

# STATE OF CONNECTICUT



*AUDITORS' REPORT  
CONNECTICUT STATE LIBRARY  
FISCAL YEARS ENDED JUNE 30, 2019 AND 2020*

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

## Table of Contents

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EXECUTIVE SUMMARY .....	i
COMMENTS .....	2
FOREWORD .....	2
RÉSUMÉ OF OPERATIONS .....	3
STATE AUDITORS' FINDINGS AND RECOMMENDATIONS.....	6
Grant Maintenance of Efforts Calculation .....	6
Public Library Construction Grant Recipient State Single Audit Reports .....	7
Historic Documents Preservation Grants .....	8
Museum of Connecticut History's Accession Efforts .....	10
Lack of Compliance with Annual Reporting Requirements .....	11
RECOMMENDATIONS .....	12
Status of Prior Audit Recommendations: .....	12
Current Audit Recommendations: .....	13
ACKNOWLEDGMENTS .....	15

December 9, 2021

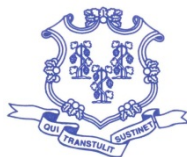
**EXECUTIVE SUMMARY**

In accordance with the provisions of Section 2-90 of the Connecticut General Statutes, we have audited certain operations of the Connecticut State Library. The objectives of this review were to evaluate the department’s internal controls; compliance with policies and procedures, as well as certain legal provisions; and management practices and operations for the fiscal years ended June 30, 2019 and 2020.

The key findings and recommendations are presented below:

<p><a href="#"><u>Page 6</u></a></p>	<p>The State Library did not include all state funds expended for library programs in the three-year average or the maintenance of effort (MOE) calculation required by federal regulations, and its calculation method was not consistent from year-to-year. The Connecticut State Library should ensure it complies with federal regulations when calculating and reporting maintenance of effort for the Library Services and Technology Act grant. The State Library should communicate with the Institute of Museum and Library Services regarding its previously submitted maintenance of effort calculations. (Recommendation 1.)</p>
<p><a href="#"><u>Page 7</u></a></p>	<p>Our review of state single audit reports for recipients of Public Library Construction Grants found that one report contained audit findings that the State Library did not review. The State Library did not have procedures to review state single audit reports. The Connecticut State Library should review grant recipient state single audit reports to ensure that it understands and responds to deficiencies identified in those reports. (Recommendation 2.)</p>
<p><a href="#"><u>Page 8</u></a></p>	<p>We reviewed ten Historic Document Preservation Program grant expenditures totaling \$64,000. In nine instances, the library relied on the grant recipient’s certification to confirm that it spent the grant funds in compliance with the grant agreement. The Connecticut State Library should develop internal controls to ensure that grant recipients follow grant guideline procedures and properly spend Historic Documents Preservation Grant funds. (Recommendation 3.)</p>
<p><a href="#"><u>Page 10</u></a></p>	<p>We reviewed 15 museum purchase transactions and ten items from the museum storage room and found that only one item was recorded correctly. The State Library did not record 91 museum purchases in accordance with its standard accessioning procedures. The Connecticut State Library should review its internal controls to ensure that newly acquired artifacts are accurately and fully accessioned into its permanent database. (Recommendation 4.)</p>

# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

State Capitol  
210 Capitol Avenue  
Hartford, Connecticut 06106-1559

JOHN C. GERAGOSIAN

CLARK J. CHAPIN

**December 9, 2021**

### **AUDITORS' REPORT CONNECTICUT STATE LIBRARY FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2020**

We have audited certain operations of the Connecticut State Library (State Library) 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 library's internal controls over significant management and financial functions;
2. Evaluate the library'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 library, 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 our audit in accordance with the standards applicable to performance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform our 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 library'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. Identified apparent noncompliance with policies and procedures or legal provisions; and
3. Identified need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations in the accompanying report presents any findings arising from our audit of the Connecticut State Library.

## **COMMENTS**

### **FOREWORD**

The Connecticut State Library and State Library Board operate under the provisions of Title 11 of the Connecticut General Statutes. The State Library Board oversees the activities of the Connecticut State Library and is within the State Department of Education for administrative purposes only. The primary functions of the State Library include providing advice, planning, and financial assistance to all libraries in the state, operating the Raymond E. Baldwin Museum of Connecticut History and Heritage, maintaining library services for the blind and other persons with disabilities, and providing library and information services for state government and the public.

