



## State of New Jersey

### DEPARTMENT OF HUMAN SERVICES OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY

PO Box 700

TRENTON, NJ 08625-0700

CHRIS CHRISTIE  
GOVERNOR

KIM GUADAGNO  
LT. GOVERNOR

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

Reply to:  
Office of Auditing  
Southern Region Office  
PO Box 1513  
Vineland, NJ 08362  
Telephone: (856) 690-5223  
Fax: (856) 690-1307

November 14, 2017

Natasha Johnson, Director  
Department of Human Services  
Division of Family Development  
P.O. Box 716  
Trenton, New Jersey 08625

Dear Ms. Johnson:

Re: Camden County Board of Social Services  
Single Audit  
For Year Ended December 31, 2016  
Audit Report Number S18-13

This office has recently completed a single audit of the Camden County Board of Social Services for the year ended December 31, 2016. Enclosed is a copy of the final report for your information.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nicholas Iatarola".

Nicholas Iatarola  
Audit Manager

cmw17-68

c: Christine Hentisz, Director  
Paulette Konopka, Fiscal Officer  
Harish Panjabi, DFD  
Mark Talbot, OOA  
Audit File

**NEW JERSEY  
DEPARTMENT OF HUMAN SERVICES**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2016**

**WITH INDEPENDENT AUDITOR'S REPORTS**

**OFFICE OF AUDITING**

**AUDIT REPORT NUMBER S18-13**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2016**

Independent Auditor’s Report.....1

**Financial Statements**

Combined Statement of Assets, Liabilities and Fund Balances.....4

Combined Statement of Receipts, Disbursements and Changes in Fund Balances.....5

Notes to Financial Statements.....6

**Supplementary Information**

Schedule of Expenditures of Federal and State Awards .....13

Notes to Schedule of Expenditures of Federal and State Awards.....16

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*.....17

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance and NJ OMB Circular 15-08.....19

Schedule of Findings and Questioned Costs.....22

Schedule of Prior Year Audit Findings.....24

**Supplementary Schedules**

Schedule 1 – Assistance Fund – Schedule of Receipts, Disbursements and Changes in Fund Balance .....25

Schedule 2 – Administration Fund – Schedule of Receipts, Disbursements and Changes in Fund Balance .....26

Schedule 3 – Administration Fund – Schedule of Net Disbursements Budget and Actual .....28

Schedule 4 – WFNJ General Assistance Fund – Schedule of Receipts, Disbursements and Changes in Fund Balance .....29

Schedule 5 – Clearing Fund – Schedule of Receipts, Disbursements and Changes in Fund Balance.....30

Schedule 6 – Child Support and Paternity Fund – Schedule of Receipts, Disbursements and Changes in Fund Balance .....31

Schedule 7 – REACH Account – Schedule of Receipts, Disbursements and Changes in Fund Balance.....32



## State of New Jersey

CHRIS CHRISTIE  
GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY  
PO Box 700  
TRENTON, NJ 08625-0700

KIM GUADAGNO  
LT. GOVERNOR

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

### **Independent Auditor's Report**

Department of Human Services  
Division of Family Development  
P.O. Box 716  
Trenton, New Jersey 08625

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Camden County Board of Social Services, a component unit of the County of Camden, which comprise the statement of assets, liabilities and fund balances - regulatory basis as of December 31, 2016, and the related statement of receipts, disbursements, and changes in fund balances – regulatory basis for the year then ended and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and practices prescribed by the New Jersey Department of Human Services, Division of Family Development; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the New Jersey Department of Human Services, Division of Family Development. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

### **Auditor's Responsibility** (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As discussed in Note 1C, the Camden County Board of Social Services prepares its financial statements using accounting practices prescribed by the New Jersey Department of Human Services, Division of Family Development, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the effects of the matters, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Camden County Board of Social Services, as of December 31, 2016, and the results of its operations and changes in fund balances for the year then ended.

### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance – regulatory basis of the Camden County Board of Social Services, as of December 31, 2016, and results of its receipts, disbursements, and changes in fund balances in conformity with accounting principles and practices prescribed by New Jersey Department of Human Services, Division of Family Development, as described in Note 1.

## **Other Matters**

### **Report on Supplementary Information**

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplementary financial statements presented as Schedule 1 through 7, on pages 25-32, are presented for purposes of additional analysis as required by New Jersey Department of Human Services, Division of Family Development and are not a required part of the above financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, on pages 13-15, are presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are also not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated October 20, 2017 on our consideration of the Camden County Board of Social Services’ internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Camden County Board of Social Services’ internal control over financial reporting and compliance.

