

STATE OF CONNECTICUT



*AUDITORS' REPORT
BRADLEY ENTERPRISE FUND
MEMORANDUM OF UNDERSTANDING BETWEEN THE
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION
AND THE CONNECTICUT AIRPORT AUTHORITY
FISCAL YEARS ENDED JUNE 30, 2018 AND 2019*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ ROBERT J. KANE

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August 13, 2020

EXECUTIVE SUMMARY

In accordance with the provisions of Section 2-90b of the Connecticut General Statutes, we audited reimbursements made by the Connecticut Airport Authority (CAA) to the Department of Emergency Services and Public Protection (DESPP) for the cost of law enforcement services at Bradley International Airport.

Our objective was to determine whether these reimbursements were in accordance with the provisions of Section 21 of Public Act 9-07, September Special Session and the September 23, 2009 memorandum of understanding (MOU) between the departments of Transportation and Public Safety for law enforcement services at Bradley International Airport.

Our audit did not identify any control deficiencies or instances of noncompliance with laws, regulations, and policies, or the need for changes in management practices that warrant the attention of management.

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

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JOHN C. GERAGOSIAN

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August 13, 2020

AUDITORS' REPORT

We have conducted an audit in accordance with Section 2-90b of the General Statutes, which requires us to audit reimbursements to the Department of Emergency Services and Public Protection (DESPP) for the cost of law enforcement services provided by the department at Bradley International Airport. The audit consists of determining if these reimbursements were made in accordance with Section 21 of Public Act 09-07, September Special Session, effective October 5, 2009, and a memorandum of understanding (MOU) entered into pursuant to the act.

Although this legislation was not codified into the General Statutes, it is special in nature and remains in full force and effect according to its terms.

COMMENTS

BACKGROUND

When Public Act 09-07, September Special Session, was enacted, the Department of Transportation (DOT) administered Bradley International Airport within the Bradley Enterprise Fund (also known as the Bradley International Airport Operations Fund) and the Department of Public Safety (DPS) provided law enforcement services at Bradley International Airport.

The Department of Public Safety's Troop W provided law enforcement services to Bradley International Airport for several years prior to the enactment of Public Act 9-07. Before the act, there was no formal agreement regarding the number of necessary law enforcement staffing or that DOT would pay these costs through the Bradley Enterprise Fund. Pursuant to the act, DOT and DPS executed an MOU for law enforcement services at the Bradley International Airport on September 23, 2009. One of the key terms of the MOU is that the number of law enforcement officers on site has to be in compliance with the federally-approved Bradley International Airport Security Program (ASP) and the Airport Certification Manual. In addition, DPS would be required to provide dispatcher service 24 hours a day, 7 days a week. The DOT payment to DPS in any fiscal year could not exceed the total amount budgeted for law enforcement services, unless there are unforeseen events that lead to extra costs.

The Department of Public Safety was reorganized into DESPP by Public Act 11-51, effective July 1, 2011. Troop W was consolidated with Troop H (Hartford) effective March 9, 2012, and

Troop H continued to provide law enforcement services to Bradley International Airport through the audited period and thereafter.

Public Act 11-84, effective July 1, 2011, established the Connecticut Airport Authority (CAA) to operate Bradley International Airport and the state's other 5 general aviation airports. Prior law assigned airport-related powers, duties, and functions to several agencies. The act automatically transferred those duties to CAA. However, DOT retained its responsibilities in this area until it transferred them to CAA by memoranda of understanding, as of July 1, 2013.

The assets of the Bradley Enterprise Fund were transferred into the CAA Bradley International Airport Enterprise Fund during the fiscal year ended June 30, 2014. The Connecticut Airport Authority continues to reimburse DESPP for the cost of providing law enforcement services to Bradley International Airport from the CAA Bradley International Airport Enterprise Fund.