Pursuant to Section 11-1(d) of the General Statutes, the State Library Board established a nonprofit foundation, the Connecticut Heritage Foundation, Inc., to raise funds from private sources to enhance the collections and programs of the library and museum. Our office conducts a separate financial audit of the foundation.

The State Library's fiscal and human resource functions were transferred to the Department of Administrative Services' (DAS) Small Agency Resource Team in October 2011.

Kendall F. Wiggin served as state librarian until December 31, 2019. Maureen Sullivan served as the interim state librarian until Deborah E. Schander was appointed state librarian on January 4, 2021. Ms. Schander continues to serve in that capacity.

## **Significant Legislation**

There were no legislative changes with any significant effect on the operations of the Connecticut State Library during the audited period.

## **Members of the State Library Board**

Section 11-1(a) of the General Statutes provides that the board shall consist of 12 members. The board members, as of June 30, 2020, were as follows:

Mary Etter, Chairperson  
Sandra Ruoff, Vice Chairperson  
John N. Barry  
Robert D. Harris, Jr.  
Allen Hoffman  
Alison Clemens  
Henry S. Cohn, – Judge of the Superior Court  
Steven Ecker, – Associate Justice of the Supreme Court  
Melissa Wlodarczyk Hickey, Department of Education  
Three vacancies

Other members who also served on the State Library Board during the audited period were:

James G. Johnston  
Matthew Poland  
Diane Wentzell  
Judge Michael R. Sheldon  
Associate Justice Andrew J. McDonald  
Diane Brown  
Miguel Cardona

The State Library Board has two advisory groups. The Advisory Council for Library Planning and Development, pursuant to Sections 11-1(f)(1) and (f)(2) of the General Statutes, consists of 19 members appointed by the State Library Board. The council advises on library planning and development issues. Section 11-6a(b) of the General Statutes establishes the Museum Advisory Committee, which consists of eight members. The committee advises the State Library Board regarding the policies, collections, programs, activities, and operations of the Raymond E. Baldwin Museum of Connecticut History and Heritage.

## **RÉSUMÉ OF OPERATIONS**

### **General Fund Cash Receipts and Expenditures**

General Fund receipts from State Library operations totaled \$1,597,526 and \$1,468,692 for the fiscal years ended June 30, 2019 and 2020, respectively.

A summary of General Fund expenditures applicable to State Library operations for the audited period is presented below:

	Fiscal Year Ended June 30,		
	2018	2019	2020
Personal Services	\$ 4,972,136	\$ 5,054,412	\$ 5,019,143
Employee Expenses and Allowances	3,591	4,622	7,255
Purchased & Contracted Services	2,263,276	2,145,981	2,144,474
Motor Vehicle Costs	420	25	2,635
Premises & Property Expenses	170,892	175,562	149,688
Information Technology	67,673	166,105	70,718
Purchased Commodities	21,897	39,521	29,433
Grants-in-Aid	866,158	828,040	828,040
Capital Outlays	33,239	21,220	20,322
<b>Total Expenditures</b>	<b>\$ 8,399,282</b>	<b>\$ 8,435,488</b>	<b>\$ 8,271,708</b>

During the audited period, the State Library administered a number of state-aid-grant programs. A schedule of grant expenditures by program and a brief description of each program are presented below:

	Fiscal Year Ended June 30,		
	2018	2019	2020
Cooperating Library Service Units	\$ 160,946	\$ 124,402	\$ 124,402
Connecticard Payments	703,638	703,638	703,638
All Other	1,574	-	-
<b>Total State-Aid-Grant Programs</b>	<b>\$ 866,158</b>	<b>\$ 828,040</b>	<b>\$ 828,040</b>

**Cooperating Library Service Units** – Section 11-9e of the General Statutes provides for libraries to coordinate services through planning, resource sharing, and the development of programs that are too costly or impractical for a single library to maintain.

**Connecticard Payments** – Section 11-31b of the General Statutes provides for a cooperative program among public libraries that allows residents to borrow materials from any participating state public library. Grant payments to participating libraries are based on the volume of program activity levels.

