

*COUNTY OF WARREN*

*OFFICE OF THE COUNTY PROSECUTOR*  
*STATE SEIZED AND FORFEITED ASSETS FUND*

*REPORT OF AUDIT*

2020

*NISIVOCCIA LLP*  
*CERTIFIED PUBLIC ACCOUNTANTS*

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR –  
STATE SEIZED AND FORFEITED ASSETS FUND  
REPORT OF AUDIT  
YEAR ENDED DECEMBER 31, 2020

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
INDEPENDENT AUDITORS' REPORT AND  
BALANCE SHEET AND SUPPLEMENTAL SCHEDULE  
YEAR ENDED DECEMBER 31, 2020  
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## Independent Auditors' Report

Office of the County Prosecutor  
County of Warren  
Belvidere, New Jersey

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

We have audited the accompanying financial statements –*regulatory basis* - of the Office of the County Prosecutor – Law Enforcement Trust Funds (the “Office”), a component unit of the County of Warren, as of and for the year ended December 31, 2020, and the related notes to the financial statements, as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by the Attorney General's Office, Department of Law and Public Safety, State of New Jersey (the “AG”) and the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) to demonstrate compliance with the Division's and AG's regulatory basis of accounting, and the budget laws of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

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

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

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

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

As described in Note 1, the financial statements are prepared by the Office on the basis of accounting practices prescribed or permitted by the Division and the AG to demonstrate compliance with the AG's and the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of

Office of the County Prosecutor  
 County of Warren  
 Belvidere, New Jersey  
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The variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of the Office of the County Prosecutor as of December 31, 2020, or changes in financial position or where applicable, cash flows thereof for the year then ended.

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

In our opinion, the financial statements – *regulatory basis* – referred to above present fairly, in all material respects, the financial position of the Office of the County Prosecutor as of December 31, 2020, and the changes in fund balance and cash flows, where applicable, thereof for the year ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division’s regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

***Other Matters***

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the Office of the County Prosecutor’s financial statements. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2021 on our consideration of the Fund’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund’s internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
 May 24, 2021

*Nisiroccia LLP*  
 NISIVOCIA LLP

*John J. Mooney*  
 John J. Mooney  
 Registered Municipal Accountant #560  
 Certified Public Accountant

## FINANCIAL STATEMENTS

COUNTY OF WARREN  
OFFICE OF THE PROSECUTOR  
LAW ENFORCEMENT TRUST FUNDS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2020

	Seized Asset Trust Account	County Prosecutor Law Enforcement Trust Account	Asset Maintenance Account	Seized Funds Held in Evidence Account	Confidential Account	Firearms Training System Account	Federal Equitable Sharing Account	Municipal Law Enforcement Trust Account	Total
Cash and Cash Equivalents	\$ 63,696.89	\$ 224,134.86	\$ 2,234.79	\$ 10,105.00	\$ 11,428.50	\$ 374.32	\$ 69,082.56	\$ 50,853.10	\$ 431,910.02
Vehicles and Property	3,537.00								3,537.00
Total Assets	\$ 67,233.89	\$ 224,134.86	\$ 2,234.79	\$ 10,105.00	\$ 11,428.50	\$ 374.32	\$ 69,082.56	\$ 50,853.10	\$ 435,447.02
Liabilities, Reserves and Fund Balance									
Reserve for Assets in Custodianship of the Prosecutor	\$ 3,537.00				\$ 11,428.50			\$	3,537.00
Reserve for Confidential Funds				\$ 10,105.00					11,428.50
Reserve for Seized Funds Fund Balance	63,696.89	\$ 224,134.86	\$ 2,234.79			\$ 374.32	\$ 69,082.56	\$ 50,853.10	10,105.00
Total Liabilities, Reserves and Fund Balance	\$ 67,233.89	\$ 224,134.86	\$ 2,234.79	\$ 10,105.00	\$ 11,428.50	\$ 374.32	\$ 69,082.56	\$ 50,853.10	\$ 435,447.02

