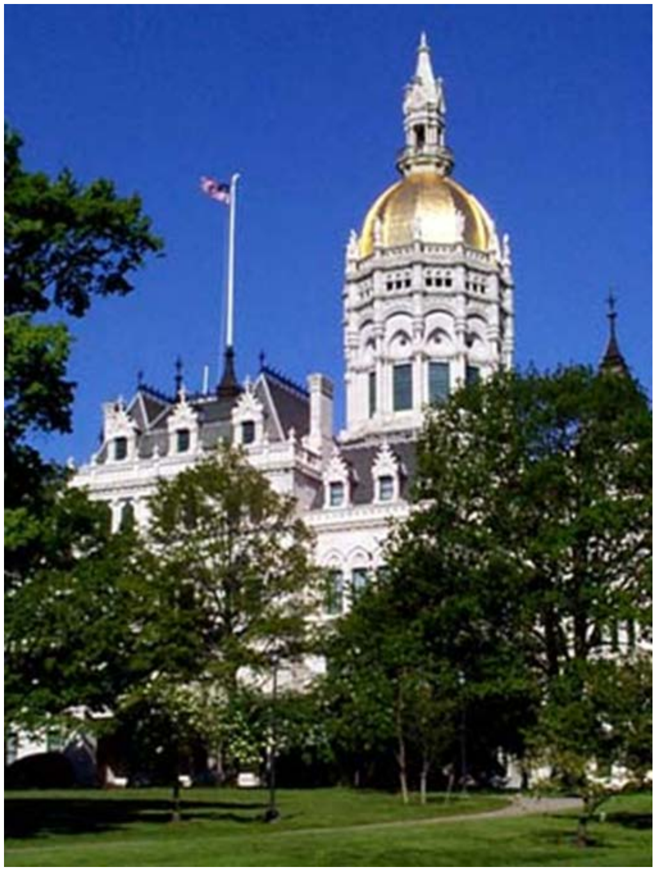
STATE OF CONNECTICUT



AUDITORS' REPORT
DEPARTMENT OF CORRECTION
FISCAL YEARS ENDED JUNE 30, 2018 AND 2019

AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN ❖ CLARK J. CHAPIN

Table of Contents

September 8, 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 Correction for the fiscal years ended June 30, 2018 and 2019. Our audit identified internal control deficiencies and instances of noncompliance with laws, regulations, and policies and the need for changes in management practices that warrant the attention of management. The significant findings and recommendations are presented below:

Page 14	**Lack of Documentation Supporting Overtime** - Overtime expenditures for the department totaled $72,675,075 and $76,879,419 for the fiscal years ended June 30, 2018 and 2019, respectively. We reviewed ten dates in five facilities in which overtime was earned and noted discrepancies and missing documentation. The Department of Correction should maintain overtime records as required by the bargaining contract, and automated systems should accurately reflect manual records to ensure overtime is properly documented and monitored. (Recommendation 6.)
Page 19	**Lack of Accountability for Union Leave** - 363 DOC employees charged 69,169 hours (or $2,314,663) to union leave during the audited period. Documentation to support the hours charged was missing or coded incorrectly. One employee's union leave appeared excessive. The Department of Correction should improve internal controls related to union leave to ensure time is necessary, properly approved, and documented in accordance with department and union guidelines. (Recommendation 9.)
Page 39	**Lack of Accountability for Parole Officers** - We reviewed two months of activity for ten parole officers and noted that employee accountability logs and state-owned motor vehicle monthly usage reports were not completed properly, documentation was missing, and compensatory time approvals were inadequate. The Department of Correction should strengthen internal controls over state-owned vehicles, employee accountability logs, and parole officer compensatory time to ensure the proper use of state time and resources. (Recommendation 23.)
Page 40	**Untimely Administration of Inmate Medications** - We reviewed the administration of medication for ten inmates and noted untimely dispensing of medication, missing medication variance reports, and reporting limitations of the electronic inmate health records system. The Department of Correction should strengthen internal controls to ensure medication is administered and monitored in accordance with agency policies. (Recommendation 24.)

STATE OF CONNECTICUT

AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

State Capitol
210 Capitol Avenue
Hartford, Connecticut 06106-1559

CLARK J. CHAPIN

September 8, 2021

AUDITORS' REPORT

We have audited certain operations of the Department of Correction 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 years ended June 30, 2018 and 2019. 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 is 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. Identified apparent non-compliance with laws, regulations, contracts and grant agreements, policies, and procedures; and

3. Identified need for improvements 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 Correction.

COMMENTS

FOREWORD

The Department of Correction operates under Title 18, Sections 18-7 through 18-107 of the General Statutes. Its mission is protecting the public; protecting staff; and providing safe, secure, and humane supervision of offenders with opportunities that support successful community reintegration.

The department is headed by a commissioner who is responsible for the administration, coordination, and control of department operations, including the overall supervision and direction of all institutions, facilities, and activities of the department. Scott Semple served as commissioner until his retirement on January 1, 2019. Rollin Cook was appointed as commissioner effective January 9, 2019 and served in that position throughout the audited period until his resignation on July 1, 2020. Angel Quiros was appointed as acting commissioner, and later as commissioner, effective February 24, 2021.

Agency business operations are located within its administrative offices in Wethersfield. The department operates the following 16 correctional facilities, which include correctional institutions (CI) and correctional centers (CC):

Bridgeport CC, Bridgeport	MacDougall-Walker CI, Suffield
Brooklyn CI, Brooklyn	Manson Youth Institution, Cheshire
Cheshire CI, Cheshire	New Haven CC, New Haven
Corrigan-Radgowski CC, Uncasville	Northern CI, Somers
Cybulski CRC, Enfield	Osborn CI, Somers
Enfield CI, Enfield (closed 01/23/18)	Robinson CI, Enfield
Garner CI, Newtown	Willard-Cybulski CI, Enfield
Hartford CC, Hartford	York CI, Niantic

Correctional centers serve primarily as jails, acting as intake facilities for pre-sentenced males and for the confinement of males with shorter sentences. The Manson Youth Institution is used for confining male inmates between the ages of 14 and 21. The York Correctional Institution is used for sentenced and pre-sentenced female prisoners with all other correctional institutions and annexes generally incarcerating male inmates with sentences greater than two years. The Cybulski Reintegration Center is located within the Willard-Cybulski Correctional Institution and provides counseling and programming services to assist offenders in preparing for their release back into the community.

Each facility is established at one of four levels of security ranging from level 2 (low security) to level 5 (high security). Level 1 is for inmates who have been released into the community but are still in the custody of the department.

According to department statistics, the total incarcerated population as of July 1, 2019, was 13,107, consisting of 12,198 males and 909 females. In addition to incarcerated inmates, the department oversaw 3,861 level 1 inmates released into the community as of July 1, 2019.

Board of Pardons and Paroles

The Board of Pardons and Paroles operates under the provisions of Section 54-124a of the General Statutes. The board is an autonomous body, which is within the Department of Correction for administrative purposes only. The board was established to provide independence over pardon and parole decisions. The board consists of 10 to 15 members, with 6 to 10 members serving full-time. The members are appointed by the Governor with the advice and consent of both houses of the General Assembly.

The appointed board members as of June 30, 2019, were as follows:

Full-Time Board Members	Part-Time Board Members
Carleton Giles, Chairperson Rufaro Berry Patricia Camp Joy Chance Stephen Dargan Michael Pohl Jennifer Zaccagnini Carmen Sierra Nancy Turner One Vacancy	Terry Borjeson Pamela Richards Kelly Smayda Two Vacancies

Jeff Hoffman, Christopher Lyddy, and David May also served during the audited period.

Significant Legislation

- **Public Act 18-4**, effective October 1, 2018, required the DOC commissioner to have at least one departmental or contracted licensed health care provider employed at the York Correctional Institution trained in prenatal and postpartum medical care, with the knowledge of and ability to educate pregnant inmates on prenatal nutrition, high-risk pregnancy, and addiction and substance abuse during pregnancy and childbirth.

- **Public Act 18-155**, effective July 1, 2018, established a wellness initiative for the benefit of DOC employees who interact with inmates at correctional facilities. The wellness initiative required the following components: an employee assistance program, a peer support program, stress management training, critical incident stress response, military peer support, an employee safety and health committee, periodic wellness fairs, and other programs that have demonstrated effectiveness in addressing the needs of employees who interact with inmates. The act also repealed Section 18-84a of the General Statutes, effective October 1, 2018, which established a discharge savings account for inmates.