#### **Federal and Other Restricted Accounts Fund**

A summary of federal and other restricted accounts receipts applicable to State Library operations for the audited period is presented below:

	Fiscal Year Ended June 30,		
	2018	2019	2020
Federal Grants	\$ 1,865,992	\$ 2,129,038	\$ 2,046,346
Non-Federal Aid	1,536,782	1,622,242	1,466,097
Other	32,473	56,373	38,761
<b>Total Receipts</b>	<b>\$ 3,435,247</b>	<b>\$ 3,807,653</b>	<b>\$ 3,551,204</b>

Federal grant receipts were from grant agreements between the federal government and the State Library for the administration of programs and activities supporting statewide library initiatives and services. Non-Federal Aid receipts were primarily for the Historic Documents Preservation Grant Program. This program is funded from fees collected by towns, submitted to the State Library, which it used for grants to towns for the preservation and management of historic documents.

A summary of federal and other restricted accounts expenditures applicable to State Library operations for the audited period is presented below:

	Fiscal Year Ended June 30,		
	2018	2019	2020
Restricted Federal Accounts	\$ 2,031,870	\$ 2,304,559	\$ 2,155,889
Historic Documents Preservation Account	999,683	1,422,065	1,567,672
All Other Private Accounts	265,708	268,394	146,783
<b>Total Expenditures</b>	<b>\$ 3,297,261</b>	<b>\$ 3,995,018</b>	<b>\$ 3,870,344</b>

Expenditures in the Federal and Other Restricted Accounts Fund were relatively stable during the audited period. Expenditures primarily consisted of personal services, fringe benefits, and grant awards for various federal and state programs.

### **Capital Equipment Purchase Fund and Capital Projects**

Capital equipment purchase expenditures totaled \$566,097 and \$187,976 during the fiscal years ended June 30, 2019 and 2020, respectively. Capital project expenditures totaled \$348,835 and \$335,548 during the fiscal years ended June 30, 2019 and 2020, respectively. These purchases were primarily made for books, subscriptions, computers, and data processing equipment.

### **Other Expenditures**

Grants to Local Governments and Others Fund and the Community Conservation and Development Fund expenditures were primarily for grants for public library construction, improvements, and other related projects. Expenditures to local governments totaled \$2,219,443 and \$5,864,021 during the fiscal years ended June 30, 2019 and 2020, respectively. The increase in fiscal year 2020 was due to new library construction projects and was based on the availability of state and local funds for approved projects. Grants to the Community Conservation and Development Program totaled \$2,754,675 and \$900,000 during the fiscal years ended June 30, 2019 and 2020, respectively.



## STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Connecticut State Library disclosed the following five findings and recommendations, four of which have been repeated from the previous audit:

### **Grant Maintenance of Efforts Calculation**

*Criteria:* Title 20 United States Code (USC) Section 9133(c) states that the amount otherwise payable to a state for the Library Services and Technology Act (LSTA) grant shall be reduced if the level of state expenditures is less than the average of the total state expenditures for the three fiscal years preceding that year. It further states that the calculation must include all amounts expended by the state library administrative agency for library programs, and must not include capital expenditures, special one-time project costs, or similar windfalls.

The State Library must submit its maintenance of effort calculation to the federal entity overseeing the program, the Institute of Museum and Library Services (IMLS).

*Condition:* During our review of the State Library's maintenance of effort (MOE) calculations for the LSTA grant, we noted that the State Library did not include all state funds expended for library programs in the three-year average or the maintenance of effort calculation required by federal regulation. Although all expenses the State Library used in its calculations appear to qualify as program costs, the library's calculation method was not consistent from year-to-year. Items included in some years were not included in others.

*Context:* The State Library reported maintenance of effort of \$4,349,406 and \$4,411,496 for fiscal years 2019 and 2020, respectively.

*Effect:* The State Library may not be meeting the maintenance of effort requirements for fiscal years with declining state-funded library program expenditures. This may result in future reductions of federal funding.

*Cause:* The lack of consistency of reporting expenditures from year-to-year appears to be the result of management oversight.

*Prior Audit Finding:* This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 to 2018.

