

DEPARTMENT OF ENVIRONMENTAL

PROTECTION

TABLE OF CONTENTS

NJFIS ACCOUNT NUMBER	NJCFIS ACCOUNT NUMBER				PROGRAM	PROGRAM
	FUND	AGY	ORG	APU		
4800-150-993130-60	100	042	4800	084	993130	COUNTY ENVIRONMENTAL HEALTH
4855-150-083110-60	100	042	4855	074		
4855-150-083130-60	100	042	4855	075	083130	COUNTY ENVIRONMENTAL HEALTH ACT
4800-504-993150-60	540	042	4800	002	993150	LOAN TO PINELANDS INFRASTRUCTURE TRUST FUND
4800-504-993200-60	540	042	4800	003	993200	PINELANDS INFRASTRUCTURE TRUST FUND - GRANTS
4800-505-720020-62	505	042	4800	002	720020	LOCAL ACQUISITION-1971 STATE RECREATION & CONS. LAND ACQ FUND
4800-506-750020-62	506	042	4800	002	750020	LOCAL ACQUISITION-1974 STATE REC. & LAND ACQ.
4800-506-769020-62	506	042	4800	015	769020	
4800-506-769040-62	506	042	4800	016	769040	
4800-506-770020-62	506	042	4800	018	770020	LOCAL DEVELOPMENT
4800-519-778800-62	519	042	4800	027	778800	URBAN LOCAL DEVELOPMENT ACQUISITION
4800-519-778860-62	519	042	4800	028	778860	NON-URBAN LOCAL DEVELOPMENT ACQUISITION
4800-520-880620-60	520	042	4800	002	880620	EMERGENCY FLOOD CONTROL GRANTS

NJFIS ACCOUNT NUMBER	NJCFIS ACCOUNT NUMBER					PROGRAM
	FUND	AGY	ORG	APU	PROGRAM	
4800-526-998100-60	526	042	4800	004	998100	DAM RESTORATION
4800-526-998200-60	526	042	4800	006	998200	SEWERAGE FACILITY CONSTRUCTION GRANTS
4800-533-851000-60	533	042	4800	002	851000	GREEN TRUST LOANS
4800-533-852000-60	533	042	4800	003	852000	GREEN TRUST GRANTS
4800-533-857000-60	533	042	4800	005	857000	1987 GREEN TRUST LOANS
4800-545-899100-60	545	042	4800	002	899100	1989 GREEN TRUST FUND - LOANS
4800-545-899000	545	042	4800	001	899000	1989 GREEN TRUST FUND - CONTROL
4800-545-899200-60	545	042	4800	003	899200	1989 OPEN SPACE PRESERVATION GRANTS
4840-150-057080-60	100	042	4840	085	057080	STORM WATER MANAGEMENT- COUNTIES
4840-150-057500	100	042	4840	091	057500	STORM WATER MANAGEMENT- MUNICIPALITIES
4840-527-052210-60	527	042	4840	003	052210	1981-WATER SUPPLY - WATER SUPPLY INTERCONNECTIONS
4840-527-052220-60	527	042	4840	004	052220	1981 WATER SUPPLY - REHABILITATION LOANS
4840-527-052250-60	527	042	4840	007	052250	1981 WATER SUPPLY - WATERSHED & AQUIFER PROTECTION - COUNTY PROGRAMS
4840-527-052300-60	527	042	4840	011	052300	WATER SUPPLY REPLACEMENT CONTAMINATED WELLFIELDS
4840-590-057180-71	100	042	4840	131	057180	PASSAIC RIVER BASIN FLOOD CONTROL

