in the state's General Fund.

Total expenditures during the audit period were \$10.9 million. The prime responsibility of the State Parole Board is to determine when inmates may be released.

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.

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 reviewed financial trends, and interviewed agency personnel to obtain an understanding of the program 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.

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

