CAMDEN COUNTY BOARD OF SOCIAL SERVICES

Financial Statements

December 31, 2010

With Independent Auditors' Reports

Camden County Board of Social Services
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Independent Auditors' Report

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

We have audited the combined statements of assets, liabilities, and fund balances (deficit) and receipts, disbursements and changes in fund balances (deficit) of Camden County Board of Social Services as of and for the year ended December 31, 2010. These financial statements are the responsibility of the management of Camden County Board of Social Services. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Camden County Board of Social Services prepares its financial statements in conformity with the accounting practices prescribed or permitted 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 effect 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.

In our opinion, because of Camden County Board of Social Services' policy of preparing its combined financial statements on the basis of accounting discussed in the preceding paragraph, the combined 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 various funds of Camden County Board of Social Services, as of December 31, 2010, or the results of its operations for the year then ended.

However, in our opinion, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances of Camden County Board of Social Services as of December 31, 2010 and receipts, disbursements and changes in fund balances for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards,* we have also issued our report dated August 31, 2011, on our consideration of Camden County Board of Social Services' internal control over financial reporting and on 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal and State Awards required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* and the other supplementary schedules (Schedules 1 to 7), as listed in the table of contents under Supplemental Schedules, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the management of the Camden County Board of Social Services, the New Jersey Department of Human Services, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Withum Smith+Brown, PC

August 31, 2011

Camden County Board of Social Services
Combined Statement of Assets, Liabilities and Fund Balances (Deficit)
December 31, 2010

	Total	Assistance Fund	Administration Fund	WFNJ General Assistance Fund	Unemployment Trust Fund	Clearing Fund	Child Support And Paternity Fund	Reach Account	General Fixed Asset Account Group
Assets									
Cash	$ 13,753,060	$ 641,237	$ 11,238,400	$ --	$ 1,503,099	$ 37,917	$ 306,067	$ 26,340	$ --
Fixed assets	1,846,332	--	--	--	--	--	--	--	1,846,332
Total assets	$ 15,599,392	$ 641,237	$ 11,238,400	$ --	$ 1,503,099	$ 37,917	$ 306,067	$ 26,340	$ 1,846,332
Liabilities and Fund Balance									
Liabilities									
Advance payable	$ 100,000	$ --	$ --	$ --	$ --	$ --	$ --	$ 100,000	$ --
Payroll deductions payable	259,022	--	259,022	--	--	--	--	--	--
Total liabilities	359,022	--	259,022	--	--	--	--	100,000	--
Fund balances (deficit)									
Restricted	1,429,439	--	--	--	1,503,099	--	--	(73,660)	--
Unrestricted	11,964,599	641,237	10,979,378	--	--	37,917	306,067	--	--
Investment in fixed assets	1,846,332	--	--	--	--	--	--	--	1,846,332
Total fund balances (deficit)	15,240,370	641,237	10,979,378	--	1,503,099	37,917	306,067	(73,660)	1,846,332
Total liabilities and fund balances	$ 15,599,392	$ 641,237	$ 11,238,400	$ --	$ 1,503,099	$ 37,917	$ 306,067	$ 26,340	$ 1,846,332

The Notes to Combined Financial Statements are an integral part of this statement.

Camden County Board of Social Services
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Deficit)
Year Ended December 31, 2010