NJFIS ACCOUNT NUMBER	NJCFIS ACCOUNT NUMBER				PROGRAM	PROGRAM
	FUND	AGY	ORG	APU		
4850-150-073010-60	100	042	4850	019	073010	LAKE MANAGEMENT
4850-500-840010-60	500	042	4850	001	840010	CONSTRUCTION GRANTS PROGRAM
4850-500-840020-60	500	042	4850	002	840020	
4850-500-840030-60	500	042	4850	003	840030	
4850-500-840040-60	500	042	4850	004	840040	
4850-500-840050-60	500	042	4850	005	840050	
4850-500-840620-60	500	042	4850	007	840620	CONTAMINATED WELLFIELD-LOANS
4860-150-093020-60	100	042	4860	008	093020	SEWERAGE FACILITY CONSTRUCTION STATEWIDE (STATE AID)
4860-150-093050-60	100	042	4860	009	093050	WASTEWATER TREATMENT FACILITY MATCHING GRANT FUND
4860-503-700600-60	503	042	4860	001	700600	LOCAL CONSTRUCTION GRANTS
4860-510-702400-61	510	042	4860	010	702400	SRF - CLEAN OCEANS
4875-542-320010-60	542	042	4875	001	320010	NEW JERSEY HISTORIC TRUST GRANTS
4890-534-861000-61	534	042	4890	003	861000	1983 SHORE PROTECTION PROJECTS AND GRANTS
4890-534-862000-61	534	042	4890	004	862000	1983 SHORE PROTECTION LOANS
4900-752-178840-60	752	042	4900	004	178840	STATE RECYCLING COUNTY & MUNICIPAL PROGRAM FUNDING

NJFIS ACCOUNT NUMBER	NJCF'S ACCOUNT NUMBER				PROGRAM
	FUND	AGY	ORG	APU	
4900-752-178850-60	752	042	4900	005	178850 STATE RECYCLING PUBLIC INFORMATION
4900-765-178900-60	765	042	4900	003	178900 GRANTS: MUNICIPALITY HOUSING UNITS
4900-765-178910-60	765	042	4900	004	178910 GRANTS: MUNICIPALITY ROAD MILEAGE
4900-765-178920-60	765	042	4900	005	178920 GRANTS: COUNTY
4910-515-239000-60	515	042	4910	001	239000 CONTROL RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FACILITY FD
4910-515-239100-60	515	042	4910	002	239100 RESOURCE RECOVERY & SOLID WASTE DISPOSAL FUND
4910-515-239300-60	515	042	4910	003	239300 RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FUND - 1980 NAT RES

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-150-993130-60	100 042 4800 084	993130	COUNTY ENVIRONMENTAL
4855-150-083110-60	100 042 4855 074		HEALTH

4855-150-083130-60	100 042 4855 075	083130	COUNTY ENVIRONMENTAL
			HEALTH ACT

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the County Environmental Health Act Program is to increase the capabilities of county governments (particularly through the Health Department) to provide environmental health services.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted by counties for county-wide programs to provide environmental health services.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-504-993150-60

540 042 4800 002 993150

LOAN TO PINELANDS
INFRASTRUCTURE TRUST
FUND

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Pinelands Infrastructure Trust Fund is to provide loans to local units of government in the Pinelands area for infrastructure capital projects necessary to accommodate development in regional growth.

II. PROGRAM PROCEDURES

Grants and loans are awarded for infrastructure capital projects based on Applications submitted by designated local units of governments.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-504-993200-60

540 042 4800 003 993200

PINELANDS
INFRASTRUCTURE TRUST
FUND - GRANTS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the 1985 Pinelands Infrastructure Fund Sewerage Facility Construction Program is to provide grants to local units of government in the Pinelands area for infrastructure capital projects necessary to accommodate development in regional growth areas.

II. PROGRAM PROCEDURES

Grants and loans are awarded for infrastructure capital projects based on Applications submitted by designated local units of governments.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-505-720020-62

505 042 4800 002 720020

LOCAL ACQUISITION-1971
STATE RECREATION &
CONS. LAND ACQ FUND

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Local Acquisition - 1971 State Recreation and Conservation Land Acquisition Fund is to provide for the acquisition and development of open spaces and recreational areas in the State of New Jersey.

II. PROGRAM PROCEDURES

Grants are awarded for infrastructure capital projects based on Applications submitted by the local agencies.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-506-750020-62	506 042 4800 002	750020	LOCAL ACQUISITION-
4800-506-769020-62	506 042 4800 015	769020	1974 STATE REC &
4800-506-769040-62	506 042 4800 016	769040	LAND ACQ.
4800-506-770020-62	506 042 4800 018	770020	LOCAL DEVELOPMENT

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Local Acquisition - 1974 State Recreation and Land Acquisition and Local Development Programs are to provide for the acquisition and development of open spaces and recreational areas in the State of New Jersey.

