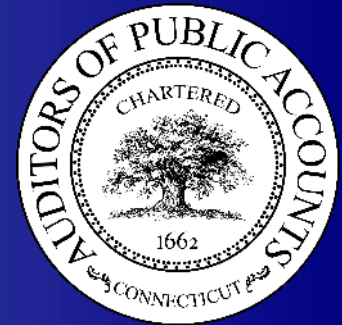
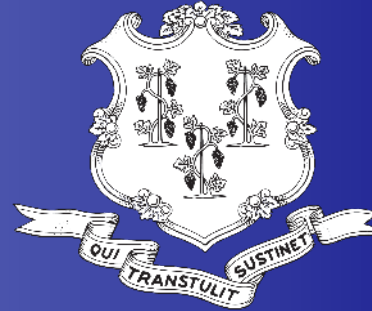


Auditors of Public Accounts:

Our Role in Connecticut Government



STATE OF CONNECTICUT

Auditors of Public Accounts

John C. Geragosian
State Auditor

Craig A. Miner
State Auditor

State Auditors



John C. Geragosian
State Auditor

State Auditor since 2011

State Representative from 1995 to 2011



Craig A. Miner
State Auditor

State Auditor since February 2024

State Representative, Senator from 2001 to 2023

History of the APA



Origins trace back to 1662 – *114 years before the United States declared its independence in 1776!*

- Connecticut granted autonomy in famous charter hidden in the Charter Oak
- 1786 - moved under State Comptroller
- 1937 - made a legislative agency



The Charter Oak, oil on canvas, Charles De Wolf Brownell, 1857. Wadsworth Atheneum

Mission/Duties



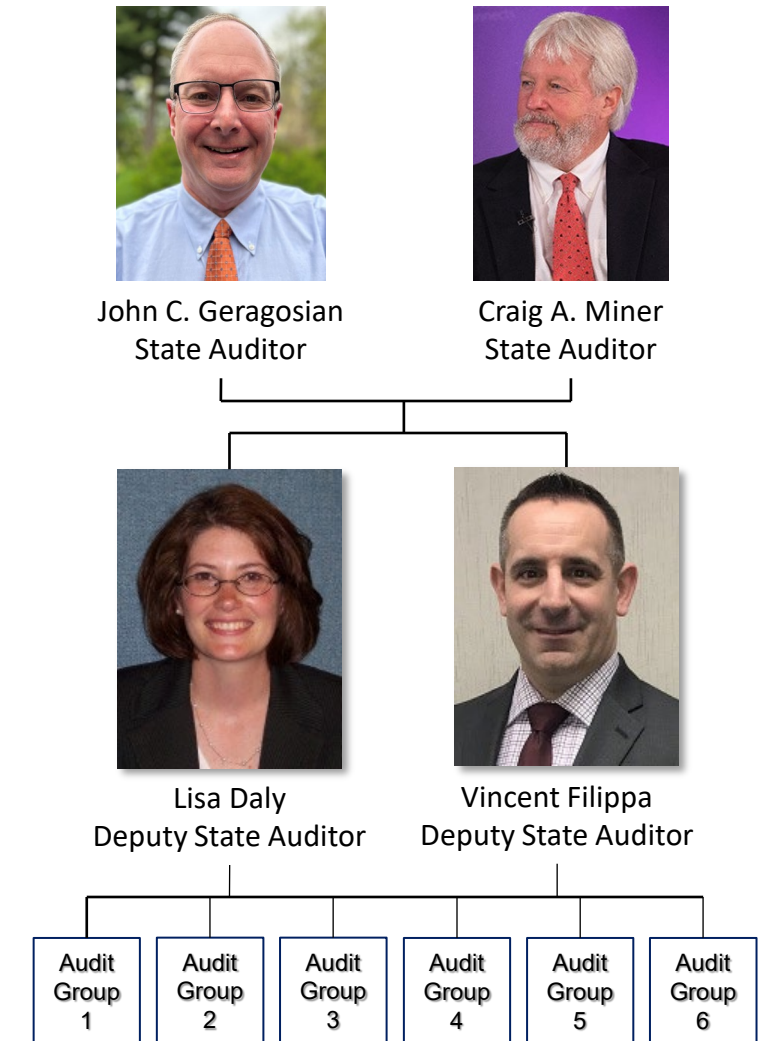
- Provide independent, unbiased, and objective opinions and recommendations on state operations and the effectiveness in safeguarding resources
- Determine whether state and quasi-public agencies **comply with state and federal law**
- Evaluate state agencies' economy, efficiency, and effectiveness in using available resources
- Determine whether the state's information systems are operating effectively and securely
- Investigate whistleblower complaints