	Total	Assistance Fund	Administration Fund	WFNJ General Assistance Fund	Unemployment Fund	Clearing Fund	Child Support And Paternity Fund	Reach Account	General Fixed Asset Account Group
Total receipts	$ 89,813,084	$ 10,443,788	$ 62,978,569	$ 9,254,704	$ 6,347	$ 1,017,135	$ 5,274,397	$ 838,144	$ --
Disbursements									
Fund disbursements	83,657,777	8,872,103	58,256,421	9,287,544	20,035	1,025,786	5,350,272	845,616	--
Funds returned to the state	1,348,625	1,348,625	--	--	--	--	--	--	--
Total disbursements	85,006,402	10,220,728	58,256,421	9,287,544	20,035	1,025,786	5,350,272	845,616	--
Excess receipts over (under) disbursements	4,806,682	223,060	4,722,148	(32,840)	(13,688)	(8,651)	(75,875)	(7,472)	--
Net due from the State of New Jersey	32,840	--	--	32,840	--	--	--	--	--
Excess receipts over (under) disbursements and net due from the State of New Jersey	4,839,522	223,060	4,722,148	--	(13,688)	(8,651)	(75,875)	(7,472)	--
General Fixed Assets									
Additions	50,170	--	--	--	--	--	--	--	50,170
Retirements	--	--	--	--	--	--	--	--	--
Excess receipts over (under) disbursements, net due from the State of New Jersey and general fixed assets	4,889,692	223,060	4,722,148	--	(13,688)	(8,651)	(75,875)	(7,472)	50,170
Fund balances December 31, 2009	10,350,678	418,177	6,257,230	--	1,516,787	46,568	381,942	(66,188)	1,796,162
Fund balances December 31, 2010	$ 15,240,370	$ 641,237	$ 10,979,378	$ --	$ 1,503,099	$ 37,917	$ 306,067	$ (73,660)	$ 1,846,332
Reference		Schedule 1	Schedule 2	Schedule 4		Schedule 5	Schedule 6	Schedule 7	

The Notes to Combined Financial Statements are an integral part of this statement.

1. Summary of Significant Accounting Policies

Organization

Camden County Board of Social Services ("CCBOSS") is a governmental organization providing various social services to qualified individuals whose income is below certain specified limits. Its current major programs include Work First New Jersey ("WFNJ") General Assistance, WFNJ Temporary Assistance to Needy Families, and the Child Support and Paternity Program. WFNJ General Assistance is a work program that provides cash assistance and medical coverage to adults age 18 years and older who meet eligibility requirements and reside in one of thirty-five Camden County municipalities. WFNJ Temporary Assistance to Needy Families ("TANF") is a work program with a financial benefit. TANF provides cash assistance to eligible families. The objective of the Child Support and Paternity Program is to improve the enforcement of the child support and paternity obligations of legally responsible parents.

CCBOSS is exempt from income taxes.

Basis of Financial Statements

The accompanying combined 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"). A summary of the major differences between these regulatory accounting practices, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, is as follows:

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

- 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.

- Fixed asset purchases are recorded as expenses and are not depreciated by the Agency. In addition, fixed assets are recorded in the fixed asset account group.

- 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 CCBOSS 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.

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. CCBOSS 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.

Description of Funds
In order to ensure resources are used for their intended purpose, CCBOSS 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 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").
- **Unemployment Fund** - CCBOSS 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 CCBOSS.
- **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** - The Automated Child Support Enforcement System ("ACSES") collects child support funds and remits the funds through wire transfers to CCBOSS.
- **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.

Economic Dependency
Camden County Board of Social Services receives a approximately 99 percent of its support from federal and state governments. A significant reduction of the level of support, if this were to occur, may have an effect of CCBOSS' programs and activities.

2. Funding

Services provided by CCBOSS 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, 2010, was available from Federal, State and Camden County sources.

In addition to the funding referred to above, CCBOSS 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.

3. Use of Estimates

The preparation of combined financial statements in accordance with the basis of accounting discussed in the summary of significant accounting policies requires CCBOSS 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 (Deficit) 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 Plan

All permanent employees are eligible to participate in the New Jersey Public Employees Retirement System ("PERS"), which is part of the Division of Pensions in the Department of the Treasury, State of New Jersey. CCBOSS's share of pension costs disbursed during calendar year 2010 was $3,081,336.

Employees who are members of PERS and retire after age 55 are entitled to a retirement benefit based upon a formula which takes $1/55^{th}$ of the average annual compensation for the highest three fiscal year's compensation for each year of membership during years of creditable service. Vesting occurs after 8 to 10 years of service.