II. PROGRAM PROCEDURES

Grants are awarded under this Program based on Applications submitted by local agencies.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-519-778800-62	519 042 4800 027	778800	URBAN LOCAL DEVELOP- MENT ACQUISITION
4800-519-778860-62	519 042 4800 028	778860	NON-URBAN LOCAL DEVELOP. ACQUISITION

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Urban Local Development Acquisition and Non-Urban Local Development Acquisition Programs are to provide for the acquisition and development of open spaces and recreational areas in the State of New Jersey.

II. PROGRAM PROCEDURES

Grants are awarded under these Programs based on Applications submitted by the local agencies.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-520-880620-60

520 042 4800 002 880620

EMERGENCY FLOOD CONTROL
GRANTS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to insure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Emergency Flood Control Grants Program is to provide fifty (50) percent grants for the construction of projects to alleviate serious flooding problems in the State.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted for flood control construction projects.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-526-998100-60	526 042 4800 004	998100	DAM RESTORATION
4800-526-998200-60	526 042 4800 006	998200	SEWERAGE FACILITY CONSTRUCTION GRANTS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the:

Dam Restoration Program is to provide matching grants to local governments for the repair of high hazard dams;

Sewerage Facility Construction Grants Program is to provide matching grants to local governments for planning, designing, acquiring and constructing sewerage treatment facilities.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted and prioritized in the potential environmental impact and potential loss of life and property.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4800-533-851000-60	533 042 4800 002	851000	GREEN TRUST LOANS
4800-533-852000-60	533 042 4800 003	852000	GREEN TRUST GRANTS
4800-533-857000-60	533 042 4800 005	857000	1987 GREEN TRUST LOANS
4800-545-899100-60	545 042 4800 002	899100	1989 GREEN TRUST FUND-LOANS
4800-545-899000	545 042 4800 001	899000	1989 GREEN TRUST FUND-CONTROL
4800-545-899200-60	545 042 4800 003	899200	1989 OPEN SPACE PRESERVATION GRANTS

GENERAL STATE REQUIREMENTS

Compliance Requirements

The following administrative requirements are applicable to the various types of agencies that receive grant awards from the Department of Environmental Protection:

1. New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25;
2. New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et. seq.;
3. New Jersey OMB Circular Letter 93-5. State policy regarding single audits of grant recipients.
4. Single Audit Act of 1984, P.L. 98-502;
5. Federal OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations;
6. Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;
7. Federal OMB Circular A-122, Cost Principles for Nonprofit Organizations;
8. Federal OMB Circular A-87, Cost Principles for State and Local Governments;
9. Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
10. Federal OMB Circular A-128, Audits of State and Local Governments;
11. N.J.S.A. 40A:11-1 et seq., Local Public Contracts Law.

Suggested Audit Procedures

- * Determine that contractual agreement is in compliance with laws, regulations and administrative requirements and funds have been applied efficiently, economically and effectively.

I. PROGRAM OBJECTIVES

Provides planning assistance and low-interest loans and grants to municipalities and counties for recreation development projects and open space acquisition.

II. PROGRAM PROCEDURES

Applicant must prepare and submit an application detailing plans for development and estimated cost;

Applications are reviewed by Department personnel and ranked according to review criteria;

Funding is based upon approval by Legislature;

Monitoring visits are conducted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Moneys can only be expended on items agreed upon in the contract between the State and the local units unless otherwise amended by the State;

Local unit must contract third parties in accordance with Local Public Contract Law (LPCL);

Local units must complete work in time period specified in the contract with the State.

Suggested Audit Procedures

* Review contract to determine scope of development;

* Review and test expenditures and related records for compliance with GAAP, Green Acres Procedural Guide and Local Public Contract Law (LPCL).

B. ELIGIBILITY

Compliance Requirement

Applicants can be any municipality or county of the State of New Jersey, or any agency thereof authorized to acquire, administer, protect, develop and maintain lands for recreation and conservation purposes.

