

STATE OF CONNECTICUT



*AUDITORS' REPORT
DEPARTMENT OF AGING AND DISABILITY SERVICES
FISCAL YEARS ENDED JUNE 30, 2019 AND 2020*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ CLARK J. CHAPIN

Table of Contents

| | |
|---|----|
| EXECUTIVE SUMMARY | i |
| AUDITORS' REPORT..... | 1 |
| COMMENTS | 2 |
| FOREWORD | 2 |
| Organizational Structure..... | 2 |
| Significant Legislation..... | 4 |
| Boards, Councils and Commissions | 4 |
| RÉSUMÉ OF OPERATIONS | 5 |
| General Fund | 5 |
| Special Revenue Funds..... | 6 |
| Capital Improvement & Other Purpose Funds | 7 |
| STATE AUDITORS' FINDINGS AND RECOMMENDATIONS..... | 8 |
| Compensatory Time Plan Enrollment | 8 |
| RECOMMENDATIONS | 9 |
| Status of Prior Audit Recommendations: | 9 |
| Current Audit Recommendations:..... | 10 |
| ACKNOWLEDGMENTS | 11 |

November 16, 2021

EXECUTIVE SUMMARY

In accordance with the provisions of Section 2-90 of the Connecticut General Statutes, we have audited certain operations of the Department of Aging and Disability Services for the fiscal years ended June 30, 2019 and 2020. Our audit identified one internal control deficiency.

Page 8

Our review of 193 employee compensatory plan enrollments in Core-CT during the audited period disclosed 59 instances in which the agency enrolled employees in the wrong plan. The Department of Aging and Disability Services should implement controls to ensure that employees are enrolled in the correct compensatory time plan. (Recommendation 1.)

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AUDITORS OF PUBLIC ACCOUNTS

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210 Capitol Avenue
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November 16, 2021

AUDITORS' REPORT DEPARTMENT OF AGING AND DISABILITY SERVICES FISCAL YEARS ENDED JUNE 30, 2019 AND 2020

We have audited certain operations of the Department of Aging and Disability Services (ADS) in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2019 and 2020. The objectives of our audit were to:

1. Evaluate the department's internal controls over significant management and financial functions;
2. Evaluate the department's compliance with policies and procedures internal to the department or promulgated by other state agencies, as well as certain legal provisions; and
3. Evaluate the effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, minutes of meetings, and other pertinent documents; interviewing various personnel of the department, and testing selected transactions. Our testing was not designed to project to a population unless specifically stated. We obtained an understanding of internal controls that we deemed significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The accompanying Résumé of Operations is presented for informational purposes. This information was obtained from various available sources including, but not limited to, the department's management and the state's information systems, and was not subjected to the procedures applied in our audit of the department. For the areas audited, we:

1. Identified deficiencies in internal controls;
2. Did not identify apparent non-compliance with laws, regulations, contracts and grant agreements, policies, and procedures; and
3. Did not identify a need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations section of this report presents findings arising from our audit of the Department of Aging and Disability Services.

COMMENTS

FOREWORD

The Department of Aging and Disability Services operates primarily under the provisions of Title 17b Chapter 319mm, Part II, Title 17a Chapter 319d, and Title 10 Chapter 174 of the Connecticut General Statutes. The department is responsible for providing services to the deaf and hearing impaired, blind and visually impaired, older adults, and rehabilitation services. On October 1, 2019, the Department of Rehabilitation Services was renamed the Department of Aging and Disability Services.

The Department of Aging and Disability Services provides a wide range of services to individuals with disabilities who need assistance in maintaining or achieving their full potential for self-direction, self-reliance, and independent living. It also ensures that Connecticut seniors have access to supportive services necessary to live with dignity, security, and independence. The department's mission is to maximize opportunities for the independence and well-being of people with disabilities and older adults in Connecticut.

Organizational Structure

The Governor appointed Amy Porter as commissioner of the Department of Aging and Disability Services on July 1, 2012 in accordance with the provisions of Sections 4-5 to 4-8 of the Connecticut General Statutes. Commissioner Porter served throughout the audited period.