The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above system. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, PO Box 925, Trenton, New Jersey 08625-0295.

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 regulation. Employee contributions are based upon a percentage of 5.50 percent of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits.

The State of New Jersey does not provide the annual pension cost ("APC") for component units. Camden County Board of Social Services is recognized as a member of the PERS and thus their APC is not able to be determined.

6. Advance Payable

The $100,000 represents cash advances received by CCBOSS 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.

7. Workers Compensation Self Insurance

CCBOSS entered into an agreement on February 18, 1992, wherein the Rasmussen Agency, Inc. would administer a workers compensation self insurance program for CCBOSS. Based upon this agreement, CCBOSS 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, 2010.

Account balance - January 1, 2010	$ 9,092
Transfers in (from the administration Fund)	19,506
Claim payments	--
Account balance - December 31, 2010	$ 28,598

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

8. Contingencies

Camden County Board of Social Services is periodically involved in various lawsuits arising in the normal course of business. In the opinion of CCBOSS 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 CCBOSS 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 expect such amounts, if any, to be immaterial.

9. Subsequent Events

Camden County Board of Social Services has evaluated subsequent events occurring after the Combined Statement of Assets, Liabilities and Fund Balances (Deficit) date through the date of August 31, 2011 which is the date the combined financial statements were available to be issued. Based on this evaluation, CCBOSS has determined that no subsequent events have occurred which require disclosure in or adjustment to the combined financial statements.

SUPPLEMENTARY INFORMATION

Camden County Board of Social Services
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2010

Federal Grantor/Pass-through Grantor/Program	Federal CFDA Number	Pass-through Grantor's Number	Expenditures
U.S. Department of Health and Human Services (USDHHS)			
N.J. Department of Human Services (NJDHS)			
Pass-through N.J. Division of Family Development			
Public Assistance			
Temporary Assistance for Needy Families (TANF) (2)	93.558	-	$ 22,200,012
Refugee Resettlement Programs (2)	93.566	-	48,512
Administrative cost relating to Public Assistance			
Temporary Assistance for Needy Families (TANF)	93.558	-	6,171,804
Title IV-D, Child Support and Paternity Program	93.563	-	3,563,196
Title XIX, Medical Assistance Program	93.778	-	12,450,168
Title XX, Social Services Block Grant	93.667	-	2,290,990
State Children's Insurance Program	93.767		2,172,637
N.J. Division of Medical Assistance and Health Services			
Administrative costs relating to Public Assistance			
Title XIX, Medical Assistance Program	93.778	-	321,878
Title XIX, Medically Needy Program	93.778	-	679,072
UNISYS/Molina Medicaid Solutions			
Administrative costs relating to Public Assistance			
Title XIX, Community Care Waiver Program	93.044	-	317,610
Total USDHHS/NJDHS			50,215,879
Social Security Administration			
Pass-through Camden County			
Supplemental Security Income	96.006	-	3,572,999
Total Social Security Administration			3,572,999
U.S. Department of Agriculture (USDA)			
New Jersey Department of Human Services (NJDHS)			
Pass-through Program from N.J. Division of Family Development			
Administrative costs relating to the Food Stamp Program			
Supplemental Nutritional Assistance Program	10.551	-	10,333,729
Supplemental Nutritional Assistance Program - ARRA Funding	10.561	-	101,475
Total USDA/NJDHS			10,435,204
Total Federal Awards			64,224,082

See Independent Auditors' Report.
See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

Camden County Board of Social Services
Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2010

State Grantor/Pass-through Grantor/Program	Federal CFDA Number	Pass-through Grantor's Number	Expenditures
N.J. Department of Human Services			
Pass-through Camden County			
Adult Protective Services	N/A	100-054-7570-012	$ 189,000
N.J. Department of Human Services (NJDHS)			
N.J. Division of Family Development			
WFNJ General Assistance (G.A.)	N/A	100-054-7550-121	16,479,278
WFNJ General Administrative Costs	N/A	100-054-7550-121	3,200,407
Supplemental Security Income	N/A	100-054-7550-125	1,204,410
Total State Awards			21,073,095
Total Federal and State Expenditures			$ 85,297,177

See Independent Auditors' Report.
See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

1. General Information

The accompanying Schedule of Expenditures of Federal and State Awards includes all of the federal and state grant activity of Camden County Board of Social Services and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Federal OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal and State Grants.* Therefore, some amounts in this schedule may differ from amounts presented in, or used in the preparation of, the basic combined financial statements.