Suggested Audit Procedures

* The auditor is not expected to make tests for eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Applicants must expend entire amount of loan requested in order to receive full funding for loan agreements;

In the case of grants, the State will provide up to 50% funding. This may be combined with federal funding through the Land & Water Conservation Fund (LWCF).

Suggested Audit Procedures

* Review expenditures and eligible costs to determine required match.

D. REPORTING REQUIREMENTS

Compliance Requirement

Quarterly Expenditure Reports;

Final Statement of Cost.

Suggested Audit Procedures

* Review financial and performance reports and test for accuracy and eligibility of items listed.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4840-150-057080-60	100 042 4840 085 057080	STORM WATER MANAGEMENT-COUNTIES
4840-150-057500	100 042 4840 091 057500	STORM WATER MANAGEMENT-MUNICIPALITIES

GENERAL STATE REQUIREMENTS

Compliance Requirements

The following administrative requirements are applicable to the various types of agencies that receive grant awards from the Department of Environmental Protection:

1. New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25;
2. New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.;
3. New Jersey OMB Circular Letter 93-5. State policy regarding single audits of grant recipients.
4. Single Audit Act of 1984, P.L. 98-502;
5. Federal OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations;
6. Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;
7. Federal OMB Circular A-122, Cost Principles for Nonprofit Organizations;
8. Federal OMB Circular A-87, Cost Principles for State and Local Governments;
9. Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
10. Federal OMB Circular A-128, Audits of State and Local Governments;
11. N.J.S.A. 40A:11-1 et. seq., Local Public Contracts Law.

Suggested Audit Procedures

- * Determine that contractual agreement is in compliance with laws, regulations and administrative requirements and funds have been applied efficiently, economically and effectively.

I. PROGRAM OBJECTIVES

Provides planning assistance and low-interest loans and grants to municipalities and counties for recreation development projects and open space acquisition.

II. PROGRAM PROCEDURES

Applicant must prepare and submit an application detailing plans for development and estimated cost;

Applications are reviewed by Department personnel and ranked according to review criteria;

Funding is based upon approval by Legislature;

Monitoring visits are conducted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Moneys can only be expended on items agreed upon in the contract between the State and the local units unless otherwise amended by the State;

Local unit must contract third parties in accordance with Local Public Contract Law (LPCL);

Local units must complete work in time period specified in the contract with the State.

Suggested Audit Procedures

* Review contract to determine scope of development;

* Review and test expenditures and related records for compliance with GAAP, Green Acres Procedural Guide and Local Public Contract Law (LPCL).

B. ELIGIBILITY

Compliance Requirement

Applicants can be any municipality or county of the State of New Jersey, or any agency thereof authorized to acquire, administer, protect, develop and maintain lands for recreation and conservation purposes.

Suggested Audit Procedures

* The auditor is not expected to make tests for eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Applicants must expend entire amount of loan requested in order to receive full funding for loan agreements;

In the case of grants, the State will provide up to 50% funding. This may be combined with federal funding through the Land & Water Conservation Fund (LWCF).

Suggested Audit Procedures

* Review expenditures and eligible costs to determine required match.

D. REPORTING REQUIREMENTS

Compliance Requirement

Quarterly Expenditure Reports;

Final Statement of Cost.

Suggested Audit Procedures

* Review financial and performance reports and test for accuracy and eligibility of items listed.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4840-527-052210-60	527 042 4840 003	052210	1981-WATER SUPPLY-WATER SUPPLY INTERCONNECTIONS
4840-527-052220-60	527 042 4840 004	052220	1981-WATER SUPPLY- REHABILITATION LOANS
4840-527-052250-60	527 042 4840 007	052250	1981-WATER SUPPLY- WATERSHED & AQUIFER PROTECTION - COUNTY PROGRAMS
4840-527-052300-60	527 042 4840 011	052300	WATER SUPPLY REPLACE- MENT CONTAMINATED WELLFIELDS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance

or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the 1981 Water Supply Fund:

Water Supply Interconnection - Loans Program is to provide for the interconnection of water supply systems between water purveyors within the State.