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS FINANCIAL STATEMENT

COUNTY OF WARREN  
OFFICE OF THE PROSECUTOR  
LAW ENFORCEMENT TRUST FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Seized Asset Trust Account	County Prosecutor Law Enforcement Trust Account	Asset Maintenance Account	Firearms Training System Account	Federal Equitable Sharing Account	Municipal Law Enforcement Trust Account	Petty Cash	Total
Revenue								
Seized Funds	\$ 54,665.55	\$ 1,357.72			\$ 3,973.49			\$ 59,996.76
Interest On Investments	149.89	713.26	\$ 8.41		231.08	\$ 152.86		1,255.50
Transfer from Seized Asset Trust Account	5,200.00	24,667.64				7,478.36		37,346.00
Petty Cash Reimbursements							\$ 14,570.40	14,570.40
Total Revenue	60,015.44	26,738.62	8.41		4,204.57	7,631.22	14,570.40	113,168.66
Expenditures and Other Charges								
Refunds of Seized Funds	2,661.55	4,573.60						7,235.15
Law Enforcement Expenditures		9,399.79						9,399.79
Due Law Enforcement Trust Account	24,667.64							24,667.64
Due Municipal Law Enforcement Trust Account	7,478.36					5,286.00		7,478.36
Cash Paid for Operating Expenditures								5,286.00
Petty Cash Expenditures		36.00					14,570.40	14,606.40
Total Expenditures and Other Charges	34,807.55	14,009.39				5,286.00	14,570.40	68,673.34
Excess/(Deficit) of Revenue Over/(Under) Expenditures and Other Charges	25,207.89	12,729.23	8.41		4,204.57	2,345.22		44,495.32
Fund Balance January 1	38,489.00	211,405.63	2,226.38	\$ 374.32	64,877.99	48,507.88		365,881.20
Fund Balance December 31	\$ 63,696.89	\$ 224,134.86	\$ 2,234.79	\$ 374.32	\$ 69,082.56	\$ 50,853.10	\$ - 0 -	\$ 410,376.52



COUNTY OF WARREN  
OFFICE OF THE PROSECUTOR  
LAW ENFORCEMENT TRUST FUNDS  
STATEMENT OF CASH FLOWS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Seized Asset Trust Account	County Prosecutor Law Enforcement Trust Account	Asset Maintenance Account	Seized Funds Held in Evidence Account	Confidential Account	Firearms Training System Account	Federal Equitable Sharing Account	Municipal Law Enforcement Trust Account	Petty Cash	Total
Cash Flows From Operating Activities										
Seized Funds	\$ 54,665.55	\$ 1,357.72					\$ 3,973.49		\$	\$ 59,996.76
Interest On Investments	149.89	713.26	\$ 8.41				231.08	\$ 152.86		1,255.50
Received from County Treasurer					\$ 5,000.00					5,000.00
Distribution from Seized Asset Trust Account	5,200.00	24,667.64						7,478.36		37,346.00
Petty Cash Reimbursements									\$ 14,570.40	14,570.40
Cash Provided by Operating Activities	60,015.44	26,738.62	8.41		5,000.00		4,204.57	7,631.22	14,570.40	118,168.66
Cash Paid for Refunds of Seized Funds										7,235.15
Cash Paid for Law Enforcement Expenditures	2,661.55	4,573.60								9,399.79
Cash Paid for Confidential Fund Expenditures		9,399.79			5,145.00					5,145.00
Cash Paid to County Law Enforcement Trust Account	24,667.64									24,667.64
Cash Paid to Seized Asset Trust Account				\$ 5,200.00						5,200.00
Cash Paid to Municipal Law Enforcement Trust	7,478.36							5,286.00		7,478.36
Cash Paid for Operating Expenditures										5,286.00
Cash Paid for Petty Cash Expenditures		36.00							14,570.40	14,606.40
Cash Paid from Operating Activities	34,807.55	14,009.39		5,200.00	5,145.00			5,286.00	14,570.40	79,018.34
Net Increase/(Decrease) in Cash	25,207.89	12,729.23	8.41	(5,200.00)	(145.00)		4,204.57	2,345.22		39,150.32
Cash Balance January 1, 2020	38,489.00	211,405.63	2,226.38	15,305.00	11,573.50	\$ 374.32	64,877.99	48,507.88		392,759.70
Cash Balance December 31, 2020	\$ 63,696.89	\$ 224,134.86	\$ 2,234.79	\$ 10,105.00	\$ 11,428.50	\$ 374.32	\$ 69,082.56	\$ 50,853.10	\$ - 0 -	\$ 431,910.02