*Recommendation:* The Connecticut State Library should ensure it complies with applicable federal regulations when calculating and reporting maintenance of effort for the Library Services and Technology Act grant. The State Library

should communicate with the Institute of Museum and Library Services regarding its previously submitted maintenance of effort calculations. (See Recommendation 1.)

*Agency Response:*

“The agency agrees in part and disagrees in part with the findings and provides clarification on the recommendation. To the general finding: IMLS affords state libraries some discretion in their formulas for calculating MOE, with the final determination for inclusion made by the agency head; these formulas vary from state to state. Prior to 2019, IMLS had had no issue with the agency’s MOE formula. To the specific finding: The agency’s 2019 state audit resulted in internal analysis of the MOE calculation and reporting process. Chiefly, to that point, the former State Librarian had elected to not include fringe benefits in the MOE calculation. In addition, IMLS acknowledged that the phrase “all expenditures” was ambiguous and provided guidance to the agency as it recalculated its MOE formula. The agency submitted recalculations to IMLS for 2017, 2018, and 2019 which included fringe benefits, and IMLS certified these as corrections. The agency also recalculated earlier years, but IMLS’s State Program Report system cannot accept these corrections because closed IMLS grants cannot be reopened. The agency has documentation to show IMLS’s acknowledgement of the corrections, even though they could not be accepted. As a result of the 2019 audit, the agency now uses all eligible state expenditures in its MOE calculation, including fringe; that being said, the reported percentages of certain employees’ salaries continue to (and will continue to) fluctuate from year to year because the percentage of time they contribute to LSTA projects can vary. The agency reviews 20 U.S.C. § 9121(1)-(9) each year and monitors IMLS guidelines to ensure eligible projects and associated staff are properly monitored; employees maintain accurate reports of time spent on LSTA-approved projects. Unfortunately, the agency continues to be unable to meet the minimum contribution level required by IMLS; this has (and will continue to) result in a reduction in the agency’s allocated grant.”

**Public Library Construction Grant Recipient State Single Audit Reports**

*Criteria:*

Section 4-231(a)(1) of the General Statutes requires non-state entities that expend \$300,000 or more in state financial assistance to have a single audit performed for that fiscal year.

Section 4-236-29 of the Regulations of Connecticut State Agencies requires grantor state agencies to review the audit reports of grant recipients and to follow up on any audit findings that may include the disallowance of certain costs and recovery of those funds.

*Condition:*

Our review of ten Public Library Construction Grants, totaling \$7,323,989, including seven grant recipients that were required to have

a state single audit performed, found that one report contained audit findings. The State Library did not have procedures to review state single audit reports.

*Context:* Public Library Construction Grants paid during the fiscal years 2018-2019 and 2019-2020 fiscal years totaled \$11,249,085.

*Effect:* The State Library is not monitoring grant recipients in accordance with state regulations.

*Cause:* The State Library did not have staff with sufficient experience to review single audit reports.

*Prior Audit Finding:* This finding has been previously reported in the last three audit reports covering the fiscal years ended June 30, 2012 through 2018.

*Recommendation:* The Connecticut State Library should review grant recipient state single audit reports to ensure that it understands and responds to deficiencies identified in those reports. (See Recommendation 2.)

*Agency Response:* “The agency agrees with the recommendation that it should review single audit reports and respond to problems specific to this agency and clarifies that this process must include OPM as well as agency staff. Entities are required to submit their audits electronically to OPM, which, as the Cognizant Agency, is responsible for conducting the initial review of state single audit reports. As noted, the agency does not have staff with the experience required to review such reports; the agency will request assistance and/or training from OPM so the agency’s Fiscal Administrative Officer can retrieve applicable audits from OPM, review them for issues related to the awarded construction grant, and respond to issues as necessary. The retrieval and review of these audits, as well as any response, will be noted in the entity’s file at the agency.”

### **Historic Documents Preservation Grants**

*Criteria:* The public records administrator is responsible for establishing and administering the Historic Documents Preservation Program grant to help municipalities enhance or improve the preservation and management of historic documents. Under Section 11-8k(b) of the General Statutes, the public records administrator is authorized to require repayment if it finds that grant funds were not used as intended or were used to supplant a previous source of funds. Sound business practices would suggest that State Library staff review reasonable evidence, such as vendor invoices, payroll records, or available state single audit reports to ensure that recipients used funds as intended and did not supplant a previous source of funds.