2. Basis of Accounting

This amount represents the federal and state share of disbursements reported on a fiscal year basis of December 2, 2009 through December 1, 2010 which is the basis used to report to federal funding agencies. Additionally, the TANF amount (CFDA No. 93.558) has been presented as "Gross" expenditures excluding the effect of CSP Federal and State collections as a result of a change in reporting by the New Jersey Department of Human Services, Division of Family Development.

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Independent Auditors' 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*

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

We have audited the combined financial statements of Camden County Board of Social Services as of and for the year ended December 31, 2010 and have issued our report thereon dated August 31, 2011. Our report refers to the preparation of the combined financial statements in conformity with the accounting practices prescribed by the State of 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. 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.

Internal Control Over Financial Reporting
In planning and performing our audit, we considered Camden County Board of Social Services' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of Camden County Board of Social Services' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Camden County Board of Social Service's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the combined financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Camden County Board of Social Services' combined financial statements are free of 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 combined 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.*

This report is intended solely for the information and use of the management of Camden County Board of Social Services, the Department of Human Services, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

August 31, 2011

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Independent Auditors Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State of New Jersey. Department of the Treasury OMB Circular 04-04 OMB

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

Compliance

We have audited the compliance of Camden County Board of Social Services with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2010. Camden County Board of Social Services' major Federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal and state programs is the responsibility of Camden County Board of Social Services' management. Our responsibility is to express an opinion on Camden County Board of Social Services' compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State of New Jersey, Department of the Treasury, OMB Circular 04-04 OMB. Those standards, OMB Circular A-133 and 04-04 OMB, 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 or 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. Our audit does not provide a legal determination of Camden County Board of Social Services' compliance with those requirements.

In our opinion, Camden County Board of Social Services complied, in all material respects, with the 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, 2010.

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Internal Control Over Compliance

The management of Camden County Board of Social Services is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal and state programs. In planning and performing our audit, we considered Camden County Board of Social Services' internal control over compliance with the requirements that could have a direct and material effect on a major Federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 noncompliance with a type of compliance requirement of a Federal or state program will not be prevented or detected and corrected on a timely basis.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management of the Camden County Board of Social Services, the New Jersey Department of Human Services, other Federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Withum Smith + Brown, PC

August 31, 2011

Camden County Board of Social Services
Schedule of Findings and Questioned Costs
Year Ended December 31, 2010

Section 1 - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
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:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 or NJ OMB Circular 04-04:	No

Identification of major programs:

Federal

CFDA Number	Name of Federal Program
93.558	Temporary Assistance for Needy Families (TANF)
93.767	State Children's Insurance Program
93.778	Title XIX Medical Assistance Program
10.551	Supplemental Nutritional Assistance Program
10.561	Supplemental Nutritional Assistance Program-ARRA

State

Grant Number	Name of State Program
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	$1,926,722
State	$ 632,193

Auditee qualified as low-risk auditee? Yes

Camden County Board of Social Services
Summary Schedule of Prior Year Audit Findings
Year Ended December 31, 2010

The December 31, 2009 audit report did not contain any internal control or compliance findings.