Rehabilitation Loans Program is to provide for the rehabilitation of antiquated, damaged or inadequately operating water supply facilities;

County Watershed and Aquifer Protection - Grants Program is to provide grants to rehabilitate, repair or consolidate antiquated, damaged or inadequately operating water supply facilities;

Contaminated Wellfields - Loans Program is to provide low interest loans to local areas affected by contaminated wellfields.

II. PROGRAM PROCEDURES

The Water Supply Interconnection Loans are awarded based on Applications submitted;

Rehabilitation Loans are awarded based on Applications submitted under this Program:

County Watershed and Aquifer Protection - Grants are awarded based on Applications submitted;

Contaminated Wellfields - Loans are awarded based on Applications submitted and the environmental affects of the wellfield contamination.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary form program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4840-590-057180-71

100 042 4840 131 057180

PASSAIC RIVER BASIN
FLOOD CONTROL

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to insure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Passaic River Basin Flood Control Program is to provide grants for the construction of projects to alleviate serious flooding problems in the State.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted for flood control construction projects.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4850-150-073010-60

100 042 4850 019 073010

LAKE MANAGEMENT

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Lake Management Program is to provide grants to local governments for the purpose of planning, design and implementation of dredging, stormwater control and watershed protection

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted by local governments and priority lake restoration projects.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4850-500-840010-60	500 042 4850 001	840010	CONSTRUCTION GRANTS
4850-500-840020-60	500 042 4850 002	840020	PROGRAM
4850-500-840030-60	500 042 4850 003	840030	
4850-500-840040-60	500 042 4850 004	840040	
4850-500-840050-60	500 042 4850 005	840050	

4850-500-840620-60	500 042 4850 007	840620	CONTAMINATED WELLFIELD-LOANS
--------------------	------------------	--------	---------------------------------

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the:

Construction Grants Program is to provide grants to local governments for planning, designing, acquiring and constructing sewerage treatment facilities;

Contaminated Wellfield-Loans Program is to provide low interest loans to local areas affected by contaminated wellfields.

II. PROGRAM PROCEDURES

Grants are awarded for the sewerage treatment facilities based on Applications submitted and the environmental effects of inadequate sewerage systems;

Contaminated Wellfield Loans are awarded for the contaminated wellfields based on Applications submitted and the environmental effects of the wellfield contamination.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4860-150-093020-60

100 042 4860 008 093020

SEWERAGE FACILITY
CONSTRUCTION STATEWIDE
(STATE AID)

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Sewerage Facility Construction Statewide (State Aid) is to provide low interest loans to local governments for the construction of sewerage facilities.

II. PROGRAM PROCEDURES

Loans are awarded based on Applications submitted by local governments.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4860-150-093050-60

100 042 4860 009 093050

WASTEWATER TREATMENT
FACILITY MATCHING
GRANT FUND

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Wastewater Treatment Facility Matching Grant Funds Program is to provide matching funds to local governments for the purpose of acquiring, planning, developing, constructing and maintaining wastewater treatment facilities.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted by local governments.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4860-503-700600-60

503 042 4860 001 700600

LOCAL CONSTRUCTION
GRANTS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the Local Construction Grants Program is to provide grants to local governments for researching, planning, acquiring, developing, constructing and maintaining water supply, wastewater treatment and water quality planning.

II. PROGRAM PROCEDURES

Grants are awarded based on Applications submitted by local governments.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4860-510-702400-61

510 042 4860 010 702400

SRF - CLEAN OCEANS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the SRF - Clean Oceans Program is to provide loans to local government units to finance a portion of the costs of construction of wastewater treatment system projects.

II. PROGRAM PROCEDURES

Loans are awarded for the construction of wastewater treatment system projects based on applications submitted by local government units.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to ensure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4875-542-320010-60

542 042 4875 001 320010

NEW JERSEY HISTORIC
TRUST GRANTS

GENERAL STATE REQUIREMENTS

Compliance Requirements

The following administrative requirements are applicable to the various types of agencies that receive grant awards from the Department of Environmental Protection:

1. New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25;
2. New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.;
3. New Jersey OMB Circular Letter 93-5. State policy regarding single audits of grant recipients.
4. Single Audit Act of 1984, P.L. 98-502;
5. Federal OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations;
6. Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;
7. Federal OMB Circular A-122, Cost Principles for Nonprofit Organizations;
8. Federal OMB Circular A-87, Cost Principles for State and Local Governments;
9. Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
10. Federal OMB Circular A-128, Audits of State and Local Governments;
11. N.J.S.A. 40A:11-1 et seq., Local Public Contracts Law.