As of June 30, 2020, ADS had approximately 460 employees, and is comprised of five bureaus:

- Bureau of Rehabilitation Services (BRS)
- Bureau of Education and Services for the Blind (BESB)
- Bureau of Disability Determination Services (DDS)

Bureau of Aging Services
Bureau of Organizational Support

The mission of the Bureau of Rehabilitation Services is to help individuals with disabilities work competitively and live independently. The Vocational Rehabilitation Program helps individuals with disabilities to prepare for, obtain, maintain, or advance in employment. The bureau provides many individualized services, including; vocational counseling, job search assistance, school-to-work transition services, skills training and career education in college or vocational schools, vehicle and home modifications, and help accessing other programs and services.

The Bureau of Education and Services for the Blind (BESB) is the state's leader for the coordination and provision of services to Connecticut residents who are legally blind or have significant visual impairments. BESB has four programs that provide a full range of services to clients of all ages:

- The Independent Living Services - Adult Services Program serves as the central intake for clients and provides independent living training to adults to assist them with maintaining independence within their home and the community.
- The Children's Services Program provides educational services to children who are legally blind, deaf-blind, and visually impaired. BESB staff work directly with infants, toddlers and preschool children at home and in educational settings. BESB works with school-aged children in school, in special-needs programs and at home. The program also provides educational opportunities for parents, school district staff, and community providers on best practices for working with children and students who are blind or visually impaired.
- The Vocational Rehabilitation Program provides opportunities for people who are legally blind to acquire training and skills to obtain, retain and advance into competitive and integrated employment. The program also provides technical assistance and job candidate referral services to employers across the state.
- The Business Enterprise Program offers opportunities to people who are blind to become entrepreneurs and operate businesses that range from gift shops to full scale restaurants.

The Bureau of Disability Determination Services (DDS) determines the medical eligibility of Connecticut residents who have applied for cash benefits under the disability programs administered by the Social Security Administration (SSA). In accordance with SSA rules and regulations, DDS determines eligibility for the Social Security Disability Insurance and Supplemental Security Income programs.

The Bureau of Aging Services is administratively divided into two sections: The State Unit on Aging and the Long Term Care Ombudsman Program.

The State Unit on Aging ensures that elders have access to the services to live independently. The unit is responsible for planning, developing, and administering a service delivery system for older persons. The unit administers Older Americans Act programs for supportive and in-home services, as well as congregate and home-delivered meals. It also administers programs that provide senior community employment, health insurance counseling, and caregiver respite care. To assist in meeting these goals, the unit works closely with Connecticut's five area agencies on aging, municipal agents for the elderly, and senior centers.

The Long Term Care Ombudsman Program advocates for residents of skilled nursing and residential care homes, and assisted living facilities. It also advocates for systemic changes in policy and legislation to protect the health, safety, welfare, and rights of those residents.

The Bureau of Organizational Support is a centralized business services unit that supports all of the department's programs. It is responsible for all fiscal and information technology functions.

Significant Legislation

Public Act 19-157 required the Department of Rehabilitation Services to review, in consultation with the five area agencies on aging, its method for allocating federal Older Americans Act funds to the agencies for supportive services and elderly nutrition. The act required the department to report any findings and recommendations from its review to the Appropriations and Human Services committees, effective July 1, 2019. The act also changed the name of the Department of Rehabilitation Services to the Department of Aging and Disability Services, effective October 1, 2019.

Public Act 19-170, effective July 1, 2019, required the Department of Aging and Disability Services to maintain a current listing of registered interpreters on its website and annually issue interpreter identification cards listing the types of settings where the cardholder can interpret.