RÉSUMÉ OF OPERATIONS

General Fund Revenues and Receipts

A summary of General Fund revenues and receipts during the audited period and the preceding year is presented below:

	2016-2017	2017-2018	2018-2019
Recoveries – Inmate Costs of Incarceration	$4,778,428	$6,465,907	$6,190,823
Child Nutrition Program	881,893	797,665	740,142
All Other	1,656,826	1,258,521	817,183
Total Revenues and Receipts	**$7,317,147**	**$8,522,093**	**$7,748,148**

General Fund receipts consisted primarily of recoveries of cost of incarceration collected by the Office of the Attorney General and the Department of Administrative Services Collection Services. Other sources of General Fund revenue include funding from the Federal Child Nutrition Program.

General Fund Expenditures

A comparison of General Fund expenditures for the fiscal years under review and the preceding year follows:

	2016-2017	**2017-2018**	**2018-2019**
Personal Services and Employee Benefits:			
Salaries and Wages	$317,272,143	$304,079,809	$356,277,194
Overtime	62,063,904	71,971,915	76,562,030
Meal Allowance	9,411,625	9,335,592	9,695,740
Workers' Compensation Awards	25,696,623	25,729,375	25,057,098
All Other	13,211,401	11,814,009	17,314,888
Total Personal Services and Employee Benefits	$427,655,696	$422,930,700	$484,906,950
Purchases and Contracted Services:			
Contractual Services – Medical Fees	$80,566,768	$81,172,570	$8,811,152
Premises and Property Expenses	31,454,513	32,968,434	35,673,423
Client Services	31,267,917	31,898,987	32,754,012
Commodities – Drugs & Pharmaceuticals	-	-	27,051,254
Commodities – Food	16,093,431	14,505,230	14,640,842
Commodities – All Other	6,969,665	6,407,900	8,328,260
All Other	13,494,250	13,951,297	19,427,619
Total Purchases and Contracted Services	$179,846,544	$180,904,418	$146,686,562
Total Expenditures	**$607,502,240**	**$603,835,118**	**$631,593,512**

General Fund expenditures decreased from the 2016-2017 fiscal year to the 2017-2018 fiscal year primarily due to a reduction in personal services. Salaries and wages increased for the 2018-2019 fiscal year due to the transition of health services staff from Correctional Managed Health Care (CMHC), a division of the UConn Health Center (UCHC), to DOC. This also led to the decrease in expenditures for Contractual Services-Medical Fees, as the memorandum of agreement between the two agencies was dissolved, effective July 1, 2018, with DOC becoming responsible for inmate healthcare. The new classification of expenditures for drugs and pharmaceuticals was also due to the dissolution of the contract, as DOC directly paid these costs during the 2018-2019 fiscal year.

Federal and Other Restricted Accounts

Federal and other restricted account receipts for the fiscal years ended June 30, 2018 and 2019, totaled $2,788,627 and $4,265,759, respectively, and consisted primarily of federal aid and grant transfers.

A comparison of expenditures from federal and other restricted accounts for the fiscal years under review and the preceding year follows:

	2016-2017	2017-2018	2018-2019
Personal Services and Employee Benefits:			
Salaries and Wages	$787,455	$507,119	$418,253
Employee Benefits	460,186	398,256	362,445
All Other	46,355	62,605	49,916
Total Personal Services and Employee Benefits	$1,293,996	$967,980	$830,614
Purchases and Contracted Services:			
Information Technology	$148,279	$154,677	$168,822
Purchased Commodities	413,959	289,252	506,090
Capital Outlays – Equipment	128,135	25,916	23,559
Premises and Property Expenses	86,284	180,289	23,980
All Other	720,312	1,184,083	2,037,008
Total Purchases and Contracted Services	$1,496,969	$1,834,217	$2,759,459
Total Expenditures	**$2,790,965**	**$2,802,197**	**$3,590,073**

Salaries and wage expenditures decreased during the audited period due to a continuing reduction in the number of federally funded positions.

The increase in the purchased commodities category from the 2017-2018 fiscal year to the 2018-2019 fiscal year was due to purchases for law enforcement and security supplies, minor equipment items, and medical supplies. The large increase in the All Other category was mainly attributed to additional federal funding for the substance abuse and opioid treatment programs.

Other Special Revenue Funds

Other special revenue fund expenditures, charged to the Capital Equipment Purchase Fund, totaled $1,123,140 and $1,560,642, for the fiscal years ended June 30, 2018 and 2019, respectively.

Correctional Industries Fund

The Correctional Industries Fund accounts for the operations of Correctional Enterprises of Connecticut (CEC) and inmate commissaries. Using inmate labor, CEC produces goods and services that are sold primarily to other state agencies. CEC also may sell items to other governmental agencies and private nonprofit entities. During the audited period, approximately 56% of CEC sales were to the Department of Correction. The inmate commissaries sell various personal supplies and food items to inmates. When inmates purchase commissary items, monies are transferred from their fund accounts to the Correctional Industries Fund. A summary of cash receipts and disbursements for the fund during the audited period follows:

	CEC	Commissary	Total
Cash Balance, July 1, 2017	**$4,572,827**	**$1,541,439**	**$6,114,266**
Receipts	7,324,974	17,275,483	24,600,457
Disbursements	(6,524,025)	(16,180,236)	(22,704,261)
Transfers	(1,046,532)	(1,622,021)	(2,668,553)
Cash Balance, June 30, 2018	**$4,327,244**	**$1,014,665**	**$5,341,909**
Receipts	7,703,096	17,594,971	25,298,067
Disbursements	(7,494,316)	(16,171,342)	(23,665,658)
Transfers	(39,159)	(460,481)	(499,640)
Cash Balance, June 30, 2019	**$4,496,865**	**$1,977,813**	**$6,474,678**

The fluctuations in CEC and Commissary operations from the 2017-2018 to the 2018-2019 fiscal year were directly related to the number of inmates and the amount of sales during the period. The significant increase in the transfer amount during the fiscal year ended June 30, 2018, was due to the transfer of $1 million dollars from both CEC and Commissary accounts to the General Fund in accordance with Public Act 17-2 of the June Special Session.

Per Capita Costs

The State Comptroller calculated the daily weighted average per capita cost for the operation of correctional facilities as $204 and $224 for the 2017-2018 and 2018-2019 fiscal years, respectively. The increase during the audited period was mainly due to a decrease in the inmate population and an increase in the costs of incarceration, which was primarily driven by the higher fringe benefit costs associated with hazardous duty retirement.

Fiduciary Funds

The department maintains two fiduciary funds, a Special Projects Activity Fund and an Inmate Trust Fund. Activity funds operate under the provisions of Sections 4-52 through 4-57a of the General Statutes. The Special Projects Activity Fund accounts for various minor inmate events. Inmate trust funds are custodial accounts for inmates' personal funds.

According to department financial statements, cash and cash equivalents as of June 30, 2018 and 2019, totaled $73,647 and $76,930 for the Special Projects Activity Fund, respectively, and $3,441,881 and $3,954,621 for the Inmate Trust Fund, respectively.

Correctional Managed Healthcare

In 1995, Correctional Managed Health Care (CMHC), a division of the UConn Health Center (UCHC), started providing inpatient medical services to DOC inmates under the terms of a memorandum of agreement between the two agencies. The agencies expanded those services in November 1997 to include medical, mental health, pharmacy, and dental services to all state correctional facilities. Effective July 1, 2018, CMHC transitioned inmate health services back to DOC, and the parties dissolved the agreement. UConn Health continues to provide care to inmates at its campus, but no longer provides care in the correctional facilities.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Department of Correction disclosed the following 24 recommendations, of which 15 have been repeated from the previous audit:

Lack of Compensatory Time Oversight

Criteria:

In accordance with the Department of Administrative Services Management Personnel Policy 17-01 and Section 12 of the DOC Administrative Directive 2.8, managers must receive advance written authorization by the agency head or a designee to work extra hours as compensatory time.