Suggested Audit Procedures

- * Determine that contractual agreement is in compliance with laws, regulations and administrative requirements and funds have been applied efficiently, economically and effectively.

I. PROGRAM OBJECTIVES

The objective of the Historic Preservation Grant Program is the restoration, rehabilitation and improvement of the New Jersey historic resources.

II. PROGRAM PROCEDURES

- * Applicants must submit research documents and plans for the preservation of the architectural and historical integrity of their resource;
- * Proposals are reviewed and ranked according to review criteria;
- * Funding is based upon approval by the Legislature;
- * Monitoring visits are conducted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Moneys can only be expended to assist in the restoration, preservation and rehabilitation of historical properties listed;

The revolving loan program allows for acquisition of historic properties.

Suggested Audit Procedures

- * Review grant/loan agreement and determine any special conditions;
- * Test expenditures and related records.

B. ELIGIBILITY

Compliance Requirement

Applicants must be non-profit tax exempt organizations or units of State, county or municipal government. All properties must be listed on the State and/or National Register of Historic places or a resource contributing to the significance of a Historic District or be certified eligible for listing.

Suggested Audit Procedures

- * Check the National Register and/or State Register for listing or certification by the New Jersey Historic Preservation Office.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Applicants must provide funding for 50% of the expenditures.

Suggested Audit Procedures

- * Review the expenditure reports to determine the required matching percent.

D. REPORTING REQUIREMENTS

Compliance Requirement

Financial Reports - Quarterly;

Performance Reports - Quarterly;

Final Expenditure Report.

Suggested Audit Procedures

- * Review financial and performance reports for completeness;
- * Test accuracy of records;
- * Determine that reports were submitted on a timely basis.

E. SPECIAL TESTS AND PROVISIONS

There are no special tests or procedures for the auditor to perform.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4890-534-861000-61 534 042 4890 003 861000 1983 SHORE PROTECTION
PROJECTS AND GRANTS

4890-534-862000-61 534 042 4890 004 862000 1983 SHORE PROTECTION
LOANS

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the 1983 Shore Protection Fund Program is to provide funds to counties and municipalities for the researching, planning, acquiring, developing, constructing and maintaining of shore protection projects.

II. PROGRAM PROCEDURES

Grants are loans are awarded for shore protection projects based on Applications submitted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary form program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4900-752-178840-60

752 042 4900 004 178840

STATE RECYCLING
COUNTY & MUNICIPAL
PROGRAM FUNDING

GENERAL STATE REQUIREMENTS

Compliance Requirements

The following administrative requirements are applicable to the various types of agencies that receive grant awards from the Department of Environmental Protection:

1. New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25;
2. New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.;
3. New Jersey OMB Circular Letter 93-5. State policy regarding single audits of grant recipients.
4. Single Audit Act of 1984, P.L. 98-502;
5. Federal OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations;
6. Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;
7. Federal OMB Circular A-122, Cost Principles for Nonprofit Organizations;
8. Federal OMB Circular A-87, Cost Principles for State and Local Governments;
9. Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
10. Federal OMB Circular A-128, Audits of State and Local Governments;
11. N.J.S.A. 40A:11-1 et seq., Local Public Contracts Law.

Suggested Audit Procedures

- * Determine that contractual agreement is in compliance with laws, regulations and administrative requirements and funds have been applied efficiently, economically and effectively.

I. PROGRAM OBJECTIVES

To improve, expand, and/or establish a recycling program.

II. PROGRAM PROCEDURES

Program announcement and procedures are sent to the counties biennial;

Counties submit proposals;

Applications are reviewed by Department personnel and ranked according to population;

Grants are awarded;

Monitoring visits are conducted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Moneys can only be expended to improve, expand, and/or establish a recycling program.