<i>Condition:</i>	We reviewed ten Historic Documents Preservation grants totaling \$64,000. In nine instances, the library relied on the grant recipient's certification to confirm that it spent the grant funds in compliance with the grant agreement.
<i>Context:</i>	The State Library paid \$1,800,270 in Historic Documents Preservation Program grants during the fiscal years ended June 30, 2019 and 2020.
<i>Effect:</i>	Without reviewing reasonable evidence such as vendor invoices or payroll records, the State Library cannot verify that grant recipients spent the funds within the grant period for allowable costs.
<i>Cause:</i>	The State Library's lack of monitoring of grant recipients' expenditure documentation and adherence to guidelines appears to be the result of management oversight.
<i>Prior Audit Finding:</i>	This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 through 2018.
<i>Recommendation:</i>	The Connecticut State Library should develop internal controls to ensure that grant recipients follow grant guideline procedures and properly spend Historic Documents Preservation Grant funds. (See Recommendation 3.)
<i>Agency Response:</i>	"The agency disagrees with the assertion that a lack of management oversight is resulting in recipients not following grant guidelines but agrees that the agency can continue to develop its internal controls and existing grant guidelines to further document proper spending. Because the grantee towns themselves are responsible for documenting their expenditures and are independently audited, the Guidelines have never required proof of expenditure to be included in a town's final report. These reports include a signed certification that "the information contained in this report is correct to the best of my knowledge." The following statement has also been added to the Guidelines and Instructions: "Financial and other supporting documentation must be maintained by the municipality as part of the grant file in accordance with the municipal records retention schedules. It is not required for submission with the Project Evaluation/Expenditure Report." The agency acknowledges that requiring and reviewing reasonable evidence, such as vendor invoices and payroll records, can help ensure towns are spending their funds appropriately. Historic Documents Preservation Program staff will confer with Public Library Construction Grant staff and investigate ways similar procedures currently in place for construction grant reports could be implemented in this program. Because the Historic Documents Preservation Program is on an annual

cycle, any changes would need to be implemented and communicated out to towns annually and cannot be made mid-year.”

### **Museum of Connecticut History’s Accession Efforts**

*Background:* The State Library does not maintain the permanent collection of the Museum of Connecticut History in Core-CT and does not include it as a part of its annual inventory. The State Library utilizes a commercial software application designed specifically for museums to account for their permanent collection.

*Criteria:* Accessioning is the process of producing a permanent record of an artifact received from a single source for which the museum holds custody, right, or title, and provides a unique control number to the piece. Electronic accession records provide for a quick inventory of the permanent collection as well as artifact acquisition accountability.

*Condition:* We selected 15 museum purchase transactions that included 82 items ranging in value from \$15 to \$9,450. We reviewed these transactions and found that for 82 items, the accessioning process was incomplete or inaccurate. In addition, we randomly selected ten items from the museum storage room and found that, for nine items, the accessioning process was also incomplete or inaccurate.

*Context:* The Museum of Connecticut History accessioned 155, 179, and 7 assets during calendar years 2018, 2019, and 2020, respectively.

*Effect:* Without a reliable electronic record of the permanent collection, an inventory is not readily available, and the museum is not able to provide assurance that it appropriately accessioned all artifact acquisitions into the collection.

*Cause:* The State Library did not have controls to verify the accuracy and completeness of information for new acquisitions entered into the permanent database.

*Prior Audit Finding:* This finding has not been previously reported.

*Recommendation:* The Connecticut State Library should review its internal controls to ensure that newly acquired artifacts are accurately and fully accessioned into its permanent database. (See Recommendation 4.)

*Agency Response:* “The agency agrees that it should review its internal controls to ensure accurate, complete records of accessions. Museum staff began a review process in early 2020, in anticipation of the long-time Curator’s retirement. COVID-19 restrictions meant the Curator was not able to

regularly access print or electronic records (which must currently be accessed on specific computers at the State Library). The Museum Administrator has now continued this process. The agency head will prioritize continuing to review the accession process as well as options for updating the software used to inventory the museum's collection. The agency anticipates hiring both a new Curator and Administrator in early 2022."