SUPPLEMENTARY SCHEDULES

Camden County Board of Social Services
Assistance Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Receipts	
State Treasurer	$ 6,895,000
County Treasurer	2,369,354
Clearing Fund-County Reimbursement	28,627
Clearing Fund-State Reimbursement	543,906
CSP Disregard	606,901
Total Receipts	10,443,788
Disbursements	
Assistance to SSI Recipients	2,821,880
Aid to Families with Dependent Children	23,094,819
Child Support and Paternity Disregards	606,901
Refugee Resettlement Program	48,512
Electronic Benefit Transfer	(17,700,009)
Total Disbursements	8,872,103
Funds returned to the State (TANF and CSP)	1,348,625
Total Disbursements	10,220,728
Excess Receipts over Disbursements	223,060
Transfers In	--
Transfers Out	--
Excess Receipts over Disbursements and Transfers	223,060
Fund Balance , December 2, 2009	418,177
Fund Balance , December 1, 2010	$ 641,237

See Independent Auditors' Report.

Camden County Board of Social Services
Administration Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Receipts	
State Treasurer:	
Division of Family Development	
Earned Grant Subsidy	$ 42,131,856
Food Stamp and Medicaid Fraud Incentives	153,651
HEA Reimbursement	25,815
Division of Medical Assistance and Health Services	
Medical Assistance Program - MAP	321,878
Medically Needy Program - MNP	679,072
UNISYS - Community Care Waiver CCW	317,610
UNISYS - Medical Outstationing MOS	709,000
Medical Transportation Services Transition Funds	553,049
Other Grants	
Adult Protective Services APS	189,000
Early Employment Initiative EEI	459,808
Food Stamp ARRA Funds	4,894
Funds Received from County Treasurer:	
Appropriation Funds	15,058,859
Other Additions:	
Child Support Incentives	2,332,111
Interest on Investments - Non-Child Support	37,615
Interest on Investments - Child Support	4,351
Total Receipts	62,978,569

See Independent Auditors' Report.

Camden County Board of Social Services
Administration Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Disbursements	
Operating Disbursements:	
Personal Services Expense	34,234,604
Employee Benefit Plans	16,874,885
Travel Expense	154,690
Office Expense	939,821
Major Equipment Purchases	3,955
Office Space, Rental, Repairs and Alterations	307,555
Staff Development and Training	16,097
Purchased Services for Clients	4,656,632
Miscellaneous Matchable Expense	94,851
Food Stamp Program Expense	411
Child Support and Paternity Expense	36,754
Electronic Data Processing Expense	394,020
Miscellaneous Non-Matchable Expense	(15,584)
Other Deductions:	
Adult Protective Services APS	189,000
CWATAP Grant	300
Early Employment Initiative EEI	368,430
Total Disbursements	58,256,421
Excess Receipts over Disbursements	4,722,148
Transfer In	--
Transfer Out	--
Excess Receipts over Disbursements and Transfers	4,722,148
Fund balance, December 31, 2009	6,257,230
Fund balance, December 31, 2010	$ 10,979,378

See Independent Auditors' Report.

Schedule 3

Camden County Board of Social Services
Administration Fund
Schedule of Net Disbursements Budget and Actual
Year Ended December 31, 2010

Operating Disbursements	Budget (1)	Actual Net Operation Disbursements		Variance (Over) Under
Personal Service Expense	$ 35,620,873	$ 33,981,188	(2)	$ 1,639,685
Employee Benefit Plans	17,573,040	16,775,031	(2)	798,009
Travel Expense	175,500	154,690		20,810
Office Expense	1,231,200	902,274	(2)	328,926
Major Equipment Purchases	20,500	3,955		16,545
Office Space, Rental, Repairs and Alterations	358,000	307,555		50,445
Staff Development and Training	28,000	16,097		11,903
Purchased Services for Clients	7,483,100	4,656,632		2,826,468
Miscellaneous Matchable Expense	118,350	94,851		23,499
Food Stamp Program Expense	2,000	411		1,589
Child Support and Paternity Expense	228,165	36,754		191,411
Electronic Data Processing Expense	605,813	394,020		211,793
REACH Program Expense	--	--		--
Miscellaneous Non-Matchable Expense	12,383	(15,584)		27,967
Totals	$ 63,456,924	$ 57,307,874		$ 6,149,050

(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.