Suggested Audit Procedures

* Review the contract for allowable program activities;

* Perform appropriate sampling of expenditures and related records.

B. ELIGIBILITY

Compliance Requirement

County governments only.

Suggested Audit Procedures

* The auditor is not expected to make tests for eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

Compliance Requirement

Quarterly and semi-annual performance and financial reports.

Suggested Audit Procedures

- * Review financial and performance reports and test for accuracy and eligibility of items listed.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4900-752-178850-60

752 042 4900 005 178850

STATE RECYCLING
PUBLIC INFORMATION

GENERAL STATE REQUIREMENTS

Compliance Requirements

The following administrative requirements are applicable to the various types of agencies that receive grant awards from the Department of Environmental Protection:

1. New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25;
2. New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.;
3. New Jersey OMB Circular Letter 93-5. State policy regarding single audits of grant recipients.
4. Single Audit Act of 1984, P.L. 98-502;
5. Federal OMB Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations;
6. Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations;
7. Federal OMB Circular A-122, Cost Principles for Nonprofit Organizations;
8. Federal OMB Circular A-87, Cost Principles for State and Local Governments;
9. Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
10. Federal OMB Circular A-128, Audits of State and Local Governments;
11. N.J.S.A. 40A:11-1 et seq., Local Public Contracts Law.

Suggested Audit Procedures

- * Determine that contractual agreement is in compliance with laws, regulations and administrative requirements and funds have been applied efficiently, economically and effectively.

I. PROGRAM OBJECTIVES

To provide community education and promotional programs on recycling.

II. PROGRAM PROCEDURES

Program announcements and procedures are sent to the counties and to previously funded nonprofit organizations;

Applicants submit proposals;

Applications are reviewed by Department personnel and ranked according to population;

Grants are awarded;

Monitoring visits are conducted.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Moneys can only be expended for community education and the promotion of recycling.

Suggested Audit Procedures

* Review the contract for allowable program activities;

* Perform appropriate sampling of expenditures and related records.

B. ELIGIBILITY

Compliance Requirement

County governments, nonprofit organizations and state colleges and universities.

Suggested Audit Procedures

* The auditor is not expected to make tests for eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

Compliance Requirement

Quarterly /Semiannual performance & financial reports.

Suggested Audit Procedures

* Review financial and performance reports and test for accuracy and eligibility of items listed.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4900-765-178900-60	765 042 4900 003	178900	GRANTS: MUNICIPALITY HOUSING UNITS
4900-765-178910-60	765 042 4900 004	178910	GRANTS: MUNICIPALITY ROAD MILEAGE
4900-765-178920-60	765 042 4900 005	178920	GRANTS: COUNTY

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of Clean Communities Account Fund Program is to provide grants to counties and municipalities to implement certified litter pickup and removal.

II. PROGRAM PROCEDURES

Grants are awarded to Counties and Municipalities which have adopted a certified litter control program. Municipality grants are calculated based on pro-rata shares of municipal housing units and road mileage. County grants are calculated based on pro-rata shares of county road mileage.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to ensure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

4910-515-239000-60	515 042 4910 001	239000	CONTROL RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FACILITY FD
4910-515-239100-60	515 042 4910 002	239100	RESOURCE RECOVERY & SOLID WASTE DISPOSAL FUND
4910-515-239300-60	515 042 4910 003	239300	RESOURCE RECOVERY AND SOLID WASTE DISPOSAL FUND - 1980 NAT RES

GENERAL STATE REQUIREMENTS

This document specifies the major compliance requirements that must be considered for an organization-wide audit of a recipient agency of State grant-in aid or loan funds. This document should be used in conjunction with OMB Circulars A-102, Grants and Cooperative Agreements with State and Local Governments, and A-128, Audits of State and Local Governments, for agencies that receive federal funds in addition to State assistance and State Treasury Circular Letter 93-05, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

The document is divided into two parts. The first part contains those generally applicable requirements that must be considered in an organization-wide financial and compliance audit. Generally applicable requirements are those established by State statute, executive order or other authoritative source that apply to all recipients of funds from a given program or to all recipients of a certain type (i.e. all non-profit or all municipal government entities).