Article 13, Sections 1 and 4 of the New England Health Care Employees Union (1199) bargaining unit contract, defines exempt employees as those being paid above salary group 25. Exempt employees who are required to perform extended service outside a regularly scheduled workweek shall be authorized to receive compensatory time. If the use of compensatory time would create a hardship on the agency, payment at straight time may be granted with the advance approval of the Secretary of the Office of Policy and Management.

Core-CT Job Aids provide guidance for state agencies in the setup of an employee's compensatory plan in Core-CT. Enrollment in a compensatory plan is only necessary if the employee is eligible to earn compensatory or holiday time, which is governed by bargaining unit contracts and various union stipulated agreements.

Condition:

We reviewed 124 hours of compensatory time earned by ten managerial and confidential employees and found that requests and approvals were not on file to support 34 hours of compensatory time earned by three employees. Additionally, the compensatory request and approval forms were not properly approved to support 38 hours of compensatory time earned by two employees; two requests were not approved and/or dated by a supervisor; and one request was approved 11 days late.

We reviewed ten employees who earned both compensatory time and overtime totaling 3,484 hours and noted that compensatory time earned for three exempt employees, totaling 215 hours, was incorrectly coded and paid as overtime.

We reviewed compensatory time plans in Core-CT for ten employees and noted that plans for five employees were incorrect:

- Three out of five employees were enrolled in a compensatory time plan based on a stipulated agreement or memorandum of understanding, which was not revised in Core-CT upon expiration of the agreement

- One employee should not have been enrolled in a compensatory time plan

- One employee was enrolled in an incorrect compensatory time plan

Context: During the fiscal years ended June 30, 2018 and 2019, there were 28 employees who earned 1,162 hours of compensatory time and 37 employees who earned 1,195 hours of compensatory time, all of which required prior approval.

During the audited period, there were 133 employees who earned both compensatory time and overtime, totaling 1,291 hours and 34,291 hours, respectively.

There were 1,648 employees and 1,661 employees enrolled in a compensatory time plan for fiscal years ended June 30, 2018 and 2019, respectively.

Effect: Compensatory time earned was not preapproved in accordance with established state and department policies, which may have resulted in time earned that was unjustified.

Exempt employees were paid for overtime rather than compensatory time, which may have resulted in overpayments.

Incorrect compensatory time plans could result in time earned by ineligible employees and improperly lapsed compensatory time.

Cause: The lack of timely approval for compensatory time earned, overtime payments to exempt employees, and lack of employee compensatory time plan monitoring appear to be the result of management oversight.

Prior Audit Finding: This finding has been previously reported in the last four audit reports covering the fiscal years ended June 30, 2010 through 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure that proper authorization is obtained prior to the earning of compensatory time, time earned is accurately coded, and compensatory time plans comply with bargaining unit contracts and stipulated agreements. (See Recommendation 1.)

Agency Response: "The agency agrees with this finding. While Human Resources (HR) has no role in administering compensatory time for anyone in the agency outside of the HR function, the process for approving compensatory time for HR has been significantly improved and tightened.

Moving forward the HR function is part of the Department of Administrative Services and as such we will comply with the policies and practices at that agency.

With regard to the specifics of this finding, the individuals in question were largely transfers from the University of Connecticut Health center that transferred to DOC as a result of the provision of Inmate Healthcare reverting to DOC from UCHC. When these staff were transferred to DOC, they were set up incorrectly in Core-CT by HR and as such were allowed to enter the overtime code and receive overtime when they were to only to receive compensatory time. All of these staff have had their Core-CT records corrected to just earn compensatory time and no overtime.

The agency is working to strengthen internal controls to ensure proper authorization is obtained prior to the earning of compensatory time, time earned is accurately coded, and compensatory time plans comply with bargaining unit contracts and/or stipulated agreements."

Inaccurate Processing of Workers' Compensation Claims

Criteria: The Department of Administrative Services' workers' compensation program provides state agencies and employees with the information and tools necessary for the uniform administration of the program. The program requires the completion of a workers' compensation claim packet to document the facts of a reported claim, which is then entered into Core-CT.

Condition: We reviewed workers' compensation claims for 10 employees, totaling $436,186 and noted the following:

- Claim information was not accurately recorded in Core-CT for four claims.
- The average weekly wage was not calculated correctly for three claims.
- Discrepancies were noted in the indemnity payments for three claims, resulting in underpayments totaling $2,126. Upon our inquiry, DOC confirmed the errors and paid the employees.

Context: During the audited period, workers' compensation expenditures totaled $25,729,375 and $25,057,098, respectively.

Effect: Incomplete forms, inaccurate recording of information in Core-CT, and unreconciled calculations of indemnity payments increased the risk of errors and resulted in claim payments not being processed correctly.

Cause: This appears to be due to human error and a lack of supervisory oversight.

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

Recommendation: The Department of Correction should strengthen internal controls over workers' compensation claims processing to ensure information is accurately recorded and payments are reconciled and correct. (See Recommendation 2.)

Agency Response: "The agency agrees with this finding as it relates to this audit period. Since this audit period, the workers' compensation processing has been centralized at the Department of Administrative Services, effective 8/28/20. Addressing these discrepancies has therefore shifted to the Human Resources Workers' Compensation Centralized Pods that handle the claim processing. We have been informed that all staff within the centralized unit have received training on processing procedures, including wage audits and related calculations, with Pod Leader supervisory oversight."

Inadequate Medical Leave Documentation

Criteria: According to Section 5-247-11 of the state personnel regulations and most collective bargaining agreements, employees must submit a medical certificate to substantiate a period of sick leave in excess of five consecutive working days.

The statewide Family and Medical Leave Policy sets forth procedures for requesting a leave under the Family and Medical Leave Act (FMLA). The policy outlines the required forms and deadlines for submission to document and support the leave request, eligibility, approval, and employee's return to work.

Condition: During our review of 15 medical leaves of absence, ten FMLA and five non-FMLA, we identified the following instances of inadequate documentation:

- There were no files available to support eight medical leaves, including three FMLA and five non-FMLA.
- For the seven FMLA files provided, various required forms were missing for all seven employees. Additionally, FMLA forms for

three employees were not properly completed, which included missing signatures and late filings ranging from six to 20 days late.

- One employee's time and attendance status was not coded in accordance with the approved FMLA time reporting codes.

Context: During the fiscal years ended June 30, 2018 and 2019, 1,634 employees used medical leave for five or more consecutive days and charged a total of 185,156 hours. We reviewed 15 employees on medical leave totaling 2,386 hours.

Effect: Inadequate documentation increases the risk for unauthorized leave, which may result in unnecessary costs to the state.

Cause: The lack of documentation to support medical leaves of absence appears to be the result of management oversight.

Prior Audit Finding: This finding has been previously reported in the last four audit reports covering the fiscal years ended June 30, 2010 through 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure that medical leave is administered in accordance with collective bargaining agreements and Family and Medical Leave Act guidelines. (See Recommendation 3.)

Agency Response: "The agency agrees with this finding. Beginning in August 2020, as part of the human resources centralization, the administration of medical leave and FMLA has been transitioned to a centralized unit specializing in leaves administration. This unit was established in large part to significantly improve the timeliness and accuracy of all medical leave transactions."

Lack of Dual Employment Forms

Criteria: Section 5-208a of the General Statutes states that no state employee shall be compensated for services rendered to more than one state agency unless the appointing authority of each agency certifies that duties performed are outside the responsibility of the agency of principal employment, the hours worked at each agency are documented and reviewed to preclude duplicate payment, and no conflicts of interest exist between services performed.

The Department of Administrative Services (DAS) General Letter 204 – Dual Employment provides guidance to agencies to ensure procedures are applied uniformly and in compliance with state and federal laws. Dual employment request forms must be completed to document that the position has been adequately reviewed and approved by both state agencies.

Condition: Dual employment request forms were not on file for seven of ten employees reviewed.

Context: There were 28 and 27 employees with dual employment arrangements during the fiscal years ended June 30, 2018 and 2019, respectively.

Effect: Duplicated payments or conflicts of interest may go undetected.

Cause: This appears to be the result of management oversight.

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

Recommendation: The Department of Correction should develop and implement a process to ensure compliance with the dual employment provisions of Section 5-208a of the General Statutes and DAS procedures. (See Recommendation 4.)