*Mark E. Talbot*

Mark E. Talbot, CPA  
Director  
Office of Auditing

October 20, 2017

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES (DEFICIT)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>Total</b>	<b>Assistance Fund</b>	<b>Administration Fund</b>	<b>WFNJ General Assistance Fund</b>	<b>Unemployment Trust Fund</b>	<b>Clearing Fund</b>	<b>Child Support And Paternity Fund</b>	<b>Reach Account</b>	<b>General Fixed Asset Account Group</b>
<b>Assets</b>									
Cash	\$ 22,630,076	\$ 3,081,621	\$ 17,750,563	\$ -	\$ 1,485,927	\$ 16,326	\$ 256,787	\$ 38,852	\$ -
Fixed assets	153,953	-	-	-	-	-	-	-	153,953
Total assets	<u>\$ 22,784,029</u>	<u>\$ 3,081,621</u>	<u>\$ 17,750,563</u>	<u>\$ -</u>	<u>\$ 1,485,927</u>	<u>\$ 16,326</u>	<u>\$ 256,787</u>	<u>\$ 38,852</u>	<u>\$ 153,953</u>
<b>Liabilities and Fund Balance</b>									
<b>Liabilities</b>									
Advance payable	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Payroll deductions payable	506,369	-	506,369	-	-	-	-	-	-
Total liabilities	<u>606,369</u>	<u>-</u>	<u>506,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
<b>Fund balances (deficit)</b>									
Restricted	1,424,779	-	-	-	1,485,927	-	-	(61,148)	-
Unrestricted	20,598,928	3,081,621	17,244,194	-	-	16,326	256,787	-	-
Fixed assets	153,953	-	-	-	-	-	-	-	153,953
Total fund balances (deficit)	<u>22,177,660</u>	<u>3,081,621</u>	<u>17,244,194</u>	<u>-</u>	<u>1,485,927</u>	<u>16,326</u>	<u>256,787</u>	<u>(61,148)</u>	<u>153,953</u>
Total liabilities and fund balances	<u>\$ 22,784,029</u>	<u>\$ 3,081,621</u>	<u>\$ 17,750,563</u>	<u>\$ -</u>	<u>\$ 1,485,927</u>	<u>\$ 16,326</u>	<u>\$ 256,787</u>	<u>\$ 38,852</u>	<u>\$ 153,953</u>

The Notes to Financial Statements are an integral part of these statements.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Total</u>	<u>Assistance Fund</u>	<u>Administration Fund</u>	<u>WFNJ General Assistance Fund</u>	<u>Unemployment Trust Fund</u>	<u>Clearing Fund</u>	<u>Child Support And Paternity Fund</u>	<u>Reach Account</u>	<u>General Fixed Asset Account Group</u>
<b>Total Receipts</b>	\$ 80,639,107	\$ 5,646,929	\$ 66,565,142	\$ 2,891,926	\$ 1,651	\$ 494,154	\$ 4,320,950	\$ 718,355	\$ -
<b>Disbursements</b>									
Fund disbursements	76,893,121	5,778,461	62,634,317	2,912,272	10,516	527,036	4,339,721	690,798	-
Funds returned to the state	827,335	827,335	-	-	-	-	-	-	-
Total disbursements	<u>77,720,456</u>	<u>6,605,796</u>	<u>62,634,317</u>	<u>2,912,272</u>	<u>10,516</u>	<u>527,036</u>	<u>4,339,721</u>	<u>690,798</u>	<u>-</u>
Excess receipts over (under) disbursements	2,918,651	(958,867)	3,930,825	(20,346)	(8,865)	(32,882)	(18,771)	27,557	-
Net due from the State of New Jersey	<u>20,346</u>	<u>-</u>	<u>-</u>	<u>20,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess receipts over (under) disbursements and net due from the State of New Jersey	2,938,997	(958,867)	3,930,825	-	(8,865)	(32,882)	(18,771)	27,557	-
<b>General Fixed Assets</b>									
Additions	-	-	-	-	-	-	-	-	-
Retirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess receipts over (under) disbursements, net due from the State of New Jersey and general fixed assets	2,938,997	(958,867)	3,930,825	-	(8,865)	(32,882)	(18,771)	27,557	-
Fund balances, December 31, 2015	<u>19,238,663</u>	<u>4,040,488</u>	<u>13,313,369</u>	<u>-</u>	<u>1,494,792</u>	<u>49,208</u>	<u>275,558</u>	<u>(88,705)</u>	<u>153,953</u>
Fund balances, December 31, 2016	<u><u>\$ 22,177,660</u></u>	<u><u>\$ 3,081,621</u></u>	<u><u>\$ 17,244,194</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,485,927</u></u>	<u><u>\$ 16,326</u></u>	<u><u>\$ 256,787</u></u>	<u><u>\$ (61,148)</u></u>	<u><u>\$ 153,953</u></u>
Reference		Schedule 1	Schedule 2	Schedule 4		Schedule 5	Schedule 6	Schedule 7	

The Notes to Financial Statements are an integral part of these statements.