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Office of the County Prosecutor – Law Enforcement Trust Fund, County of Warren, conform to regulations governing forfeiture and distribution of property and funds prescribed by the Attorney General’s Office (the “AG”), Department of Law and Public Safety, State of New Jersey. Such regulations are designed primarily for determining compliance with legal provisions and as a means of reporting on the stewardship of public officials with respect to forfeited property.

A. Reporting Entity

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America. Accordingly, the Office of the County Prosecutor is a component unit of the County of Warren under provisions of Governmental Accounting Standards Board’s Codification Section 2100.

B. Basis of Accounting

The accounting practices prescribed or permitted for counties by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) and the AG’s differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units (“GAAP”). The more significant differences are as follows:

Revenues - revenues are recognized on a cash basis or, in the case of property other than cash, at the estimated realizable value on the date seized or forfeited. GAAP requires revenue to be recognized in the accounting period when it is measurable and available to fund current year’s expenditures, reduced by an allowance for doubtful accounts.

Expenditures - Expenditures are recognized when paid rather than when the obligation is incurred, except for certain amounts due to other governmental entities which are recognized when payable. GAAP requires such obligations to be recorded as liabilities and expenditures in the period in which the obligations were incurred, if measurable.

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020  
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Function of the Office of the County Prosecutor

The Office of the County Prosecutor administers the property and funds which a municipal law enforcement agency receives as a result of seizures and forfeitures brought under the authority of NJSA 2C:64-1 et seq. The Office of the County Prosecutor also participates in the Equitable Sharing of Federally Forfeited Property. The Office of the County Prosecutor maintains the following accounts:

County Prosecutor's Law Enforcement Trust Account (CLETA) – accounts for funds or proceeds from the sale of forfeited property received by the County Prosecutor's office. These funds are to be used to benefit the prosecutor's office.

Asset Maintenance Account – accounts for interest earned on seized assets. These funds are to be used for forfeiture related purposes such as costs directly related to the administration or operation of the forfeiture program and the seizure, acquisition, maintenance and preservation of seized property prior to a final judgment of forfeiture.

Seized Asset Trust Account (SATA) – accounts for the seized funds not yet forfeited.

Federal Equitable Sharing Account – accounts for federally shared forfeited assets for the use of the local law enforcement agency.

Municipal Law Enforcement Trust Account (MEA) – accounts for individual municipalities' share of interest earned on seized assets and funds or proceeds from the sale of forfeited property received by the County Prosecutor's office. These funds are to be used to benefit the local law enforcement agency of a municipality.

Firearms Training System Account – accounts for funds designated for the purpose of firearms training of law enforcement agencies in the County.

Confidential Account – accounts for funds used to purchase items directly related to ongoing investigations.

Seized Funds Held in Evidence Account – accounts for funds seized during criminal investigations.

Note 2: Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The County classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020  
(Continued)

Note 2: Cash and Cash Equivalents (Cont'd)

GASB requires disclosure of the level of custodial credit risk assumed by the County in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the County ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The County limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below and on the following page.

Custodial Credit Risk – The County's policy with respect to custodial credit risk requires that the County ensures that County funds are only deposited in financial institutions in which NJ counties are permitted to invest their funds.

