

**STATE OF NEW JERSEY
DEPARTMENT OF AGRICULTURE**

STATE AID/GRANT COMPLIANCE SUPPLEMENT

FOR STATE FISCAL YEAR 2009

TABLE OF CONTENTS

NJCFS ACCOUNT NUMBER

<u>FUND</u>	<u>AGY</u>	<u>ORG</u>	<u>APU</u>	<u>PROGRAM #</u>	<u>PROGRAM</u>
-------------	------------	------------	------------	------------------	----------------

GRANTS IN AID

100	010	3330	068	031380	1.) CONSERVATION COST SHARE
100	010	3350	064	055020	2.) FOOD ASSISTANCE PROGRAM
100	010	3360	053	060500	3.) AGRICULTURAL MUSEUM

STATE AID

100	010	3350	022	052200	4.) NON-PUBLIC SCHOOL NUTR. AID
100	010	3350	023	052300	5.) SCHOOL LUNCH AID – PUBLIC
100	010	3350	021	052190	6.) SCHOOL BREAKFAST PROGRAM
100	010	3380	015	080250	7.) PAYMENTS IN LIEU OF TAXES

GRANTS-IN-AID

DEPARTMENT OF AGRICULTURE DIVISION OF AGRICULTURE AND NATURAL RESOURCES

1.) CONSERVATION COST SHARE : 100-010-3330-068-031380

I. PROGRAM OBJECTIVES

To provide technical and financial assistance to implement agricultural conservation projects that enhance water quality. The state's CCSP funding is a companion effort with the federal Environmental Quality Incentives Program.

II. PROGRAM PROCEDURES

Grants are awarded on the merits of greatest anticipated environmental benefits to be derived. Grants are administered by staff with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the grant agreement. Services include technical and financial assistance to farmers to enhance water quality, livestock management, and soil and water management.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must furnish proof of eligibility.

2. Suggested Audit Procedures

Review applications. Test to parameters of the contract. Verify enrollments.

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

The cost share program is a companion effort with the federal Environmental Quality Incentives program. Any remaining funding will underwrite technical assistance through cooperative agreements with conservation districts.

D. REPORTING REQUIREMENTS

Annual reporting is required. Interim reporting as requested by management.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF FOOD & NUTRITION**

2) STATE FOOD ASSESSMENT: 100-010-3350-064-055020

I. PROGRAM OBJECTIVES

To expand the purchase of locally and regionally grown nutrient dense foods for distribution to Emergency Feeding Organizations (EFOs) fighting to alleviate hunger in the State of NJ, through their network of Local Distribution Agencies (LDAs) located regionally throughout New Jersey. Foods purchased will support the USDA food guide pyramid and strategy hierarchy by focusing on fresh fruits and vegetables, whole grain foods, and protein items in a varied selection in support of the five food groups recommended within the pyramid.

II. PROGRAM PROCEDURES

Program is approved by the State Board of Agriculture, a decision-making body in-but-not-of the NJ Department of Agriculture. Grant is administered by staff with review by the Program Administrator. Grant funds are awarded to approved emergency feeding organizations, quarterly, using county index of need statistics, as well as monthly services statistics submitted to the NJDA by each EFO.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. **Compliance Requirements**
The program must provide funds to the EFO to purchase nutrient dense foods as stipulated per the grant agreement.
2. **Suggested Audit Procedures**
Review parameters of the program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. **Compliance Requirements**
The grantee must submit various information documents.
Eligibility granted by the State Board of Agriculture.
2. **Suggested Audit Procedures**
3. Perform off-site audits including reviewing receipt of grant program funds to the cash receipt & disbursement ledgers, food purchase

vendor invoices to the EFOs summary of food purchase records identifying the types of foods purchased by actual number of pounds and actual costs incurred, administrative overhead costs applicable to the program and the summary of release reports identifying the number of cases of food commodities distributed to the organization's LDAs.

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

None.

D. REPORTING REQUIREMENTS

Annual activity and financial reports required. Interim reporting as requested by management.

E. SPECIAL TESTS AND PROVISIONS

None

DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETS

3.) AGRICULTURAL MUSEUM : 100-010-3360-053-060500

I. PROGRAM OBJECTIVES

A not-for-profit educational institution showcasing and communicating the unique role of the Garden State in the growth and development of agriculture and the impact of its contribution to society.

II. PROGRAM PROCEDURES

Program is approved by the State Board of Agriculture, a decision-making body in-but-not-of the NJ Department of Agriculture. Grant is in conjunction with Cook College/Rutgers University and is administered by staff, with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the grant agreement. Services include research, preservation, and development of its collections. Exhibits and educational programs on the evolution of agriculture are paramount to the mission of the museum.

2. Suggested Audit Procedures

Review parameters of program. Review services provided. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

Eligibility granted by the State Board of Agriculture.

2. Suggested Audit Procedures

Determine that eligibility criteria have been met..

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

None

D. REPORTING REQUIREMENTS

Annual CPA audit required. Interim reporting as requested by management.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF FOOD & NUTRITION**

STATE AID

4.) NON-PUBLIC SCHOOL NUTRITION AID : 100-010-3350-022-052200

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. **Compliance Requirements**

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food Programs, regulations and guidelines.

2. **Suggested Audit Procedures**

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. **Compliance Requirements**

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. **Suggested Audit Procedures**

Perform off-site audits including review of Schedule A, financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

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

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF FOOD & NUTRITION**

5.) SCHOOL LUNCH AID : 100-010-3350-023-052300

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food programs, regulations and guidelines.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. Suggested Audit Procedures

Perform off-site audits including review of Schedule A, financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

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

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF FOOD & NUTRITION**

6.) SCHOOL BREAKFAST PROGRAM: 100-010-3350-021-052190

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children in accordance with USDA regulations and guidelines.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. **Compliance Requirements**

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food Programs, regulations and guidelines.

2. **Suggested Audit Procedures**

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. **Compliance Requirements**

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. **Suggested Audit Procedures**

Perform off-site audits including review of "Schedule A", financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

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

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
STATE AGRICULTURAL DEVELOPMENT COMMITTEE (S.A.D.C.)**

7.) PAYMENTS IN LIEU OF TAXES : 100-010-3380-015-080250

I. PROGRAM OBJECTIVES

To compensate the municipality for lost real estate tax revenue for the time the farm is purchased in fee simple, until the time of sale.

II. PROGRAM PROCEDURES

Calculations are done to arrive at the amount of real estate tax liability/revenue. The SADC, which is restricted by state statute as to amount of funding available, remits to the municipality.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

D. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must comply with N.J.S.A. 4:1C-31.1

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

E. ELIGIBILITY

1. Compliance Requirements

Properties (farms) are acquired by SADC through a rigorous process in accordance with complex policies and procedures established by law and the SADC. Eligibility of Board approved farmland purchased, is on file with the SADC.

2. Suggested Audit Procedures

Review SADC policies and procedures, and state statute to determine adherence to guidelines. Test flow of funds.

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

None

G. REPORTING REQUIREMENTS

Activity and financial reports are required by the SADC, and are Board reviewed and approved.

H. SPECIAL TESTS AND PROVISIONS

None