**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**1. Summary of Significant Accounting Policies**

**A. Organization**

The Camden County Board of Social Services (CCBSS) is a component unit of the County of Camden providing various social services to qualified individuals whose income is below certain specified limits. CCBSS provides residents with financial assistance through Temporary Assistance to Needy Families (TANF), General Assistance Program, Child Support and Paternity Services, Food Stamps, Medicaid, Medically Needy, Employment Programs, Homeless Services and other social service programs.

CCBSS is exempt from income taxes.

**B. Reporting Entity**

Governmental Accounting Standards Board (GASB) publication, *Codification of Governmental Financial Reporting Standards*, Section 2100, "Defining the Financial Reporting Entity", establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to resources and significance) should be included in the financial reporting entities. CCBSS would be considered a component unit of the County of Camden based on the requirements of GASB. However, as the reporting entity of the County of Camden was established in accordance with New Jersey statutes, the primary government financial statements do not include reporting on component units.

**C. Basis of Financial Statements**

The accompanying financial statements have been prepared in accordance with the County Welfare Agency Accounting Manual, Ruling 12 published by the State of New Jersey, Department of Human Services, Division of Family Development (DFD). The accounting practice prescribed is based on cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. A summary of the major differences is as follows:

- Revenues and expenses are recorded on cash basis. Under this basis revenues are recognized when collected rather than when earned, and expenses are recognized when paid rather than when incurred.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**1. Summary of Significant Accounting Policies** (continued)

**C. Basis of Financial Statements** (continued)

- Assistance Fund transactions, after the first of each month, are reflected in the subsequent month's activity. The Assistance Fund report reflects financial activity in each year for the period of December 2 of the prior year through December 1 of the current year.
- A statement of cash flows is not required by Ruling 12.
- Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit and short term investments with original maturities of three months or less.
- Fixed Asset purchases are recorded as expenses and are not capitalized or depreciated by the Agency.
- Prepaid items are charged as expenses when paid and such items from the prior period have not been amortized.
- Unrestricted funds consist of amounts that are available for use in carrying out the administration of CCBSS and are discretionary as to their use.
- Restricted funds result from grantor agencies or donors who place restrictions on the use of the funds which mandate the purpose(s) for which the funds may be utilized.

**D. Description of Funds**

In order to ensure resources are used for their intended purpose, Camden County Board of Social Services has established certain funds to account for these resources:

- **Assistance Fund** - Consists of monies held in a State of New Jersey account, in which receipts are direct wires from the New Jersey Division of Family Development, and disbursements are made to Social Security and TANF clients through EBT (Electronic Benefits Transfer-plastic cards).
- **Administration Fund** - All administrative expenses are recorded to this account. Funding is received from the New Jersey Division of Family Development.
- **General Assistance Fund** - Receipts are from the State of New Jersey for single individuals. Reporting of these transactions is recorded through the General Assistance Automated System (GAAS).

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**1. Summary of Significant Accounting Policies** (continued)

**D. Description of Funds** (continued)

- **Unemployment Trust Fund** - CCBSS is self-funded for unemployment insurance. A portion of this insurance is deducted from payroll checks, and is deposited into the unemployment trust fund, set up by CCBSS.
- **Clearing Fund** - Reimburses various programs for funds that represents the recoupment of various types of overpayments, recoveries, and funds initially not identifiable.
- **Child Support and Paternity Fund** - Through the Automated Child Support Enforcement System (ACSES) or NJKiDS collects child support funds and remits through wire transfers to CCBSS.
- **Reach Account** - Assistance account used to make emergency utility payments, prevent utility shut-off, and record transportation expenses. The OMEGA system tracks these transactions.
- **General Fixed Asset Account Group** - Accounts for all fixed asset additions and retirements. Fixed assets are not depreciated.

**E. Economic Dependency**

Camden County Board of Social Services receives a substantial amount of its support from federal and state governments. A significant reduction on the level of support, if this were to occur, may have an effect of CCBSS' programs and activities.

**2. Funding**

Services provided by CCBSS were performed under a budget which has been approved by the State of New Jersey Divisions of Family Development, Youth and Family Services, and Medical Assistance and Health Services. Formal written requests for budget transfers are required for certain deviations from the approved budget statement. Funding for the year ended December 31, 2016, was available from Federal, State and Camden County sources.