Agency Response: "The agency agrees with this finding. The responsibility for administering dual employment transitioned to the HR business partner unit following the HR centralization in August 2020. In advance of the transition of duties, the HR business partner staff were trained in the DAS processes including dual employment. The ownership of the process is clarified moving forward.

The agency's Human Resources function is now part of the Department of Administrative Services and as such we will comply with the policies and practices at that agency."

Inappropriate Holiday Time Coding

Criteria: Proper internal controls prescribe that employee timesheets should be reviewed and approved by a supervisor at the end of each pay period to ensure accuracy and completeness.

Condition: Our review of the attendance records of ten employees who charged holiday time on non-scheduled holidays disclosed that the department incorrectly coded all 140 hours reviewed to holiday leave. There were 41 hours that should have been coded to holiday compensatory time, 92 hours that should have been coded to regular time, and seven hours that should have been coded to vacation.

Context: For the fiscal years ended June 30, 2018 and 2019, 109 employees charged a total of 2,259 hours of holiday time on non-scheduled holidays.

Effect: Attendance records were inaccurate, and, in some cases, DOC did not reduce accrued leave balances. Additionally, the department did not reduce an employee's balance for two days of used holiday compensatory time, which resulted in a $502 overpayment.

Cause: The issues noted appear to be the result of inadequate supervisory review of timesheets.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 and 2017.

Recommendation: The Department of Correction should strengthen internal controls over the review and approval of timesheets to reduce the risk of errors and potential overpayments. (See Recommendation 5.)

Agency Response: "The agency agrees with this finding. This was coding entered in ATLAS and Central Office – where an employee coded their Regular time as Holiday time. The coding was corrected, and staff have been instructed on proper coding."

Lack of Documentation Supporting Overtime

Criteria: According to the NP-4 bargaining contract, correction officers who wish to work voluntary overtime must sign a quarterly overtime list. Overtime is then distributed using the "sign-up book system," which requires each facility to maintain a book containing pages representing each day of the month, separated into sections representing each shift. Only employees who have signed the quarterly overtime list will be allowed to place their names in the sign-up book. When an overtime shift becomes available, the department uses the sign-up book and contacts the employee with the least number of overtime hours for that quarter.

The Department of Correction uses the ATLAS system to manage and maintain time and attendance for correction officers, maintenance employees, food service staff, and counselors. The ATLAS system uses various reports to represent the manual sign-up book system in use at the facilities:

- **Quarterly Overtime Report –** Represents an electronic version of the manual quarterly overtime sign-up sheet maintained in the facilities

- **Sign Up Book Report –** Represents an electronic version of the manual daily overtime sign-up sheet maintained in the facilities

- **Post Roster –** Documents the correction officers who worked an overtime shift and specifies day, shift, and post

To determine whether overtime was equally distributed among staff, we obtained the manual documentation maintained at the facilities and verified that the information was accurately input and maintained in the ATLAS system.

Collective bargaining unit contracts define which employees are exempt from earning overtime and provide guidance on those situations.

Condition: We reviewed ten dates in five facilities, which consisted of 5,616 hours of overtime totaling $246,102. We noted the following discrepancies and missing documentation:

- **Manual quarterly overtime sign-up sheets:** Manual quarterly overtime sign-up sheets were not on file for two of the six dates tested. Additionally, the four that were on file did not correspond to the ATLAS quarterly sign-up sheet.

- **Manual daily overtime logs:** We reviewed 30 manual daily overtime logs, one for each of the three shifts for the ten dates selected, and noted the following:

  - Logs were not on file for 12 of the 30 shifts reviewed

  - DOC did not include employees on the manual daily logs on the manual quarterly logs maintained by the facilities for seven of the 30 shifts reviewed

- **ATLAS Sign-Up Book Report:** We reviewed 30 ATLAS Sign-Up Book Reports, one for each of the three shifts for the ten dates selected and noted that the ATLAS Sign-Up Book Report did not match the manual daily overtime log maintained by the facility for ten out of 30 shifts reviewed.

- **ATLAS Post Roster:** We reviewed 30 ATLAS Post Roster reports and noted that, in thirteen instances, 139 employees working overtime on the post roster were not signed up on the manual daily overtime log as requesting overtime.

We also selected two dates for overtime earned by 183 employees from the inmate medical unit, totaling 878 hours, and noted that documentation was not on file to support the time worked.

We reviewed 122 employees within 12 different job codes and found that 36 employees within seven different job codes earned overtime despite being over the maximum salary grade. The 36 employees earned a total of $31,269 of overtime in those instances.

Context: The department made overtime payments totaling $72,675,075 and $76,879,419 for the fiscal years ended June 30, 2018 and 2019, respectively.

There were 122 employees in 12 different Job Codes whose pay grades exceeded the maximum eligible grade, yet they earned overtime totaling $1,230,515, during the fiscal years ended June 30, 2018 and 2019.

Effect: There is an increased risk that the department may not be assigning overtime in accordance with contractual guidelines due to incomplete overtime records.

Overtime earned by exempt employees resulted in noncompliance with the bargaining contract and improper overtime payments.

Cause: ATLAS does not appear to accurately reflect the manual records maintained by the facilities. Additionally, a lack of oversight by management appears to have contributed to the identified conditions.

Prior Audit Finding: This finding has been previously reported in the last four audit reports covering the fiscal years ended June 30, 2010 through 2017. The condition related to job codes has not been previously reported.

Recommendation: The Department of Correction should maintain overtime records as required by the bargaining contract, and automated systems should accurately reflect manual records to ensure overtime is adequately documented and monitored. (See Recommendation 6.)

Agency Response: "The agency agrees with this finding. Facility supervisors will be reminded of the proper procedures and collectively bargained responsibilities regarding overtime and the overtime process. Additionally, the agency's Operations Unit will begin conducting quarterly facility audits to ensure compliance with all requirements."

Lack of Monitoring of Leave in Lieu of Accrual

Criteria: Core-CT allows use of the Leave in Lieu of Accrual (LILA) time reporting code for the period between the first of the month, when employees earn accruals, and when employee accruals are posted to employee leave balances. LILA coding is intended to be temporary and leave balances should be promptly adjusted.

Condition: We reviewed LILA coding for ten employees and noted that time charged for seven, totaling 129 hours, was not promptly adjusted. DOC adjusted the leave accruals between 387 and 574 days after the time they were initially reported.

Context: During the audited period, there were 49 employees with a total of 584 hours charged to the LILA time reporting code. We reviewed ten employees with 167 hours charged to LILA.

Effect: Lack of monitoring of the use of the LILA time reporting code could result in employees using more leave time than they earned.

Cause: This appears to be the result of an oversight by management in the monitoring of the LILA time reporting code.

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

Recommendation: The Department of Correction should strengthen internal controls to ensure that use of the Leave in Lieu of Accrual time reporting code is monitored and promptly adjusted in accordance with Core-CT procedures. (See Recommendation 7.)

Agency Response: "The agency agrees with this finding. Most of the LILA codes are used to pay an employee when their accruals are not up to date in CORE for donated time, temporary service in a higher class (TSHC), personal leave (PL) time at the beginning of the year or accrual time taken when an employee has reached their working test period and we have to wait for Core-CT to add in their balances. Due to processing every two weeks by Core-CT, this causes the LILA code to be in limbo on the employee's time sheet.

Staff enter the LILA in one pay period and change to the accrual code the following pay period. If the employee has received donated time and has exhausted the accrual balances, they are made inactive which causes the LILA balances to be in flux and they cannot be cleared until the employee returns to work.

This is an issue in Core-CT and is always a problem at the end of the year with the PL time and therefore, some of the LILA's are in limbo.

Please note that with all of the LILA's identified by the APA, the employees in question were not overpaid, it was just that the code was in limbo and would still show on the employee's attendance."

Lack of Annual Evaluations

Criteria: According to Section 5-237-1 of the State Regulations, annual ratings for permanent employees are to be filed in the office of the appointing authority at least three months prior to the employee's annual increase date. DOC Administrative Directive 2.5, Section 5B, states that each initial or promotional working test period employee shall receive a performance appraisal at approximately three-month intervals and at least one month prior to the end of the working test period.

Condition: We reviewed annual service ratings covering the audited period for ten employees and noted that documentation was missing for six employees. Additionally, all six employees received an annual increase without an evaluation on file certifying satisfactory performance.

Context: During the audited period, there were 5,996 and 6,070 employees as of June 30, 2018 and 2019, respectively.