The Office



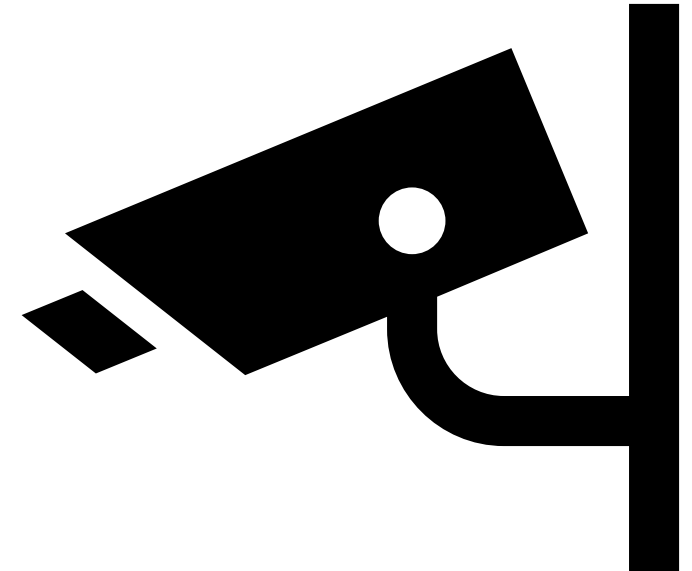
- Two State Auditors (Bipartisan)
- Two Deputy State Auditors
- Six Administrative Auditors
- 126 Employees
- Performance Audit Unit (8)
- Information Technology Audit Unit (9)



Your Eyes and Ears



- Several of our audit teams are permanently located within the larger state agencies
- We have unlimited access to the state's accounting and human resources systems
- We conduct large and small reviews on behalf of legislators



“We are working for you.”

Types of Audits



Compliance/Departmental Audits

Each state and quasi-public agency is audited approximately every two years

PURPOSE OF THESE AUDITS

- **Determine** whether agencies are following laws, regulations, internal policies, and prudent business practices
- **Detect and prevent** waste, fraud, and abuse

2024 AUDIT WORK

- Completed **53 audits**
- Made **343 recommendations** in our audit reports
- Agencies **implemented 41%** of our recommendations

Types of Audits



Federal Single Audit

Focuses on federal grant funds

PURPOSE OF THIS AUDIT

- Helps ensure program funds are accounted for, spent appropriately, and that state agencies followed program rules

FEDERAL FUNDS

- The State of Connecticut expended **\$14.5 billion in federal financial assistance** for FYE June 30, 2023

Types of Audits



State Comptroller's Annual Comprehensive Financial Report (ACFR)

Audit of the state's financial statements

PURPOSE OF THIS AUDIT

- Wall Street investors use this report to verify the state's financial position
- Excellent resource to learn about state spending, debt, and investments

Types of Audits



Performance Audits

Determine effectiveness in achieving expressed legislative purposes

PURPOSE OF THESE AUDITS

Provide objective analysis to assist management in using information to:

- Improve program performance and operations
- Reduce costs
- Facilitate decision-making by parties with responsibility for overseeing or initiating corrective action
- Contribute to public accountability

