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# AUDIT SUMMARY

Board of Regents for Higher Education  
Connecticut State University System Office

Fiscal Years Ended June 30, 2021, 2022, and 2023

## ABOUT THE AGENCY



The Board of Regents for Higher Education oversees Central Connecticut State University, Eastern Connecticut State University, Southern Connecticut State University, and Western Connecticut State University. It also oversees 12 community colleges and Charter Oak State College.

The Connecticut State Universities' System Office supports the four state universities through the administration of certain activities. These activities include, but are not limited to, guiding the alignment of academic programs, developing fiscal and administrative policy, and administering system-wide information systems.

## ABOUT THE AUDIT

We have audited certain operations of the Board of Regents for Higher Education Connecticut State University System Office 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, 2021, 2022, and 2023. The objectives of our audit were to evaluate the:

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

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.

[Link to full report](#)



Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, or policies; and a need for improvement in practices and procedures that warrant management's attention.



## NOTEWORTHY FINDINGS



1

After purchasing communications equipment that allows state and local police to connect with state university and college communications devices in an emergency, the system office did not execute memorandums of understanding with the local and state police departments that received the system office's equipment. As a result, the parties did not address critical concerns, including project terms and objectives, each party's responsibilities, equipment maintenance and terms of usage, and key contacts. Furthermore, we noted numerous inaccuracies between the information in the system, the physical assets, and supporting documentation.

The Board of Regents for Higher Education should properly manage its emergency response project to ensure the appropriate training of employees on the use of related information technology equipment. The system office should also have memorandums of understanding with all stakeholders addressing project terms and objectives, each party's responsibilities, equipment maintenance and terms of usage, key contacts, and other important information.

The system office should also ensure that assets are properly tagged per its Capital and Controllable Asset Manual.

2

Our review of 26 system office bank reconciliations from four accounts disclosed thirteen instances in which the system office did not perform reconciliations on time. In these instances, the office performed the reconciliations between 38 and 100 days late.

The Board of Regents for Higher Education should improve internal controls over its bank account reconciliation process to ensure it promptly performs monthly bank reconciliations.

3

Our review of physical inventory disclosed that the system office did not physically inventory 208 of 557 assets during fiscal year 2023. In addition, our physical inspection of assets disclosed that five of the 20 assets inspected were not in use and deemed obsolete, but had not been removed from the active physical inventory.

The Board of Regents for Higher Education should ensure compliance with physical inventory requirements in the State Property Control Manual.

4

The system office failed to conduct the fiscal year 2023 quarterly reconciliations, but instead performed an annual reconciliation of the eEquip Asset Management and Banner systems. The system office did not investigate and correct identified unreconciled items. The reconciliation was not signed and dated to document the performance of the review.

The Board of Regents for Higher Education should strengthen internal controls over asset management by ensuring that it performs quarterly reconciliations between its asset management systems and investigates and corrects any noted discrepancies.

5

Our review of the consolidated purchasing process disclosed that some university purchasing procedures have been centralized at the system office. However, the four state universities continue to maintain significant purchasing resources and perform most related procedures on campus.

The Board of Regents for Higher Education should accelerate its efforts to comply with Section 10a-89e of the General Statutes, which requires consolidation of the purchasing process at the system office.