In addition to the funding referred to above, CCBSS received grant contract funding. A grant/contract is an agreement, written or oral between a County Welfare Agency (CWA) (Grantee) and a person or organization (Grantor) to administer specific services, in which the Grantee is reimbursed directly, in whole or in part, as the agreement specifies, by the Grantor.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**3. Management Estimates**

The preparation of financial statements in accordance with the basis of financial statements discussed in the summary of significant accounting policies requires the management of CCBSS to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**4. Fixed Assets**

Fixed Assets are charged against budget appropriations at the time of acquisition. Values reflected in the accompanying Combined Statement of Assets, Liabilities and Fund Balances are based on acquisition costs reported to the Division of Family Development since approximately 1976 to present, less the cost of items retired, replaced, etc. based on a comprehensive accounting of the current balance of inventory on hand.

**5. Pension Plans**

*Plan Description*

All eligible employees participate in the Public Employees' Retirement System (PERS), or the Defined Contribution Retirement Program (DCRP) which has been established by state statute and is administered by New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations will be assumed by the State of New Jersey should the System terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**5. Pension Plans** (continued)

*Vesting and Benefit Provisions*

The vesting and benefit provisions to PERS are set by N.J.S.A. 43:3B. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of continuous service. Retirement benefits for age and service are available age 60 and, under recently enacted legislation are generally determined to be 1/60 of final average salary for each year of service credit. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation, if other than the final three years). Members may seek early retirement after achieving 25 years' service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

*Funding Policy*

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey regulations. For PERS, the contribution rate was 6.5% of base salary from October 1, 2011 thru June 30, 2012 and increased to 6.64% effective July 1, 2012. Subsequent increases after October 1, 2011 are being phased in over 7 years on each July 1<sup>st</sup> to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018. Employers are required to contribute at an actuarially determined rate. The actuarially determined employer contributions includes funding for cost-of-living adjustments and noncontributory death benefits. Employee contributions to DCRP are based on a percentage of 5.50% of the employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

**6. Post Employment Benefits**

The Board participates in the New Jersey State Health Benefits Program (the SHBP), which qualifies as a cost-sharing, multiple-employer plan in accordance with GASB Statement 45 "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions" (OPEB). The SHBP is administered by the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits.

Under the SHBP, retirees may continue the health benefits programs in which they are enrolled at the time of retirement.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information of the SHBP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016**

---

**6. Post Employment Benefits** (continued)

The SHBP is established under the authority of N.J.S.A. 52:14-17.25 et seq. and regulations adopted by the State Health Benefits Commission. The required contribution rate is determined on an annual pay as you go basis.

**7. Advance Payable**

The \$100,000 represents cash advances received by CCBSS from the DFD to be utilized in the payment of expenditures. This amount would be payable upon cessation of the REACH fund program, to the State of New Jersey or its designee.

**8. Workers Compensation Self Insurance**

CCBSS entered into an agreement on March 2010, whereby the County of Camden (through AmeriHealth Casualty, Corp.) would administer a workers compensation self insurance program for CCBSS. Based upon this agreement, CCBSS opened a separate checking account for workers compensation claims. This account was funded through the Administration Fund and contained the following activity for the year ended December 31, 2016.

Account Balance – January 1, 2016	\$	7,737
Transfers in (from the Administration Fund)		55,004
Claim payments		<u>(58,522)</u>
Account Balance – December 31, 2016	\$	<u>4,219</u>

Amounts identified above as transfers in were expensed by CCBSS in the Administration Fund. The Account Balance represents the amount of the Self-Insurance fund at year end and is not reflected in the financial statements.

**9. Contingencies**

Camden County Board of Social Services is periodically involved in various lawsuits arising in the normal course of business. In the opinion of CCBSS management, the liability, if any, for such contingencies will not have a material adverse effect on their financial position

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by CCBSS as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Camden County Board of Social Services officials expects such amounts, if any, to be immaterial.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**10. Investments**

Camden County Board of Social Services invested a portion of the Administration Fund balance on March 21, 2016 through the purchase of shares of a Medium Term Note (of the Federal Home Loan Mortgage Corporation) with an original cost of \$4,004,883. As of December 31, 2016, the ending value of the investment was \$4,001,872, which represented a decrease of \$3,011 in fund balance.