Types of Audits



Information Technology Audits

Focus on the state's information systems

PURPOSE OF THESE AUDITS

- Determine whether the state's information systems are operating effectively and securely
- Assess design of controls in accordance with the National Institute of Standards and Technology (NIST)
- Review state data centers, including higher education and the Core-CT system

Special Reviews



- Connecticut State Colleges and Universities Executive Leadership Spending
- Evaluation of the Department of Economic and Community Development 2023 Annual Report
- Sandy Hook Workers Assistance Program



Audit Reports

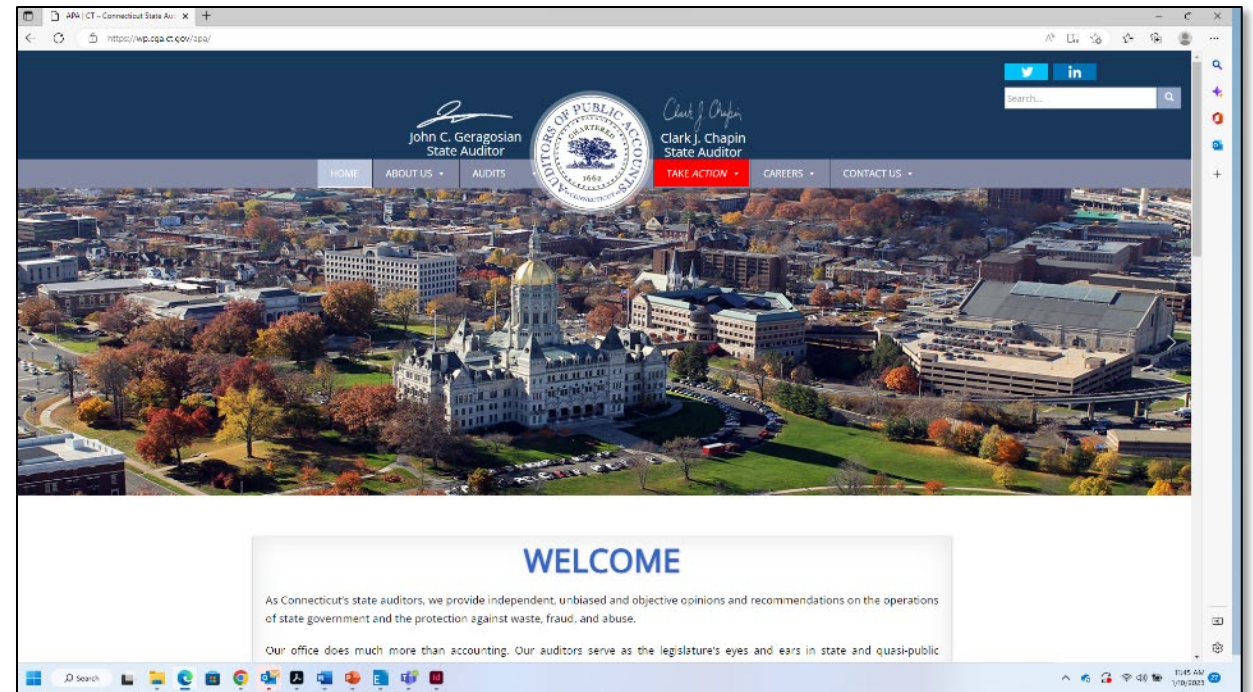


We distribute reports directly to:

- All legislators and staff
- Various state officials
- News media
- The public

All reports are posted on our website:

www.ctauditors.gov



Agency Reporting Requirements



Connecticut General Statutes 4-33a requires state and quasi-public agencies to promptly notify the Auditors of Public Accounts and the State Comptroller of:

1. Unauthorized, illegal, irregular or unsafe handling or expenditure of state or quasi-public agency funds
2. Breakdowns in the safekeeping of any other state or quasi-public agency resources
3. Breach of security, as defined in section 36a-701b
4. Contemplated action to do the same within their knowledge