Effect: DOC did not complete annual service ratings in accordance with state regulations and department directives, which increases the risk of employees receiving unsubstantiated salary increases and promotions.

Cause: There was a lack of managerial oversight regarding completion of annual service ratings for employees.

Prior Audit Finding: This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 to 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure that annual service ratings are completed timely in accordance with state regulations and department directives. (See Recommendation 8.)

Agency Response: "The agency agrees with this finding. The accountability for the completion of performance evaluations lies with the employee's supervisor. The role of HR is to provide process guidance and reminders and to file completed evaluations when they are provided to HR. It is the responsibility of the unit leaders to follow up with supervisors if evaluations are not completed timely.

The agency will strengthen internal controls to ensure that annual service ratings are completed timely in accordance with state regulations and department directives by reminding supervisors of their responsibilities regarding annual service ratings."

Union Leave Time

Background: Union leadership and representatives use the following types of leave and codes:

- Union Contract Negotiations (LUBCN)
- Union Steward Employee Agency (LUBEA)
- Union Steward Employee Outside (LUBEO)
- Union Business Leave Paid (LUBLP) – Office of Labor Relations (OLR) approval required
- Union Steward with Management Representative (LUBMR)
- Union Business Paid – (RUBLP) OLR approval required

Criteria: Department guidelines require employees to complete a Union Release/Union Business Leave Form in order to be released from duty to attend to union related matters. The form must be signed by the supervisor and retained. The guidelines also present direction on the various types of union leave and the DOC expectations regarding the duration of leave.

The correctional staff collective bargaining agreements require union stewards to notify their supervisor when they need to leave their work assignments to carry out their duties. Requests by stewards to meet with employees must state the name of the employees involved, their work location, and the expected time that will be needed. Stewards are expected to report back to their supervisors on completion of such duties and return to their job.

General Notice 2014-14 issued by the Office of Labor Relations (OLR), provides guidelines for various types of union leave as well as the proper Core-CT coding. Union leave coded to Union Business Leave Paid (LUBLP) and Union Business Release (RUBLP) must be preapproved by OLR.

Condition: We reviewed 50 instances of union leave charged by ten employees, which consisted of 474 days of union leave totaling 3,715 hours. During our review, we noted the following:

- Union leave for one employee appears to be excessive. The employee charged 135 and 184 days of consecutive leave in 2018 and 2019, respectively (2,569 hours). Additionally, the letters submitted to justify the blocks of union leave were prepared and approved by the employee and did not include information required by contract or a supervisor's approval.

- Union leave forms were not on file for 18 out of 50 instances, totaling 120 days (874 hours).

- Six out of 12 instances in which approval from OLR was not on file for five employees totaled 19 days (152 hours).

- Union leave time for seven of 50 instances was coded incorrectly for two employees, totaling 19 days (143 hours). The leave time should have been coded to LUBLP, which requires OLR preapproval, but was coded to LUBEO. Approvals were not on file for two of the seven instances.

Context: During the audited period, 363 employees charged a total of 69,169 hours to union leave, totaling $2,314,663 in compensation. Of these hours, 68,438 (approximately 99%) were in full-day increments and totaled $2,230,470 in compensation.

Effect: The department does not maintain adequate support for employee leave for union business, and the potentially excessive use does not appear to reflect the intent of the collective bargaining agreements. Additionally, employees with continuous leave receive credit towards hazardous duty retirement while not working directly with inmates.

Cause: It appears that management does not adequately manage or monitor employee union leave.

Prior Audit Finding: This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 through 2017.

Recommendation: The Department of Correction should improve internal controls related to union leave to ensure time is necessary, properly approved, and documented in accordance with department and union guidelines. (See Recommendation 9.)

Agency Response: "The agency agrees with this finding. DOC human resources/labor relations staff continues to work closely with the agency and Office of Labor Relations for support and recommendations on the better management of the union business/release time processes. The agency continues to search for a balance between time management and respecting the rights and prerogatives of union leaders and their respective contract language. The agency has submitted several ideas for upcoming negotiations regarding the management of this leave time. Also, renewed emphasis will be placed on the education of supervisors on their role in the collaboration of leave time management, possibly introducing the subject through New Supervisor Orientation. The agency and its Human Resource and Labor Relations partners at DAS and OPM will continue to press for increased visibility and accountability from the union representatives while continuing to improve the overall relationship with our labor partners."

Lack of Employee Training

Criteria: The DOC Administrative Directive 2.7, Training and Staff Development, requires employees with direct contact with inmates to receive a minimum of 40 hours of in-service training annually. Employees with non-direct contact are required to complete a minimum of 16 hours of in-service training annually.

Condition: Our review of annual training disclosed that seven of ten direct contact employees reviewed did not complete the annual minimum training requirements for their positions. Four employees did not complete training requirements for one of the fiscal years, and three did not meet the training requirements for both fiscal years. Additionally, we were unable to determine whether training was adequate for four employees (three direct contact and one indirect) due to a lack of records for one of the fiscal years reviewed.

Context: There were 5,986 and 6,056 employees as of the fiscal years ended June 30, 2018 and 2019, respectively.

Effect: We are unable to determine whether training was adequate for four direct contact employees due to the lack of training records. Employees may not receive adequate required training for direct or indirect contact with inmates. This may delay their responsiveness to various situations.

Cause: The department does not have a unified system for tracking and monitoring employee training requirements.

Prior Audit Finding: This finding has been previously reported in three prior audit reports covering the fiscal years ended June 30, 2010 through 2013, and 2016 to 2017.

Recommendation: The Department of Correction should improve internal controls to ensure adequate monitoring and tracking of employee training and compliance with department and professional licensing requirements. (See Recommendation 10.)

Agency Response: "The agency agrees with this finding in part. In the fiscal years ending June 30, 2018 and 2019, each employee would have completed 8 hours of in-service training at the Maloney Center for Training and Staff Development (MCTSD). The additional 32 hours would be conducted at the facility level on the assigned training days. The facility organizer is responsible for completing an attendance roster, to include the topic covered. The roster and topic code is uploaded into SABA, which maintains the transcript for each employee. The accuracy of the SABA record is reliant on receipt of the training documents from each facility, which at times can be inconsistent.

Training transcripts can be requested by the employee or the facility to ensure compliance with the 40-hours requirement. All training rosters are uploaded and stored on a drive at MCTSD.

Moving forward, the Maloney Center for Training and Staff Development will be conducting 16 hours of in-service training, leaving the remainder to be completed by the facility."

Hiring and Promotions

Criteria: The DOC Administrative Directive 2.3, Employee Selection, Transfer and Promotion, requires that information on recruitment activities be logged on an application flow sheet. The department shall also maintain a candidate's packet, which documents information used in the recruitment and selection process.

The Department of Administrative Services (DAS) General Letter 226 provides guidance to state agencies concerning the documentation that is required when requesting a promotion by reclassification, as well as instructions for entering approvals in Core-CT.

Condition: We reviewed 15 new hires and promotions and noted the following:

- Required documentation was missing for 11 employees, including six new hires and five promotions by reclassification. Missing documentation included candidate packages for new hires and completed duties questionnaires, organizational charts, and justification for those promoted by reclassification.

- All seven promotions by reclassification became effective 35 to 48 business days before they were approved by DAS. Additionally, all were missing the required approval notes in Core-CT.

Context: During the audited period, there were 606 new hires and 499 promotions. We reviewed 15 employees, eight new hires and seven promotions.

Effect: DOC did not adequately document its hiring and promotions process in accordance with department and DAS guidelines. DOC did not promptly approve positions.

Cause: The lack of documentation to support the hiring and promotion process appears to be the result of management oversight.

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

Recommendation: The Department of Correction should strengthen internal controls to ensure the hiring and promotion process is adequately supported in accordance with DOC and Department of Administrative Services procedures. (See Recommendation 11.)

Agency Response: "The agency disagrees with this finding. While there is undoubtedly opportunity to continue to improve our staffing processes, all hires and promotions are documented as well as vetted with, and approved by the hiring manager, human resources and affirmative action.

Beginning in August 2020, the staffing processes were further enhanced by the addition of the DAS talent solutions organization. That organization will work with DOC and other in scope agencies to ensure that all staffing processes are being administered in a consistent and well documented manner.