**11. Subsequent Events**

Subsequent events related to the Statement of Assets, Liabilities, and Fund Balance (Deficit) occurring after December 31, 2016 have been evaluated through October 20, 2017 which is the date the financial statements were available to be issued. No additional disclosures other than those indicated in the accompanying notes are required to be made.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Federal or State Grantor/ Pass-through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number / State Appropriation Number</b>	<b>Expenditures</b>
<u>U.S. Department of Health and Human Services/(USHHHS)</u>		
N.J. Department of Human Services(NJDHS)		
Pass-through N.J. Division of Family Development		
Public Assistance:		
Temporary Assistance for Needy Families(TANF)	93.558	\$ 13,976,283
Refugee Resettlement Programs	93.566	31,173
Administrative cost relating to Public Assistance:		
Temporary Assistance for Needy Families(TANF)	93.558	6,236,326
Title IV-D, Child Support and Paternity Program	93.563	3,707,072
Title XIX, Medical Assistance Program	93.778	14,356,397
Title XX, Social Services Block Grant	93.667	1,986,394
State Children's Insurance Program	93.767	94,434
N.J.Division of Medical Assistance and Health Services:		
Administrative costs relating to Public Assistance		
Title XIX, Medical Assistance Program	93.778	1,059,321
Title XIX, Medically Needy Program	93.778	635,487
Total USDHHS/NJDHS		<u>42,082,887</u>

See Independent Auditor's Report.

See Notes to Schedule of Expenditures of Federal and State Awards.



**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Federal or State Grantor/ Pass-through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number / State Appropriation Number</b>	<b>Expenditures</b>
Social Security Administration		
Pass-Through Camden County		
Supplemental Security Income	96.006	609,944
Total Social Security Administration		<u>609,944</u>
 <u>U.S. Department of Agriculture/(USDA)</u>		
New Jersey Department of Human Services (NJ DHS)		
Pass- Through Program From N.J. Division of Family Development		
Administrative costs relating to the		
Supplemental Nutrition Assistance Program (SNAP)	10.561	14,852,778
Total USDA/NJ DHS		<u>14,852,778</u>
 Total Federal Expenditures		 <u>57,545,609</u>

See Independent Auditor's Report.  
See Notes to Schedule of Expenditures of Federal and State Awards.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Federal or State Grantor/ Pass-through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number / State Appropriation Number</b>	<b>Expenditures</b>
<u>N.J. Department of Human Services</u>		
Pass-through Camden County:		
Adult Protective Services	100-054-7570-012	305,707
<u>N.J. Department of Human Services (NJ DHS)</u>		
N.J. Division of Family Development		
WFNJ General Assistance (G.A.)	100-054-7550-121	5,720,111
WFNJ General Administrative Costs	100-054-7550-121	2,393,502
Supplemental Security Income	100-054-7550-125	<u>1,095,552</u>
Total State Awards		<u>9,514,872</u>
Total Federal and State Expenditures		<u><u>\$ 67,060,481</u></u>

See Independent Auditor's Report.  
See Notes to Schedule of Expenditures of Federal and State Awards.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED DECEMBER 31, 2016**

---

**1. General Information**

The accompanying Schedule of Expenditures of Federal and State Awards includes all of the federal and state grant activity of the Camden County Board of Social Services. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**2. Basis of Accounting**

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the cash basis of accounting. Expenditures are reported for the year ended December 31, 2016 except for Temporary Assistance for Needy Families (TANF) Public Assistance (CFDA No. 93.558) which are reported on a December 1 fiscal year end basis consistent with the basic financial statements. Additionally, the TANF amount has been presented as “Gross” expenditures excluding the effect of Federal and State collections as a result of a change in reporting by the New Jersey Department of Human Services, Division of Family Development.

**SUPPLEMENTARY INFORMATION**



## State of New Jersey

CHRIS CHRISTIE  
GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY  
PO Box 700  
TRENTON, NJ 08625-0700

KIM GUADAGNO  
LT. GOVERNOR

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Department of Human Services  
Division of Family Development  
PO Box 716  
Trenton, NJ 08625

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Camden County Board of Social Services, a component unit of the County of Camden as of and for the year ended December 31, 2016 and have issued our report thereon dated October 20, 2017. As described in Note 1C, our report refers to the preparation of the financial statements in accordance with the practices and procedures prescribed or permitted by the New Jersey Department of Human Services which is other than accounting principles generally accepted in the United States of America.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Camden County Board of Social Services' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Camden County Board of Social Services' internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## **Internal Control Over Financial Reporting** (continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted certain matters, which we have reported to the management of the New Jersey Division of Family Development and Camden County Board of Social Services in a separate letter dated October 20, 2017.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Camden County Board of Social Services' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mark E. Talbot*