(2) Of the total variance, DFD approved for carry-forward, to the next calendar year, the amounts as follows:

Personal Service Expense	$ 253,416
Employee Benefit Plans	99,854
Office Expense	37,547

See Independent Auditors' Report.

Schedule 4

Camden County Board of Social Services
Work First New Jersey General Assistance Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Receipts	
State Aid Payments Received	$ 5,478,509
SSI Initial Retro Checks (GA-31)	3,572,999
Refunds-Reported Assist.(GA-12)	153,030
Other-Automatic Recoupments	17,246
Other	16,902
Other	16,018
Total Receipts	9,254,704
Disbursements	
GA Expenditures (Eligible)-(GA-6A)	20,015,926
SSI Payments (GA-31)GA Expenditures (Ineligible)-(GA-6A)	36,350
Prior Months' Void Checks	(15,246)
ZBA DebitTransfers to State	2,348,955
Other-Bank Reconciliation Adjustment	34,718
Net EBT Disbursement	(13,133,159)
Total Disbursements	9,287,544
Excess of Receipts under Disbursements	(32,840)
Due from State of New Jersey - December 31, 2009	(70,941)
Due from State of New Jersey - December 31, 2010	103,781
Net Due from State of New Jersey	32,840
Excess Receipts over (under) Disbursements and Net Due from State of New Jersey	--
Fund balance, December 31, 2009	--
Fund balance, December 31, 2010	$ --

See Independent Auditors' Report.

Schedule 5

Camden County Board of Social Services
Clearing Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Receipts		
Pending Claims	$	154,486
Other Refunds of Overpayments		413,150
Food Stamp Recoupment for Overissuances		100,299
Medical Assistance		322,047
Other Collections		27,153
Total Receipts		1,017,135
Disbursements		
Cash to Clients		52,006
State Treasurer - Food Stamp Repayments		70,444
State Treasurer - Medical Assistance		241,528
Administration Account - County Share Medical Assistance		80,509
Reimbursement to Assistance Fund (AFDC/TANF and Adult Programs)		559,593
Other		21,706
Total Disbursements		1,025,786
Excess Receipts under Disbursements		(8,651)
Transfers In		--
Transfer Out		--
Excess Receipts under Disbursements and Transfers		(8,651)
Fund balance, December 31, 2009		46,568
Fund balance, December 31, 2010	$	37,917

See Independent Auditors' Report.

Schedule 6

Camden County Board of Social Services
Child Support and Paternity Fund
Schedule of Receipts, Disbursements and Changes in Fund Balance
Year Ended December 31, 2010

Receipts	
Regular Collections	$ 5,254,708
Adjustments	1,866
Interest/Dividends	3,994
Other	13,829
Total Receipts	5,274,397
Disbursements	
Refunds to Assistance Fund	2,360,949
Disregard Payments to Assistance Fund	607,670
Federal Share to Administrative Account	2,360,949
Payments to Clients	16,710
Interest/Dividends	3,994
Total Disbursements	5,350,272
Excess Receipts under Disbursements	(75,875)
Transfers In	--
Transfers Out	--
Excess Receipts under Disbursements and Transfers	(75,875)
Fund balance, December 31, 2009	381,942
Fund balance, December 31, 2010	$ 306,067

See Independent Auditors' Report.

Schedule 7

Camden County Board of Social Services
Reach Account
Schedule of Receipts, Disbursements and Changes in Fund Balance (Deficit)
Year Ended December 31, 2010

Receipts		
Assistance Reimbursement	$	217,286
Other (Bus Pass Reimbursement)		620,858
Total Receipts		838,144
Disbursements		
TRE Expenditures		845,652
Other		(36)
Total Disbursements		845,616
Excess Receipts under Disbursements		(7,472)
Transfers In		--
Transfers Out		--
Excess Receipts under Disbursements and Transfers		(7,472)
Fund balance (deficit), December 31, 2009		(66,188)
Fund balance (deficit), December 31, 2010	$	(73,660)

See Independent Auditors' Report.