The agency's Human Resources function is now part of the Department of Administrative Services and as such we will comply with the policies and practices at that agency."

Improper Use of Purchasing Cards

Criteria: The Department of Administrative Services' Purchasing Credit Card Use Policy and the DOC Procurement Card Manual outline the requirements for state purchasing cards. Those requirements include limiting use of the card to the person whose name appears on the card and maintaining adequate support for purchases.

Per the DAS Purchasing Card Cardholder Work Rules, each agency must assign a single transaction limit to each purchasing card, which cannot be changed by the cardholder. Transactions shall not be split to bypass the established limit. The rules also establish that purchases are tax exempt and detail what constitutes an unacceptable purchase.

Condition: We reviewed 101 purchases from five users totaling $16,311 and identified the following:

- Six purchases, totaling $2,459, were made by someone other than the cardholder, and we were unable to determine whether the cardholder made two purchases totaling $88.

- Two purchases with the same vendor, totaling $1,075, were split to avoid the single transaction limit of $1,000.

- Five purchases, totaling $1,624, did not have adequate documentation on file to determine if purchases were allowable, valid and reasonable. We also could not determine whether DOC paid tax on the purchases.

Context: Purchasing card expenditures totaled $1,758,985 and $1,964,776 for the fiscal years ended June 30, 2018 and 2019, respectively.

Effect: Lack of adherence to state and department policies and procedures increases the risk of improper purchases and abuse.

Cause: Controls and monitoring over the use of purchasing cards does not appear to be in accordance with DAS and DOC policies.

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

Recommendation: The Department of Correction should strengthen its internal controls over the use of purchasing cards to ensure compliance with state and department policies and procedures. (See Recommendation 12.)

Agency Response: “DOC agrees with this finding and will continue to work with purchase card holders on the proper use and procedures associated with their use. Card holders will also be reminded to contact DOC’s purchase card coordinator with any questions/concerns on specific transactions prior to their use.”

Lost, Disposed & Surplus Property

Criteria: Chapter 9 of the State Property Control Manual states that surplus or disposed items should remain on an agency’s inventory until final disposition. Once surplus vehicles are returned to DAS, the agency may remove them from its inventory records.

Condition: We reviewed 15 lost, disposed, and surplused items and noted the following:

- The department was unable to produce disposal authorization for one asset valued at $7,616.

- One vehicle, valued at $12,679, was removed from the department’s inventory five and a half months before DOC submitted the request for disposal and received DAS approval.

- Three assets, totaling $11,116, were removed from the department's inventory records one month to one year after receiving DAS approval of disposal or confirmation of auction.

Context: There were 1,070 assets removed from inventory, totaling $5,833,842 during the fiscal years ended June 30, 2018 and 2019.

Effect: Untimely or unauthorized removal of assets from inventory increases the risk of noncompliance with state policies, inaccurate inventory records, and decreased ability to properly safeguard assets.

Cause: The agency lacked adequate internal controls over the removal of surplus assets and did not adhere to the requirements in the State Property Control Manual.

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

Recommendation: The Department of Correction should strengthen its internal controls over surplus property to ensure that assets are promptly removed in accordance with the State Property Control Manual. (See Recommendation 13.)

Agency Response: "The agency agrees with this finding and that it needs to improve upon the timeliness of its asset disposal process. It is important to note that some of the assets referenced above were not removed from the agency's inventory because they had not yet been picked up from the DOC facility, despite funds being received from the on-line auction. Scheduling the pick-up of sold assets takes time due to the need to conduct background checks and staff availability, which can be impacted by facility operational needs or other safety and security priorities. The agency's Asset Management Team will develop a shared tracking spreadsheet in order to monitor surplus item statuses, including vehicle disposals, on a regular and consistent basis."

Lack of Software Inventory

Criteria: In accordance with Chapter 7 of the State Property Control Manual, state agencies must establish a software inventory to track and control all software media and licenses and must have an inventory record for all licensed, owned, and agency-developed software.

Condition: The department was unable to provide a software inventory for the audited period.

Effect: The lack of a software inventory reduces the department's ability to adequately monitor, control, and track software use and ownership.

Cause: The lack of a software inventory 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 2014 through 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure it maintains and reports software inventory records in accordance with the State Property Control Manual. (See Recommendation 14.)

Agency Response: "The agency agrees with this finding. DOC's Information Technology Division (IT) anticipated that work on the software inventory would be completed in fiscal year 2020, however it was suspended due to COVID 19 and the related technology priorities of the agency. Due to the ongoing pandemic, a new completion date has not yet been established. The software inventory project will continue to be evaluated periodically against agency priorities so that it can be completed."

Non-Compliance with Reporting Requirements

Criteria: The Department of Correction must comply with numerous reporting requirements set forth in various sections of the General Statutes and the department's administrative directives.

Condition: Our review of 45 legislatively required reports from the audited period disclosed that 25 reports were not submitted, five reports were submitted five to 39 days late, and submission dates for four reports could not be determined. Further details are as follows:

- DOC submitted the affirmative action plans required by Section 46a-68 of the General Statutes, due December 30, 2017 and 2018, 30 and 39 days late, respectively.

- DOC did not submit the annual reports regarding the list of its facilities concerning their use for incarceration required by Section 12-19a of the General Statutes, due August 1, 2017 and 2018.

- We were unable to determine whether DOC submitted the annual reports on physical restraint and seclusion required by Section 17a-22bb(g) of the General Statutes on time due to lack of report submittal information.

- DOC did not submit the annual reports of inmates in special circumstances high security status required by Section 18-10b(d) of the General Statutes, due January 2, 2018 and 2019.

- DOC did not submit the annual notifications on capacity and inmate population by facility required by Section 18-81j of the General Statutes, due November 1, 2017 and 2018.

- DOC did not submit the quarterly report for the eight quarters during the audited period documenting the number of inmate disciplinary reports, the number of inmate assaults on custodial staff, the number of inmate assaults on other inmates, the number of workers' compensation claims filed by the custodial staff, the average number of inmates, the average number of permanent beds, and the inmate population density required by Section 18-81t of the General Statutes. The report is due not later than 30 days after the close of each calendar quarter.

- DOC did not submit the annual reports on the development, implementation, and effectiveness of the risk assessment strategy developed for offenders committed to the custody of the department required by Section 18-81z of the General Statutes, due on January 1, 2018 and 2019.

- DOC did not submit the annual reports regarding the number of inmates determined to require mental health services, and a description of program services provided by the department and its contracted health services provider, required by Section 18-96a(d) of the General Statutes, due February 1, 2018 and 2019.

- Due to the lack of information for report submittal, we are unable to determine whether DOC submitted the annual report of aggregated and anonymized housing status data required by Section 18-96b(c) of the General Statutes, due on December 31, 2018.

- Due to the lack of information for report submittal, we are unable to determine whether DOC submitted the report regarding the use and oversight of all forms and phases of housing for inmates on restrictive housing status required by Section 18-96b(e) of the General Statutes, due January 1, 2019.

- DOC did not submit the annual reports on community correction activities required by Section 18-101i (b)(2) of the General Statutes, due December 31, 2017 and 2018.

- DOC did not submit the report including data on all persons under eighteen years of age who have been removed or excluded from education settings as a result of alleged behavior occurring in those educational settings, required by Section 46b-121n(o) of the General Statutes, due January 1, 2019.

- DOC did not submit the report that includes data on all rearrests and uses of confinements and restraints for youth in justice system custody, required by Section 46b-121n(p) of the General Statutes, due January 1, 2019.

- DOC did not submit the annual reports setting forth the number of persons subject to registration who are being electronically monitored while being supervised in the community by the agency and what, if any, additional resources are needed by the agency, required by Section 54-260a of the General Statutes, due January 15, 2018 and 2019.

- DOC did not submit the plan for assessing and addressing the individualized educational needs and deficiencies of children in the justice system and those reentering the community from public and private juvenile justice and correctional facilities, required by Section 14 of Public Act 16-147, due August 15, 2018.

- DOC submitted the department administrative reports required by Section 4-60 of the General Statutes, due September 1, 2018 and 2019, six and five days late, respectively.

- Due to the lack of information for report submittal, we are unable to determine whether DOC submitted a comprehensive plan for expanding the pilot methadone treatment program required by Section 6(4)(b) of Public Act 18-166, due January 15, 2019.