Mark E. Talbot, CPA  
Director  
Office of Auditing

October 20, 2017



## State of New Jersey

CHRIS CHRISTIE  
GOVERNOR

### DEPARTMENT OF HUMAN SERVICES OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY

PO Box 700  
TRENTON, NJ 08625-0700

KIM GUADAGNO  
LT. GOVERNOR

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

#### **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NJ OMB CIRCULAR 15-08**

Department of Human Services  
Division of Family Development  
PO Box 716  
Trenton, NJ 08625

#### **Report on Compliance for Each Major Federal and State Programs**

We have audited Camden County Board of Social Services' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *NJ State Grant Compliance Supplement for Major State Programs* that could have a direct and material effect on each of Camden County Board of Social Services' major and federal and state programs for the year ended December 31, 2016. Camden County Board of Social Services' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Camden County Board of Social Services' major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance

### **Auditor's Responsibility** (continued)

and NJ OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Camden County Board of Social Services' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Camden County Board of Social Services' compliance.

### **Opinion on Each Major Federal and State Program**

In our opinion, Camden County Board of Social Services' complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2016.

### **Report on Internal Control Over Compliance**

Management of Camden County Board of Social Services is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Camden County Board of Social Services' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state programs and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Camden County Board of Social Services' internal control over compliance.

*A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.*



**Report on Internal Control Over Compliance** (continued)

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted certain matters, which we have reported to the management of the New Jersey Division of Family Development and Camden County Board of Social Services in a separate letter dated October 20, 2017.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJ OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

*Mark E. Talbot*

Mark E. Talbot, CPA  
Director  
Office of Auditing

October 20, 2017

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2016**

---

**Section 1 - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified -  
Regulatory Basis

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

**Federal and State Awards**

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance or NJ OMB Circular 15-08: No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.561	Supplemental Nutrition Assistance Program (SNAP)
93.667	Title XX Social Services Block Grant

<u>Grant Number</u>	<u>Name of State Program</u>
100-054-7550-121	WFNJ – General Assistance
100-054-7550-121	WFNJ General Administrative Costs

Dollar threshold used to distinguish between type A and type B programs:

Federal	\$1,726,368
State	\$ 750,000

Auditee qualified as low-risk auditee? Yes

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2016**

---

**SECTION II – FINANCIAL STATEMENT FINDINGS**

There were no current findings.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no current findings.

**SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS**

There were no current findings.

**TOTAL QUESTIONED COSTS – FEDERAL & STATE = \$0.**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2016**

---

There were no prior audit findings.

**SUPPLEMENTARY SCHEDULES**

**SCHEDULE 1**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
ASSISTANCE FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

State Treasurer	\$ 2,825,000
County Treasurer	2,038,321
Clearing Fund-County Reimbursement	18,240
Clearing Fund-State Reimbursement	346,568
CSP Disregard	418,800
Total Receipts	<u>5,646,929</u>

**Disbursements**

Assistance to SSI Recipients	2,899,736
Aid to Families with Dependent Children	12,661,605
Child Support and Paternity Disregards	418,800
Refugee Resettlement Program	31,173
Electronic Benefit Transfer	(10,232,853)
Total Disbursements	<u>5,778,461</u>
Funds returned to the State (TANF and CSP)	827,335
Total Disbursements	<u>6,605,796</u>
Excess of Receipts over (under) Disbursements	(958,867)
Transfers In	-
Transfers Out	-
Excess of Receipts over (under) Disbursements and Transfers	<u>(958,867)</u>
Fund balance, December 2, 2015	4,040,488
Fund balance, December 1, 2016	<u>\$ 3,081,621</u>

See Independent Auditor's Report.

**SCHEDULE 2**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
ADMINISTRATION FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

State Treasurer:

Division of Family Development

Earned Grant Subsidy	\$ 43,424,743
Food Stamp Fraud Incentives	100,369
HEA Reimbursement	42,841

Division of Medical Assistance and Health Services

Medical Assistance Program - MAP	1,059,321
Medically Needy Program - MNP	635,487
Medicaid Eligibility Card	14,954
UNISYS - MOS	827,000

Other Grants:

APS	304,890
-----	---------

Funds received from the County Treasurer:

Appropriation Funds	18,068,861
Other -Reimbursement of Salary	9,320
Cash Refunds and Canceled Checks	94,500

Other Additions:

Child Support Incentives	1,956,948
Interest on Investments - Non-Child Support	15,865
Interest on Investments - Child Support	764
Miscellaneous Other	40
Microsoft Refund	9,239

Total Receipts 66,565,142

See Independent Auditor's Report.