### **Lack of Compliance with Annual Reporting Requirements**

- Criteria:* Sections 11-8k(c) and 11-8m(b) of the General Statutes require the Connecticut State Library to prepare and submit annual reports on the activities of the Historic Documents Preservation Fund to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to government administration. These reports are intended to provide a list of grant recipients and details on how grants were spent.
- Condition:* Our review of three reporting requirements (totaling six individual reports) disclosed that the State Library did not submit four reports on time. The State Library submitted these reports 15, 32, 40, and 43 days late.
- Effect:* The Connecticut State Library did not comply with the reporting requirements established by the Connecticut General Statutes. This resulted in the Governor and the General Assembly not receiving complete information to make informed policy decisions.
- Cause:* The lack of compliance appears to be the result of management oversight.
- Prior Audit Finding:* This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 through 2018.
- Recommendation:* The Connecticut State Library should strengthen internal controls to ensure compliance with all statutory reporting requirements. (See Recommendation 5.)
- Agency Response:* "The agency agrees with the finding that required reports have historically not been filed by the statutory deadlines. The new agency head has already spoken with staff about the matter and set an expectation of timely filings moving forward."

## RECOMMENDATIONS

### Status of Prior Audit Recommendations:

Our prior audit report on the Connecticut State Library contained four recommendations. All the recommendations have been repeated during the current audit.

- The Connecticut State Library should ensure that it complies with applicable federal regulations when calculating and reporting maintenance of effort for the Library Services and Technology Act grant. The State Library should communicate with the Institute of Museum and Library Services regarding its previously submitted maintenance of effort calculations. **This recommendation is being repeated. (See Recommendation 1.)**
- The Connecticut State Library should review grant recipient state single audit reports to ensure that it understands and responds to problems identified in those reports. **This recommendation is being repeated. (See Recommendation 2.)**
- The Connecticut State Library should implement procedures to ensure that grant recipients spent Historic Documents Preservation Grant funds. **This recommendation is being repeated. (See Recommendation 3.)**
- The Connecticut State Library should comply with all statutory reporting requirements. **This recommendation is being repeated. (See Recommendation 5.)**

**Current Audit Recommendations:**

- 1. The Connecticut State Library should ensure it complies with applicable federal regulations when calculating and reporting maintenance of effort for the Library Services and Technology Act grant. The State Library should communicate with the Institute of Museum and Library Services regarding its previously submitted maintenance of effort calculations.**

Comment:

The Connecticut State Library did not include all state funds expended for library programs in its calculation of maintenance of effort and the library's calculation method was not consistent from year-to-year.

- 2. The Connecticut State Library should review grant recipient state single audit reports to ensure that it understands and responds to deficiencies identified in those reports.**

Comment:

Our review of state single audit reports for recipients of Public Library Construction Grants found that one report contained audit findings that the State Library did not review. The State Library did not have procedures to review state single audit reports.

- 3. The Connecticut State Library should develop internal controls to ensure that grant recipients follow grant guideline procedures and properly spend Historic Documents Preservation Grant funds.**

Comment:

We reviewed ten Historic Document Preservation Program grant expenditures totaling \$64,000. In nine instances, the library relied on the grant recipient's certification to confirm that it spent the grant funds in compliance with the grant agreement.

- 4. The Connecticut State Library should review its internal controls to ensure that newly acquired artifacts are accurately and fully accessioned into its permanent database.**

Comment:

We reviewed 15 museum purchase transactions and ten items from the museum storage room and found that only one item was recorded correctly. We found that 91 item records were incomplete or inaccurate.



- 5. The Connecticut State Library should strengthen internal controls to ensure compliance with all statutory reporting requirements.**

Comment:

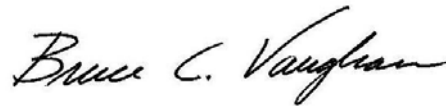
During our review of statutorily required reports, we found that the State Library did not submit four reports on time.

**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 Connecticut State Library during the course of our examination.

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

Ramiz Mehmedovic  
Bruce Vaughan

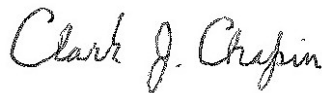


Bruce C. Vaughan  
Principal Auditor

Approved:



John C. Geragosian  
State Auditor



Clark J. Chapin  
State Auditor