- DOC did not submit the report on the results of the pilot treatment program for methadone maintenance and other drug therapies at facilities required by Section 18-100j of the General Statutes, due July 1, 2019.

Context: During the audited period, we reviewed 26 of 42 reporting requirements.

Effect: Intended recipients of the reports may not have current information to make informed decisions regarding the department and its operations.

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 to 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure compliance with its statutory reporting requirements. (See Recommendation 15.)

Agency Response: "The agency agrees with this finding. The agency had drafted a tracking system to enhance the timeliness of reporting requirements and to ensure accurate record keeping when the pandemic shifted priorities which delayed our efforts. The agency is in the process of reassigning responsibilities to finalize the log and identifying an appropriate unit to maintain moving forward."

Lack of Public Safety & Advisory Committees

Criteria: Section 18-81h(a) of the General Statutes requires the Department of Correction to establish a public safety committee in each municipality in which a correctional facility is located. Each committee shall be composed of the warden or superintendent of the correctional facility and representatives appointed by the chief elected official of the municipality. Each committee shall meet not less than quarterly to review correctional safety and security issues that affect the host municipality.

Section 18-81bb(a) and (b) of the General Statutes requires the Department of Correction to establish an advisory committee in each municipality in which a correctional facility is located and in which a public safety committee has not been established pursuant to Section 18-81h. The committee shall be composed of the warden of the correctional facility and five members, appointed jointly by the members of the General Assembly who represent the municipality. The committee shall meet not less than quarterly to discuss the demographics of the facility's inmate population, policies and practices of the department, facility programming, and reentry initiatives.

Section 1-225 of the General Statutes requires the meeting schedules, agenda, and minutes of all public agencies and their committees to be posted on the public agency's website.

In accordance with Section 18-8h(b) of the General Statutes, on or before November 1st of each year, each public safety committee shall submit a report to the chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to public safety that outlines issues of concern in each municipality in which a correctional facility is located and makes recommendations to mitigate such concerns.

Condition: During the audited period, there were 11 municipalities with correctional facilities. We reviewed all 11 municipalities for the meeting minutes, schedules, and agendas, as well as the annual reports and noted the following:

- The department did not establish a public safety or advisory committee for seven municipalities, including Bridgeport, Brooklyn, Hartford, New Haven, Niantic, Suffield, and Uncasville, which host level 3 or 4 correctional facilities.

- Three of the four DOC public safety or advisory committees did not hold quarterly meetings in accordance with the General Statutes. Of the eight required meetings during the audited period, we noted noncompliance with the following municipalities:

  - Four meetings were not held for Cheshire. For two meetings held, the facility's lieutenant, not the warden, participated in the meeting.

  - One meeting was not held for Enfield.

  - Three meetings were not held for Somers.

- The department did not post public safety or advisory committee meeting schedules, agendas, or minutes on its website.

- The department did not submit annual reports for the public safety or advisory committees established for Cheshire, Enfield, and Somers. The Town of Newtown completed the 2019 annual report, but there is no evidence of when it was submitted to determine whether it was timely.

Context: During the audited period, correctional facilities were located in 11 municipalities.

Effect: Failure to comply with Sections 18-81h, 18-81bb, and 1-225 of the General Statutes increases the risk that correctional safety and security issues are not identified and appropriately addressed.

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 and 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure public safety and advisory committees are established and comply with Sections 18-81h or 18-81bb and 1-225 of the General Statutes. (See Recommendation 16.)

Agency Response: “The agency agrees with this finding. The department submitted a bill proposal last year that revised the statute to reflect current and historical engagement between correctional facility leadership and the municipalities associated with the Public Safety Committees. Due to the COVID-19 pandemic, the bill did not move forward. The Department of Correction has once again submitted language through House Bill #6463 which is pending approval through the legislative process.”

Lack of a Disaster Recovery Plan

Criteria: Sound business practices include having an updated information technology disaster recovery plan to ensure that agencies can respond to information system emergencies efficiently with minimal effect on essential business operations.

Condition: The department could not provide a disaster recovery plan detailing the strategies that it would put into effect if an emergency or disruption to normal business operations were to occur. DOC performed daily backups of its internal and off-site systems. However, the department did not have a formal document outlining the plan.

Effect: The department’s ability to react and recover from an emergency is diminished without an adequate plan in place that has been thoroughly reviewed and tested.

Cause: Other projects within the Information Technology Division took priority, which prevented the completion of the disaster recovery project.

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

Recommendation: The Department of Correction should develop and implement a disaster recovery plan to ensure timely response and minimal interruptions to its information technology systems and operations during emergencies. (See Recommendation 17.)

Agency Response: “The agency agrees with this finding. DOC’s Information Technology Division (IT) is working on an official document for Disaster Recovery Plan. This document will evolve in time as we are establishing a new Disaster Recovery site in Groton.

Work on the new Disaster Recovery site slowed down due to COVID 19 and other priorities of the agency.”

Lack of Cell Phone Oversight

Criteria:

Section 3-117(c) of the General Statutes states that the Commissioner of Administrative Services shall charge the appropriation of any state agency, without certification by such agency, for expenses incurred by such agency for basic telephone service. However, the agency shall certify that such services were provided to such agency not later than 30 days following notification of such charge.

The statewide telecommunications equipment policy states that it shall be the responsibility of the individual and the agency to verify the accuracy of the bill and confirm appropriate usage. Discrepancies or errors shall be promptly reported to the Department of Administrative Services' Bureau of Enterprise Systems and Technology (BEST).

According to chapter 3.10, section 11 of the department's directives and polices, each employee shall sign the monthly cell phone billing statement certifying that all charges are valid and were incurred in the course of conducting state business. The signed billing statement shall be returned to the Fiscal Services Unit within one (1) month of the report date.

Condition:

Our review of 2,125 billing statements from April and June 2019 identified the following conditions:

- Users did not approve 430 statements
- Supervisors did not approve 530 statements
- Users approved 395 statements late; 159 statements one to 30 days late, 122 statements 31 to 120 days late, and 114 statements 121 to 333 days late
- Supervisors approved 587 statements late; 269 statements 1 to 30 days late, 216 statements 31 to 120 days late, and 102 statements 121 to 319 days late

Context:

Expenditures for cellular communication services totaled $470,519 and $517,872 for the fiscal years ended June 30, 2018 and 2019, respectively. As of June 30, 2019, there were 711 cell phone users.

Effect:

The department did not comply with state and department policy and statutory telecommunications services requirements. Additionally, because the department did not verify cell phone charges, there is increased risk that waste and abuse will occur and go undetected.

Cause: There appears to be a lack of management oversight regarding cell phone monitoring.

Prior Audit Finding: This finding has been previously reported in the last three audit reports covering the fiscal years ended June 30, 2012 through 2017.

Recommendation: The Department of Correction should strengthen internal controls to ensure compliance with state statutes and telecommunication procedures for monitoring and verifying cell phone charges. (See Recommendation 18.)

Agency Response: "The agency agrees with the finding. DOC continues to make improvements and modifications to its electronic cell phone review/approval system. Users are sent an initial email indicating that their bill is available for review and a reminder email is sent out to any users and supervisors that have an outstanding bill as of the 23rd of each month. Once in the system, users are able to review the bill for accuracy and approval so that it can be routed to their supervisor/manager final approval. In addition to the work on the system, an agency-wide email is issued to reiterate state and department policy on the use and approval of state-issued cell phones and related bills. Cell phone monitoring continues to be impacted by the frequent amount of turnover from retirements, promotions, and re-assignments. An initiative to reroute bills affected by these types of issues is being implemented by the agency to improve management oversight of cell phone monitoring."

Inadequate Sales Documentation

Criteria: Correctional Enterprises of Connecticut (CEC) should maintain adequate documentation to support sales transactions to ensure state revenue is accounted for appropriately and accurately.

Condition: Our review of 15 CEC merchandise sales transactions identified five instances, totaling $298,712, in which documentation was not on file to support the department's calculation of the final sales price.

Context: During the audited period, the Correctional Enterprises merchandise sales totaled $15,083,492. We reviewed 15 invoices, totaling $682,639.

Effect: Inadequate sales documentation increases the risk that transactions are not accurately accounted for and reduces the assurance of consistent pricing practices.