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
ADMINISTRATION FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Disbursements**

Operating Disbursements:	
Personal Services Expense	\$ 36,137,217
Employee Benefit Plans	23,102,246
Travel Expense	113,798
Office Expense	836,954
Major Equipment Purchases	4,900
Office Space, Rental, Repairs and Alterations	648,395
Staff Development and Training	23,885
Purchased Services for Clients	13,373
Miscellaneous Matchable Expense	150,269
Food Stamp Program Expense	185,056
Child Support and Paternity Expense	154,228
Electronic Data Processing Expense	470,793
Miscellaneous Non-Matchable Expense	487,496
Other Deductions:	
APS	305,707
Total Disbursements	<u>62,634,317</u>
Excess Receipts over (under) Disbursements	3,930,825
Transfer In	-
Transfer Out	-
Excess Receipts over (under) Disbursements and Transfers	<u>3,930,825</u>
Fund balance, December 31, 2015	13,313,369
Fund balance, December 31, 2016	<u><u>\$ 17,244,194</u></u>

See Independent Auditor's Report.



**SCHEDULE 3**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
ADMINISTRATION FUND  
SCHEDULE OF NET DISBURSEMENTS  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Operating Disbursements</b>	<b>Budget (1)</b>	<b>Actual Net Operation Disbursements</b>	<b>Variance (Over) Under</b>
Personal Service Expense	\$ 38,178,437	\$ 36,137,217	\$ 2,041,220
Employee Benefit Plans	24,654,500	23,102,246	1,552,254
Travel Expense	140,000	113,798	26,202
Office Expense	1,074,200	836,954	237,246
Major Equipment Purchases	112,000	4,900	107,100
Office Space, Rental, Repairs and Alterations	875,000	648,395	226,605
Staff Development and Training	65,000	23,885	41,115
Purchased Services for Clients	41,000	13,373	27,627
Miscellaneous Matchable Expense	185,750	150,269	35,481
Food Stamp Program Expense	146,000	90,556	55,444
Child Support and Paternity Expense	161,878	154,228	7,650
Electronic Data Processing Expense	478,300	470,793	7,507
Miscellaneous Non-Matchable Expense	670,000	487,496	182,504
Totals	<u>\$ 66,782,065</u>	<u>\$ 62,234,110</u>	<u>\$ 4,547,955</u>

(1) Budget data represents the approved State of New Jersey, Division of Family Development budget inclusive of any modification letters and any amounts reserved from the prior year's budget to be included in the current budget.

See Independent Auditor's Report.

**SCHEDULE 4**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
WFNJ GENERAL ASSISTANCE FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

State Aid Payments Received	\$ 2,141,645
SSI Initial Retro Checks (GA-31)	609,944
Refunds-Reported Assist.(GA-12)	134,607
Other-Automatic Recoupments	5,688
Other-Bank Adjustments	42
	<hr/>
Total Receipts	2,891,926

**Disbursements**

GA Expenditures (Eligible)-(GA-6A)	6,330,055
Prior Months Void Checks	(15,059)
ZBA Debit Transfers to State	639,605
Other	42
Net EBT Disbursement	(4,042,371)
	<hr/>
Total Disbursements	2,912,272
	<hr/>
Excess of Receipts over Disbursements	(20,346)
	<hr/>
Due from State of New Jersey - December 31, 2015	(23,841)
Due from State of New Jersey - December 31, 2016	44,187
	<hr/>
Net Due from State of New Jersey	20,346

Excess of Receipts over (under) Disbursements and Net Due From State of New Jersey	-
	<hr/>
Fund balance, December 31, 2015	-
Fund balance, December 31, 2016	\$ -
	<hr/> <hr/>

See Independent Auditor's Report.

**SCHEDULE 5**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
CLEARING FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

Pending Claims	\$ 117,850
Other Refunds of Overpayments	187,500
Food Stamp Recoupment for Overissuances	84,816
Medical Assistance	61,233
Other Collections	42,755
	<hr/>
Total Receipts	494,154

**Disbursements**

Cash to Clients	23,185
State Treasurer - Food Stamp Repayments	65,399
State Treasurer - Medical Assistance	44,759
Administration Account - County Share Medical Assistance	14,920
Reimbursement to Assistance Fund (AFDC/TANF and Adult Programs)	357,460
Other	21,313
	<hr/>
Total Disbursements	527,036

Excess of Receipts over Disbursements	(32,882)
Transfers In	-
Transfer Out	-
	<hr/>
Excess of Receipts over Disbursements and Transfers	(32,882)
Fund balance, December 31, 2015	49,208
Fund balance, December 31, 2016	<u>\$ 16,326</u>

See Independent Auditor's Report.