Agency Reporting Requirements (continued)



Our office aggregates these reports and submits them monthly to the:

- Governor
- House and Senate Clerks



Our Reporting Requirements



Per **Connecticut General Statutes 2-90(e)**, action must be taken when our office finds:

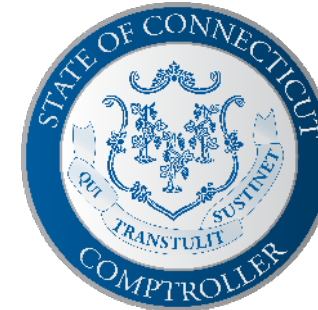
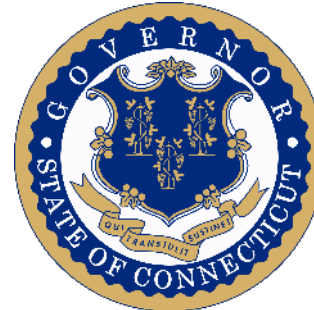
- Unauthorized, illegal, irregular, or unsafe handling or expenditure of state or quasi-public agency funds
- Breakdown has occurred or is contemplated in the safekeeping of any resources of a state or a quasi-public agency

Our Reporting Requirements (continued)



Upon such findings, our office is **required** to report them to the:

- Governor
- State Comptroller
- Clerks of the House and Senate
- Attorney General



Whistleblower Act



Connecticut General Statutes 4-61dd states **anyone** may submit a complaint to the APA concerning matters involving...

- Corruption
- Unethical practices
- Violations of state laws or regulations
- Mismanagement
- Gross waste of funds
- Abuse of authority
- Danger to public safety

...occurring in any state or quasi-public agency or large state contractor (contracts valued at \$5 million or more)

Whistleblower Complaints



- We review these matters and report our findings and recommendations to the Attorney General
- Our office often reports on whistleblower investigations in agency audits
- The Office of the Attorney General may conduct its own investigation or concur with ours
- In certain cases, the State Auditors and Attorney General have issued joint public reports (Criminal Justice Information System CJIS)



“Rejected” Whistleblowers

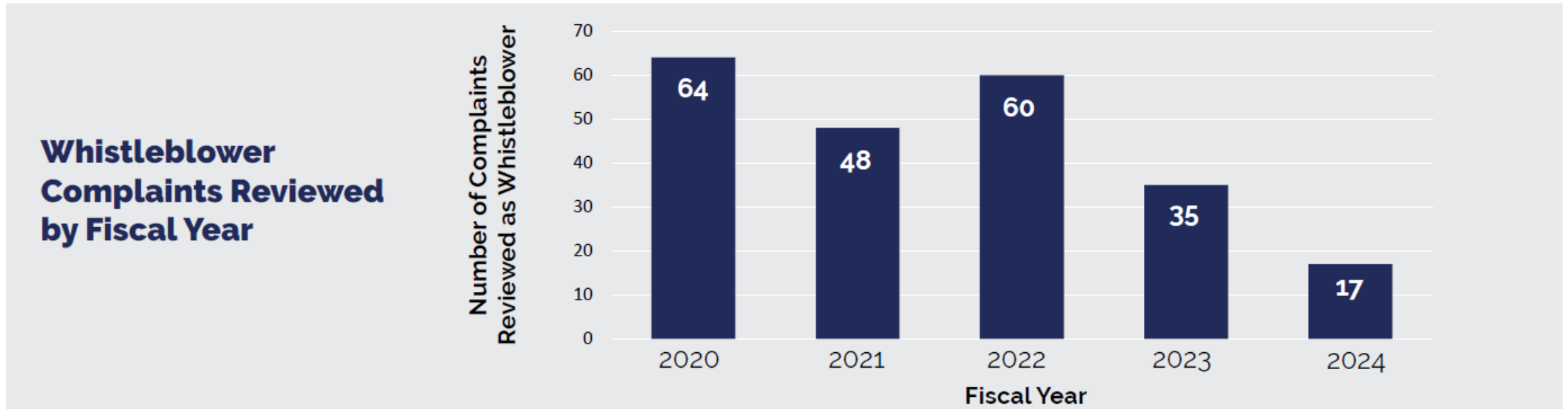


Our office can “reject” certain whistleblower complaints. CT General Statutes 4-61dd(b)(1) allows some discretion and ability to refer complaints to other/appropriate enforcement authorities if:

- There are other available remedies that the complainant can pursue
- Complaint is better suited for investigation or enforcement by another state agency
- Complaint is trivial, frivolous, vexatious or not made in good faith
- Other complaints have greater priority in terms of serving the public good

- Complaint is not timely or is delayed too long to justify further investigation
- Complaint could be handled more appropriately as part of an ongoing or scheduled regular audit
- Complaint is better handled by another state agency (agency must report the results of its review to us)

Whistleblower Summary

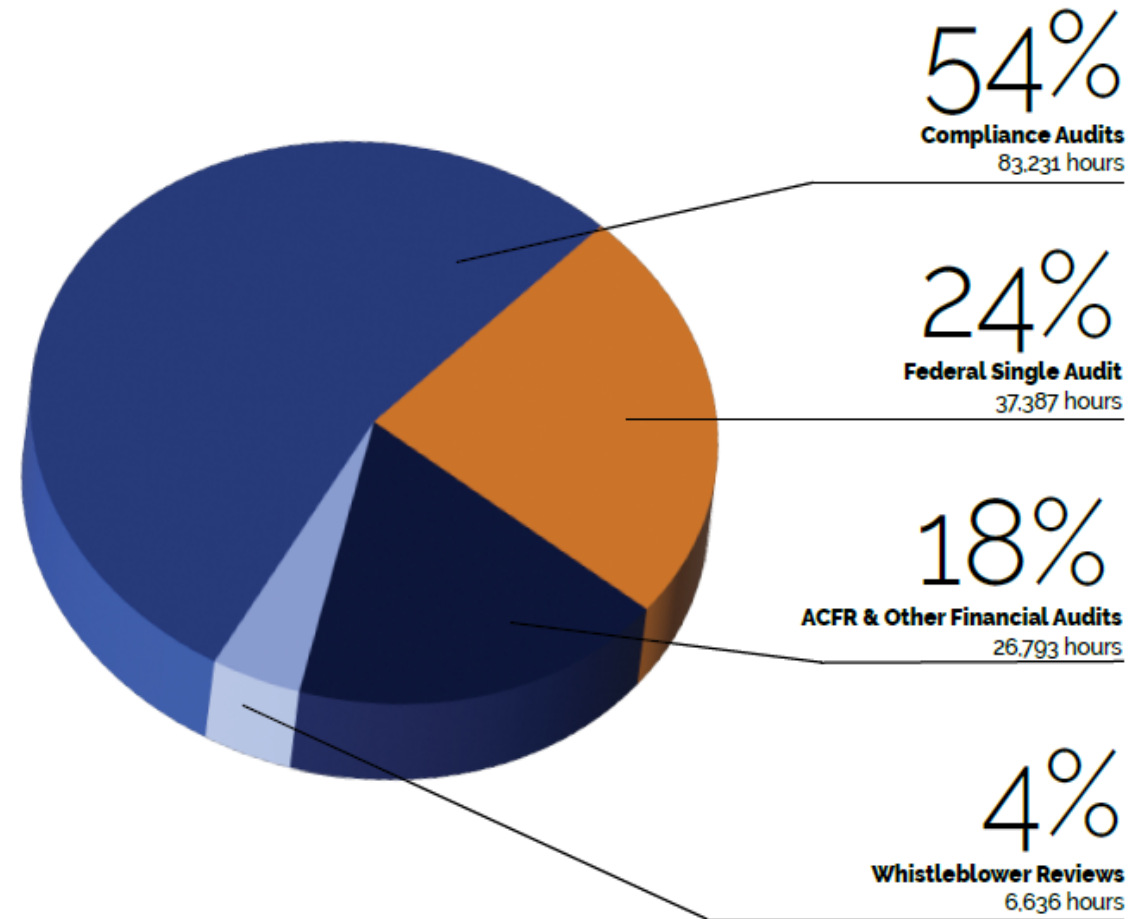


Our office received and evaluated **196** complaints in Fiscal Year 2024.
Of these, **17** were handled as whistleblower complaints.