Boards, Councils and Commissions

The following boards, councils and commissions have been established to assist the department in its responsibilities to provide services to people with disabilities and older adults in Connecticut:

| Name | Responsibility |
|--|--|
| Advisory Board for Persons Who are Blind or Visually Impaired | Serves as an advisor to ADS in fulfilling its responsibilities to provide services to the blind and visually impaired. |
| State Rehabilitation Council (Bureau of Rehabilitation Services) | Provides advice and guidance to the Bureau of Rehabilitation Services and others regarding coordination and effectiveness of programs, and strategies to promote competitive employment for persons with disabilities. |

| | |
|--|--|
| State Rehabilitation Council (Bureau of Education and Services for the Blind) | Provides advice to the Bureau of Education and Services for the Blind. Works in partnership with ADS to develop and review priorities, evaluates the effectiveness of programs, and evaluates the outcomes achieved by individuals receiving services. |
| State Independent Living Council | Consults with, advises and makes recommendations to ADS concerning independent living and related policy, management and budgetary issues. Advances the principles and philosophy of independent living for all citizens with disabilities. |
| Assistive Technology Advisory Council | Provides consumer-responsive, consumer-driven advice to ADS for planning and implementation of activities carried out through grants received for assistive technology. |
| Statewide Committee of Blind Vendors | Participates in administrative decisions, and policy and program development decisions affecting the state's vending facility program. |
| Deaf-Blind Advisory Committee | Formulates policy and planning issues that ensures specialized services are available to meet the individualized needs of eligible people who are deaf-blind. |

RÉSUMÉ OF OPERATIONS

General Fund

A summary of General Fund receipts during the audited period and the preceding fiscal year follows:

| | Fiscal Year Ended June 30, | | |
|------------------------------------|-----------------------------------|------------------|-----------------|
| | 2018 | 2019 | 2020 |
| Sale of Property | \$ 333 | \$ 1,863 | \$ 1,507 |
| Refunds of Prior Year Expenditures | 3,953 | 11,326 | 1,596 |
| Total Receipts | \$ 4,286 | \$ 13,189 | \$ 3,103 |

A summary of General Fund expenditures during the audited period and the preceding fiscal year follows:

| | Fiscal Year Ended June 30, | | |
|--|-----------------------------------|--------------|--------------|
| | 2018 | 2019 | 2020 |
| Personal Services | \$ 4,684,990 | \$ 6,379,277 | \$ 6,314,948 |
| Other Expenses | 1,328,120 | 1,435,685 | 1,411,834 |
| Edu Aid Blind/Vis Impaired Children | 3,476,668 | 3,877,504 | 3,802,531 |
| Employment Opportunities for the Blind | 395,507 | 261,200 | 225,470 |

| | | | |
|-------------------------------------|----------------------|----------------------|----------------------|
| Voc Rehabilitation for the Disabled | 8,207,005 | 8,029,075 | 6,407,662 |
| Programs for Senior Citizens | - | 3,204,309 | 3,113,051 |
| Elderly Nutrition | - | 2,626,390 | 2,708,524 |
| All Other | 496,963 | 572,617 | 864,990 |
| Total Expenditures | \$ 18,589,253 | \$ 26,386,057 | \$ 24,849,010 |

The increase in General Fund expenditures starting in the fiscal year ended June 30, 2019 was due to the transfer of the State Department on Aging and the Office of the Long-Term Care Ombudsman to ADS as a result of Public Act 18-169, effective June 14, 2018.

Special Revenue Funds

A summary of special revenue funds receipts during the audited period and the preceding fiscal year follows:

| | Fiscal Year Ended June 30, | | |
|--------------------------------------|-----------------------------------|----------------------|----------------------|
| | 2018 | 2019 | 2020 |
| Federal Programs: | | | |
| Rehabilitation Services Vocational | | | |
| Rehabilitation Grants to States | \$ 25,850,396 | \$ 21,327,998 | \$ 23,439,537 |
| Social Security Disability Insurance | 24,838,913 | 25,865,255 | 24,317,896 |
| All Other Federal Programs | 24,411,279 | 18,296,943 | 26,666,547 |
| Other Restricted Contributions | 7,956,295 | 1,869,210 | 1,559,984 |
| All Other | 15,237 | 28,446 | 6,105 |
| Total Receipts | \$ 83,072,120 | \$ 67,387,852 | \$ 75,990,069 |

Receipts consisted primarily of federal grant funding provided on a cost reimbursement basis. The increase in other federal program revenue for 2020 was primarily from COVID-related funding. Other restricted contributions increased in 2018 due to the transfer of the State Department of Aging and the Office of the Long Term Care Ombudsman to ADS. The General Fund amounts originally appropriated to these agencies were transferred as restricted revenue in the first year and appropriated to ADS in the subsequent years.