**SCHEDULE 6**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
CHILD SUPPORT AND PATERNITY FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

Regular Collections	\$ 4,297,602
Interest/Dividends	712
Other	<u>22,636</u>
Total Receipts	<u>4,320,950</u>

**Disbursements**

Refunds to Assistance Fund	1,962,564
Incentive Payments	1,962,564
Disregard Payments to Assistance Fund	413,881
Interest/Dividends	<u>712</u>
Total Disbursements	4,339,721
Excess of Receipts over (under) Disbursements	(18,771)
Transfers In	-
Transfers Out	<u>-</u>
Excess of Receipts over (under) Disbursements and Transfers	(18,771)
Fund balance, December 31, 2015	<u>275,558</u>
Fund balance, December 31, 2016	<u><u>\$ 256,787</u></u>

See Independent Auditor's Report.

**SCHEDULE 7**

**CAMDEN COUNTY BOARD OF SOCIAL SERVICES  
REACH ACCOUNT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**Receipts**

Assistance Reimbursement	\$ 346,434
Other (Bus Pass Reimbursement)	<u>371,921</u>
Total Receipts	<u>718,355</u>

**Disbursements**

TRE Expenditures	998,864
OMEGA EBT	(266,272)
Cancellations	<u>(41,794)</u>
Total Disbursements	<u>690,798</u>

Excess of Receipts over Disbursements	27,557
Transfers In	-
Transfers Out	<u>-</u>

Excess Receipts over Disbursements and Transfers	27,557
--	--------

Fund balance (deficit), December 31, 2015	<u>(88,705)</u>
Fund balance (deficit), December 31, 2016	<u><u>\$ (61,148)</u></u>

See Independent Auditor's Report.



## State of New Jersey

CHRIS CHRISTIE  
GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY

PO Box 700  
TRENTON, NJ 08625-0700

KIM GUADAGNO  
LT. GOVERNOR

ELIZABETH CONNOLLY  
ACTING COMMISSIONER

Department of Human Services  
New Jersey Division of Family Development  
PO Box 716  
Trenton, New Jersey 08625

In planning and performing our audit of the financial statements of Camden County Board of Social Services (Agency) for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

However, during our audit we became aware of certain matters that are an opportunity for strengthening internal controls and operating efficiency. This letter summarizes our comments and suggestions regarding these matters. We previously reported on the Agency's internal control in our report dated October 20, 2017. This letter does not affect our report dated October 20, 2017, on the financial statements of Camden County Board of Social Services.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with Agency personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional studies of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### Interest Earned on Investment of Administration Funds

Administration Funds were used (on March 21, 2016) to purchase shares of a Medium Term Note (of the Federal Home Loan Mortgage Corporation) at a cost of \$4,004,883. As of December 31, 2016, the ending value of the investment was \$4,001,872, which represented a decrease of \$3,011 in fund balance. However, Camden County Board of Social Services received \$15,000 of Interest Income on the Investment (as indicated on the Statement of Account), which was not reported on the WFNJ-215 form as interest earned.

It is recommended that all interest earned on investments be reported to DFD on the Agency's WFNJ-215 forms.

Bank Reconciliations

The bank reconciliations completed during 2016 for several funds (CSP, REACH, and Workmen's Compensation Self Insurance Funds) included preparers' initials/signatures; however, lacked initials/signatures to clearly document supervisory review and approval.

It is recommended that all bank reconciliations include initials/signatures to clearly document supervisory review and approval.

Payments made to Approved Temporary Housing Vendor at Incorrect (unapproved) Rate

It was noted that the Agency made payments to the Salem County Women's Shelter a rate of \$55/day for temporary rental assistance during 2016, which could not be documented by an approval letter from the Division of Family Development. This condition was also identified in 2015. Total payments of \$2,310 were made to the Salem County Women's Shelter in 2016 for temporary rental assistance, which resulted in overpayments of \$1,428 based on the approved rate of \$21/day provided by the Division of Family Development.

It is recommended that in the future, no payments should be made to any vendors without having the required, documented approval from the Division, including both the specific vendor and the applicable daily rate.

General Fixed Asset Account Group

An Annual Physical Inventory was not performed during 2016, and as a result, one item included in the inventory was not able to be physically located on audit, and another asset was not included in the inventory but physically verified on audit.

It is recommended that a physical inventory, including any necessary adjustments, be conducted prior to 12/31/17 and annually thereafter.

This letter is intended solely for the information and use of the management of the Camden County Board of Social Services and the Department of Human Services, and is not intended to be, and should not be used by anyone other than these specified parties.

*Mark E. Talbot*

Mark E. Talbot, CPA  
Director  
Office of Auditing

October 20, 2017

c: Christine Hentisz, Director  
Paulette Konopka, Fiscal Officer  
Harish Panjabi, DFD  
Audit File