Deposits:

New Jersey statute permits the deposit of public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit and, in addition, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Office of the Prosecutor to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020  
 (Continued)

Note 2: Cash and Cash Equivalents (Cont'd):

Investments: (Cont'd)

- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 31 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.31 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

The Office of the County Prosecutor did not hold any investments during the year ended December 31, 2020. As of December 31, 2020, cash at the Office of the County Prosecutor's office consisted of deposits in savings and checking accounts. The carrying amount of the Prosecutor's cash at December 31, 2020 was \$431,910.02, \$10,105.00 of which was seized funds held in evidence, and the bank balance was \$423,569.30.

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020  
 (Continued)

Note 3: Seized and Forfeited Assets Held

Seized and forfeited assets are valued at estimated wholesale value. Vehicles are auctioned off when the County gains title, and proceeds from the auction are deposited into the County Prosecutor's Law Enforcement Trust Account. As of December 31, 2020, the following seized and forfeited assets were held:

File #	Year	Description		Serial #	Value	Location
		Make	Model			
F-20-06	2006	Ford	Fusion	3FAHP07156R119836	\$ 3,537.00	Warren Co. Impound Garage
					<u>\$ 3,537.00</u>	

Note 4: Subsequent Event

The COVID-19 outbreak in the United States and specifically in New Jersey continues to have an impact on the Prosecutor's operations and finances. Public access to the Prosecutor's office continues to be restricted. Though the impact on the Prosecutor's finances cannot be reasonably estimated at this date, it is likely that there will continue to be an impact on other revenue in the various accounts.

## SUPPLEMENTAL SCHEDULES

COUNTY OF WARREN  
OFFICE OF THE PROSECUTOR  
SCHEDULE OF DISTRIBUTION TO LAW ENFORCEMENT AGENCIES  
FOR THE YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE



COUNTY OF WARREN  
OFFICE OF THE PROSECUTOR  
SCHEDULE OF LAW ENFORCEMENT TRUST FUND &  
ASSET MAINTENANCE ACCOUNT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2020

Description	County Prosecutor Law Enforcement Trust Account
Computer Equipment & Accessories	\$ 2,242.09
Distribution of Seized Funds	4,573.60
Equipment Purchases	6,747.70
Uniform Expense	410.00
	<u>\$ 13,973.39</u>

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

Independent Auditors' Report

Office of the County Prosecutor  
County of Warren  
Belvidere, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed for seized and/or forfeited property issued by the Attorney General's Office, Department of Law and Public Safety, State of New Jersey (the "AG"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* – of the Warren County Prosecutor Law Enforcement Trust Funds (the "Office") as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated May 24, 2021. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and the AG to demonstrate compliance with the Division and AG's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis of determining audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

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

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

Office of the County Prosecutor  
County of Warren  
Belvidere, New Jersey  
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### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Mount Arlington, New Jersey  
May 24, 2021

*Nisiroccia LLP*  
NISIVOCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Registered Municipal Accountant #560  
Certified Public Accountant

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
YEAR ENDED DECEMBER 31, 2020



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May 24, 2021

Office of the County Prosecutor  
County of Warren  
Belvidere, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed for seized and/or forfeited property issued by the Attorney General's Office, Department of Law and Public Safety, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the component unit financial statements of the Office of the County Prosecutor – Law Enforcement Trust Funds, County of Warren as of and for the year ended December 31, 2020, and have issued our report thereon dated May 24, 2021.

As part of our audit, we performed procedures required by the Attorney General's Office, Department of Law and Public Safety, State of New Jersey, and the results, thereof are disclosed on the following page. This letter does not affect our report dated May 24, 2021, on the financial statements of the Office of the County Prosecutor – Law Enforcement Trust Funds.

This report is intended for the information of the Warren County Prosecutor's Office's management and the Attorney General's Office, Department of Law and Public Safety, State of New Jersey. However, this report is a matter of public record and its distribution is not limited.

*Nisivoccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
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John J. Mooney  
Registered Municipal Accountant #560  
Certified Public Accountant

COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
COMMENTS AND RECOMMENDATIONS

None

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COUNTY OF WARREN  
OFFICE OF THE COUNTY PROSECUTOR -  
STATE SEIZED AND FORFEITED ASSETS FUND  
SUMMARY OF RECOMMENDATIONS

None

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