A summary of special revenue funds expenditures during the audited period and the preceding fiscal year follows:

| | Fiscal Year Ended June 30, | | |
|--------------------------------------|-----------------------------------|----------------------|----------------------|
| | 2018 | 2019 | 2020 |
| Federal Programs: | | | |
| Rehabilitation Services Vocational | | | |
| Rehabilitation Grants to States | \$ 24,337,870 | \$ 22,629,739 | \$ 23,293,291 |
| Social Security Disability Insurance | 24,834,113 | 25,859,643 | 24,329,527 |
| All Other Federal Programs | 22,510,332 | 18,736,244 | 26,184,244 |
| Other Restricted Contributions | 7,833,241 | 1,762,995 | 1,625,613 |
| All Other | 2,075,589 | 2,982,680 | 2,248,619 |
| Total Expenditures | \$ 81,591,145 | \$ 71,971,301 | \$ 77,681,294 |

Fluctuations in expenditures were attributable to the same factors as the changes in special revenue fund receipts, as discussed above.

Capital Improvement & Other Purpose Funds

Total expenditures from capital and non-capital improvement funds were \$1,545,361, \$818,990, and \$200,060 in the fiscal years ended June 30, 2018, 2019 and 2020, respectively.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Department of Aging and Disability Services disclosed the following recommendation, which has not been repeated from the previous audit:

Compensatory Time Plan Enrollment

- Criteria:* Core-CT designates specific compensatory time plans based on bargaining unit contracts and state statutes that govern compensatory time eligibility. It also sets the expiration for the use of compensatory time. Enrolling employees in the correct compensatory plan helps to ensure compliance with bargaining unit contracts and state statutes.
- Condition:* Our review of 193 employee compensatory plan enrollments in Core-CT during the audited period disclosed 59 instances in which the agency enrolled employees in the wrong plan.
- Context:* Three hundred and four employees were enrolled in compensatory time plans in the fiscal years ending June 30, 2019 and 2020.
- Effect:* Employees could earn compensatory time that is not permitted by bargaining unit contracts if they are not enrolled in the correct compensatory plan.
- Cause:* Inadequate controls appear to have contributed to the above conditions.
- Prior Audit Finding:* This finding has not been previously reported.
- Recommendation:* The Department of Aging and Disability Services should implement controls to ensure that employees are enrolled in the correct compensatory time plan. (See Recommendation 1.)
- Agency Response:* “The Department of Aging and Disability Services makes every effort to enroll employees in the correct compensatory time plan at their time of hire. Our agency consists of many employees that were hired by agencies that were consolidated into the Department of Aging and Disability Services. Effective immediately, our agency will conduct an audit of all compensatory time plan enrollments to ensure the accuracy of every agency employee.”

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior audit report on the Department of Rehabilitation Services, which became Department of Aging and Disability Services on October 1, 2019, contained one recommendation which has been implemented or otherwise resolved.

- The Department of Rehabilitation Services should implement procedures to verify that taxicab and livery service providers are charging approved rates. The department should require adequate documentation to support amounts charged on provider invoices. **This recommendation has been resolved.**

Current Audit Recommendations:

- 1. The Department of Aging and Disability Services should implement controls to ensure that employees are enrolled in the correct compensatory time plan.**

Comment:

Our review of 193 employee compensatory plan enrollments in Core-CT during the audited period disclosed 59 instances in which the agency enrolled employees in the wrong plan.

ACKNOWLEDGMENTS

The Auditors of Public Accounts wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Department of Aging and Disability Services during the course of our examination.

The Auditors of Public Accounts also would like to acknowledge the auditors who contributed to this report:

Thomas Caruso
Matthew Wood
David Tarallo

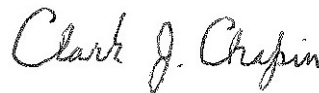


David Tarallo
Principal Auditor

Approved:



John C. Geragosian
State Auditor



Clark J. Chapin
State Auditor