The second part of the document provides descriptions and specific requirements of the major programs within the Department of Environmental Protection (DEP). Additional requirements may exist for these programs, however, compliance is either beyond the scope of a financial audit or non-compliance will not have a material impact on the financial statements. The recommended auditing procedures specified in this Section are mandatory. However, if auditors obtain prior written approval from DEP, they may use any test or procedure based on their professional judgment which is appropriate under the circumstances and will support their comments regarding compliance or non-compliance with specified requirements for items tested. The information presented is subject to periodic changes from legislative or executive actions. Auditors should be alert to this possibility from contact with the grantor State agency, personnel in the auditee agency and other sources. Additional information concerning a specific program can be obtained by reviewing the authorizing legislation and Program guidelines published by the grantor agency.

Several statutory and regulatory requirements are applicable to all or most State assistance programs. These requirements implement significant State policies. Non-compliance with the following requirements could result in a material impact on financial statements and therefore should be part of every audit.

GRANT OR LOAN AGREEMENT

Compliance Requirement

This document evidences the agreement between the State and the grantee agency. Among other provisions, it will establish a budget for the project's operations, a time period and a scope of services or performance objectives that must be met by the grantee agency. It will also specify payment procedures, reporting requirements and insurance provisions.

Suggested Audit Procedures

- * Determine that contract has been properly signed by authorized representatives from grantor and grantee agency;
- * Test costs to ensure that costs were incurred during grant period indicated in agreement;
- * Review scope of services and work products or performance standards and compare to actual submissions or accomplishments by grantee;
- * Check to ensure grantee has obtained required insurance policies.

PAYMENT PROCEDURES

Compliance Requirement

Grantee agencies are required to file periodic financial reports that are used by the DEP for monitoring of Program expenditures and payment of grant funds. The financial reports are to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and submitted at intervals specified in the agreement. Payment vouchers are to be signed by an individual duly authorized by the grantee agency and amount requested cannot be in excess of grantee's immediate needs. Excessive cash balances are not to be maintained at grantee agencies.

Suggested Audit Procedures

- * Test actual submission dates of financial reports with frequency requirements in the agreement;
- * Test to determine the procedure to generate financial reports conforms to GAAP;
- * Review payment requests and Program cash balances for reasonableness.

PROGRAM EXPENDITURES

Compliance Requirement

All funds must be expended in accordance with the budget and solely for purposes established by the scope of services contained in grant award documents. The grantee agency must have an accounting system that tracks source and disposition of State funds. This system must also provide adequate internal controls to safeguard the grant program assets.

Suggested Audit Procedures

- * Obtain final financial report/payment request and review expenditures for grant compliance;
- * Trace grant revenue to bank statements and ledger accounts established for this project;
- * Test internal controls of assets acquired with grant funds.

OTHER

In addition to general requirements specified and requirements contained in grant contract, the Department's project officer and the Office of Audit are available to answer any additional questions. The name, address and telephone number of project officer is listed in grant agreement. The telephone number of the NJ-DEP Office of Audit is (609) 292-1207. Mailing address is:

Office of Audit
Department of Environmental Protection
CN 402
Trenton, New Jersey 08625

I. PROGRAM OBJECTIVES

The objective of the 1985 Resource Recovery and Solid Waste Disposal Facility Fund Program is to provide loans to local units of government for construction of resource recovery facilities and environmentally sound sanitary landfill facilities.

II. PROGRAM PROCEDURES

Loans are awarded for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities based on Applications submitted and the environmental effects of unsound sanitary landfill facilities.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

In addition to requirements established by agreement between the Department and grantee agency, the auditor should be aware of Program guidelines, policies or procedures that are in effect during the audit period. The conditions established by above vary from program to program.

Suggested Audit Procedures

- * Test project expenditures to requirements in Program guidelines to ensure compliance;
- * Test payment/reimbursement documents to insure that grantee agencies are requesting reimbursement only for Department's share of legitimate project costs;
- * Test grantee performance of any special provisions contained in Program guidelines that would have a material impact on financial statements. For example, if project generates income and provisions govern that the amount to be assessed and/or its use, these requirements should be tested.