Audit Hours



During the fiscal year ended June 30, 2024, our office expended 154,047 audit hours



Annual Report



Released each year by February 1, [the report](#) contains information on our:

- Organization and staff
- Audits of state agencies
- Whistleblower matters
- Professional audit standards
- Continuing education
- Peer review
- Recommendations for legislative changes (Seven in 2024)



2025 Annual Report Recommendations



The General Assembly should consider amending the General Statutes to:

1

Require the Governor's or Attorney General's approval for payments exceeding \$50,000 to a resigning or retiring employee for purposes other than avoiding litigation costs. (CGS Section 4-40b)

2

Clarify when foundations must reimburse state agencies for salaries and benefits when their employees perform work for a related foundation (CGS Section 4-37f)

3

Require state agencies develop & implement complaint processing procedures; The process should track all complaints from the date of receipt to resolution.

4

Remove the Comptroller from the Treasurer's audit (CGS section 2-90 (b))

2025 Annual Report Recommendations



The General Assembly should consider amending the General Statutes to:

5

Eliminate the State Contracting Standard Board's ability to enter an agreement with our office to conduct its audits (CGS section 4e-6)

6

Eliminate the requirement for our office to advise whether contracted audit services are necessary; Add statutory language that requires state agencies inform our office of any contracts for audit services and submit related audit reports; Require contracting audit firms provide our office with any information related to findings and recommendations in their audit reports upon request (CGS sections 4-215, 4-216, and 2-90d)

7

Clarify when quasi-public agencies must submit required annual and quarterly reports (CGS 1-123)

New Laws from our Annual Reports



39 Annual Report Recommendations resulted in new laws since 2017

- Prohibited state agencies from denying auditors access to records and accounts
- Required non-disparagement agreements over \$50,000 be approved by the Governor or be part of an Attorney General settlement (protect whistleblowers)
- Mandated human resources directors as reporters of ethics violations
- Codified labor agreement terms and executive orders related to rehired state retirees
- Required state agencies to notify our office of security breaches
- Added probate courts to whistleblower law

New Laws from our Annual Reports (continued)



- Allowed our office to conduct a full audit of any foundation supporting a state agency if it failed to have a required audit of its books and accounts. Foundations must complete and issue those audits within six months of the end of the foundation's fiscal year
- Clarified that certain whistleblower complaints are exempt from disclosure under the Freedom of Information Act
- Required the local legislative body or local or regional board of education to hold a public meeting, prior to submitting a corrective action plan regarding an audit showing unsound or irregular financial practices, management letter comments, or lack of internal controls in relation to commonly accepted standards in municipal finance
- Required the replacement of all statutory references to a Comprehensive Annual Financial Report with Annual Comprehensive Financial Report

The Future



- **Expand our use of data analytics** to improve our ability to explore and compare huge data sets, focus on riskier areas, and discover waste, fraud, and abuse
- **Increase IT auditing** for better oversight of procurement, performance, and security
- **Utilize our IT capabilities** to create office-wide efficiencies
- **Perform more performance audits** to improve the efficiency and effectiveness of state programs



Thank You

John C. Geragosian

State Auditor

State Capitol, Room 116

(860) 240-8651

john.geragosian@ctauditors.gov

Craig A Miner

State Auditor

State Capitol, Room 114

(860) 240-8653

craig.miner@ctauditors.gov