The Airport Security Coordinator assigned to Bradley International Airport (a federal employee) is responsible for preparing the airport security program (ASP). This plan details the necessary law enforcement personnel for the day-to-day operations of the airport. CAA representatives informed us that Bradley International Airport can only pay for the law enforcement services that are required under the ASP. To do otherwise would violate federal revenue diversion laws and/or federal grant and airport sponsor assurances. Revenue diversion laws prohibit the use of airport revenue for payments that exceed the fair and reasonable value of those airport services.

The ASP is not required to take into account the structure of a state police troop. Federal law requires law enforcement personnel to have arrest authority, be identifiable, have a firearm they are authorized to use, and have completed a training program prescribed by the state. Troop H is commanded by a state police lieutenant. A master sergeant is second in command, and is the troop's executive officer. In the absence of the troop commander, the master sergeant assumes their duties. The Bradley International Airport operating budget does not specify individual positions.

AUDIT OBJECTIVE AND METHODOLOGY

Our audit objective was to determine whether the reimbursements requested by DESPP and reimbursed by CAA were in accordance with the provisions of Section 21 of Public Act 09-07, September Special Session, and the MOU executed pursuant to the act.

We reviewed the public act, the terms of the MOU, and the amount budgeted by CAA for law enforcement services for the fiscal years ended June 30, 2018 and 2019. We also reviewed the invoices submitted by DESPP for reimbursement to determine if the invoices contained only appropriate Troop H costs. We reviewed Core-CT and CAA records to confirm the amounts CAA reimbursed to DESPP.

RESULTS OF REVIEW

Reimbursements totaled \$5,864,773 and \$6,171,407 for the fiscal years ended June 30, 2018 and 2019, respectively. These amounts agreed to the approved budgets established in accordance with the airport security program and were supported by DESPP invoices evidencing actual costs incurred. Although we noted minor variances, we did not review them further because they were not material.

The Department of Emergency Services and Public Protection was reimbursed for costs incurred up to the approved budgeted amount in accordance with the MOU executed by DPS and DOT on September 9, 2009. Accordingly, the total paid was limited to the amount included in Bradley International Airport's budget for law enforcement services.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Bradley Enterprise Fund did not identify any areas that require disclosure or corrective action.

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior audit report on the Bradley Enterprise Fund contained 2 recommendations. The Connecticut Airport Authority agreed with and is taking action to implement these recommendations. Therefore, the recommendations are not being repeated.

- The Connecticut Airport Authority should seek legislation to amend its law enforcement reimbursement policies with the limitations imposed by its federally-approved airport security program. **The Connecticut Airport Authority provided testimony to the Transportation Committee of the General Assembly on March 2, 2020 in support of House Bill No. 5191, which would have appropriately addressed this recommendation. Due to the COVID-19 pandemic, the 2020 legislative session was suspended before action was taken. We are not repeating this recommendation at this time as the Connecticut Airport Authority is taking action to implement it.**
- The Connecticut Airport Authority should seek legislation to amend existing statutory provisions addressing Bradley International Airport law enforcement services in order to reflect current organizational structure and nomenclature. Furthermore, the authority should enter into a new memorandum of understanding with the Department of Emergency Services and Public Protection. **The Connecticut Airport Authority provided testimony to the Transportation Committee of the General Assembly on March 2, 2020 in support of House Bill No. 5191, which would have appropriately addressed this recommendation. Due to the COVID-19 pandemic, the 2020 legislative session was suspended before action was taken. We are not repeating this recommendation at this time as the Connecticut Airport Authority is taking action to implement it.**

Current Audit Recommendations:

No recommendations were developed as a result of this examination.

ACKNOWLEDGMENTS

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

Marcin Baran
James Carroll

CONCLUSION

In conclusion, we wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Connecticut Airport Authority and the Department of Emergency Services and Public Protection during the course of our examination.



Marcin Baran
Associate Auditor

Approved:



John C. Geragosian
State Auditor



Robert J. Kane
State Auditor