Cause: The lack of detail in documenting the final sales prices 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 2016 to 2017.

Recommendation: The Department of Correction should implement consistent sales pricing practices and ensure that documentation is maintained to support Correctional Enterprises of Connecticut pricing. (See Recommendation 19.)

Agency Response: "The agency disagrees with the finding in part to the extent that a vast majority of the items sold by CEC are on state contract or priced through an MOU with DMV but the agency agrees that some job shop orders need further documentation including retention of competitive quotes and market pricing. For non-contract items, which is approximately 16% of sales, when calculating selling prices CEC obtains a bill of materials for costs of the raw materials and inmate labor and adds both the manufacturing and non-manufacturing overhead rates. The overhead rates vary significantly by shop and are updated frequently by the DOC Accounting Unit. CEC does have a procedure for calculating the particular multiplier used to calculate the selling price for goods from each shop in order to meet the statutory responsibility of remaining financially self-supporting. The data used to calculate the multiplier will be based on the end of fiscal year financials. The multiplier may change over the course of the year as overhead rates may change, and these changes will be noted. For consistency, the multiplier is used in most cases. However, there will be situations where the selling price must be lower or higher than calculated with the multiplier. These situations include competitive pricing, volume pricing, multi-year large projects, number of deliveries and pickups required, and ensuring that CEC is not under-cutting the market prices significantly as required by state statute. In addition, CEC must consider the budgets available for our state agency and municipality customers especially in bid circumstances. For situations such as these, if pricing out of the norm, it will be documented in the work order folder."

Special Projects Activity Fund Disbursements

Criteria: The Accounting Procedures Manual for Activity and Welfare Funds includes procedures for maintaining all activity and welfare funds operated by state agencies. Section IV. C. 4. Disbursement Procedures requires that all payments for goods and services be substantiated by vendor invoices or receipts from individuals. Payments should also be supported by a purchase order.

The Department of Correction's internal controls for cash disbursements require that the purchase requisitions be prepared by recreation supervisors or other authorized facility staff and approved by the warden or a designee. Requisitions are then forwarded to the

Purchasing Unit, which determines the appropriate vendor, prepares a purchase order, and submits it to the vendor.

Condition: We reviewed 20 disbursements, totaling $14,975. The department could not locate seven purchase orders and six approved purchase requisition forms for disbursements, totaling $1,846.

Context: During the fiscal years ended June 30, 2018 and 2019, there were 129 disbursements totaling $55,410 and 105 disbursements totaling $52,685, respectively.

Effect: There is less assurance that funds are being used and transacted properly in accordance with state accounting procedures.

Cause: Current internal controls did not appear to be effective.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended 2016 to 2017.

Recommendation: The Department of Correction should improve internal controls over activity fund disbursements to ensure that purchase orders and requisition forms are completed for cash disbursements in accordance with the Accounting Procedures Manual for Activity and Welfare Funds and the Department of Correction internal procedures. (See Recommendation 20.)

Agency Response: "The agency agrees with this finding and has taken appropriate steps to remedy the current ordering goods and services process for its Special Activity Fund, ensuring all orders received have a manual purchase order (PO).

We believe that the internal control is now appropriately maintained, secured, and effective. The Special Activity Fund is not in the CORE system. Payments made from the Special Activity are from a checking account set up expressly for the fund. The wardens at the facilities approve all special activity-related requisitions for any products or services needed for the inmates. The Purchasing Unit utilizes the requisition as the official document to place the order with the vendors. After receiving the goods, the Purchasing Unit sends the invoice, a receiving report, requisition, and or PO to the Accounting Unit for processing payment to the vendor. The Accounting Unit Supervisor reviews and approves all supporting documents for payment.

Corrective action has been taken by instructing the Purchasing Unit to create a manual PO for all Special Activity Fund orders. Moving forward, the Accounting Unit would not process any payments from the fund without a valid PO."

Inmate Trust Fund Unclaimed Accounts

Background: After determining that its process of notifying discharged inmates of their account balance via mail was unsuccessful and an ineffective use of state resources, DOC implemented a new initiative on December 1, 2018. The department began posting a list of inmate numbers associated with unclaimed accounts on its website. The department updated the list on the first of each month, and inmate numbers remained on the list for one year before the balances were transferred to the Correctional General Welfare Fund.

Criteria: In accordance with Administrative Directive 9.3, correctional staff complete a discharged planning checklist and transportation log to verify that the necessary procedures are finalized before an inmate is discharged. The checklist requires inmates to complete and sign a Request for Account Balance (RFAB) form indicating how the inmate's funds should be returned. The discharging facility forwards the completed RFAB form to Fiscal Services. Per Administrative Directive 3.7, upon receipt of the completed RFAB form, Fiscal Services processes the close-out of the account and issues a check.

If an inmate's account is not closed out upon discharge, Administrative Directive 3.7 requires the department to make a good faith effort to contact the discharged inmate.

Section 4-57a of the General Statutes and Administrative Directive 3.7 dictate that any funds in an inmate's account not claimed within one year from the date of discharge shall be forfeited by the inmate and transferred to the Correctional General Welfare Fund to be used for the benefit of inmates.

Condition: We reviewed 20 inactive accounts with balances totaling $13,742 and noted the following conditions:

- A RFAB form was not received by Fiscal Services for 18 inmate accounts with balances totaling $13,170

- As of February 3, 2020, five accounts totaling $7,250 for inmates who had been discharged for over a year were not removed from the agency's monthly Unclaimed Accounts Report

- The department did not transfer the account balances (totaling $10,207) to the Correctional General Welfare Fund for 16 inmates discharged for one year or more

Context: As of February 4, 2020, there were 28,103 inactive inmate accounts with a total balance of $1,024,614.

Effect: Discharged inmates are not receiving the funds to which they are entitled, and forfeited funds are not being transferred to the Correctional General Welfare Fund.

Cause: It appears that correctional employees do not always notify Fiscal Services of inmates who are being discharged so that funds can be returned after discharge. Additionally, Fiscal Services has not removed and transferred funds from unclaimed accounts in a timely manner.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended 2016 to 2017.

Recommendation: The Department of Correction should strengthen internal controls over the accounts of discharged inmates to ensure compliance with the department's administrative directives and Section 4-57a of the General Statutes. (See Recommendation 21.)

Auditee Response: "The agency agrees with this finding in part. As noted in the Background section, on December 1, 2018, after finding the process of notifying discharged inmates of their account balance via mailed letters was both unsuccessful and an ineffective use of state resources, the department implemented a new initiative where the department now posts a list of inmate numbers associated with unclaimed accounts onto the department website. When the process was first implemented, there were over 18,000 inmate accounts to review and close. Working from oldest to newest, we are currently down to fewer than 4,000 from the initial list. The plan is to be caught up by the end of the fiscal year, June 30, 2021. The accounts need to be posted for one year prior to closure, so there will always be a balance of inactive accounts. After the catch-up process is complete, Inmate Accounts will continue to purge all applicable accounts on a monthly basis."

Lack of Documentation for Inmate Payroll

Criteria: Section 11-8b of the General Statutes requires that public records shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules and regulations adopted by the State Library Board. Such public records shall be delivered by outgoing offices and employees to their successors and shall not be otherwise removed, transferred, or unlawfully destroyed.

The State Agencies' Records Retention Schedule for Inmate Payroll Records, DOC-01-016, requires inmate payroll records be kept for three years from the fiscal year end or until audited, whichever is later.

Condition: For the fiscal years ended June 30, 2018 and 2019, we reviewed 20 inmate compensation records, totaling $401, and noted the following exception:

- Seven inmate compensation records, from two correctional institutions, were missing the inmates' attendance records. More specifically,
  - Cheshire Correctional Institution was unable to provide inmate attendance records for two inmates for the month of July 2017 and one inmate from June 2018.
  - MacDougall-Walker Correctional Institution was unable to provide inmate attendance records for two inmates for the month of July 2017 and two inmates from June 2018.

Context: During the audited period, there were 3,667 and 3,534 inmate workers, with payroll costs totaling $1,306,705 and $1,290,502, respectively.

Effect: The lack of supporting documentation increases the risk that inmate wages could be fraudulent or erroneous.

Cause: The missing documentation appears to be the result of a lack of proper documentation retention and management oversight.

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

Recommendation: The Department of Correction should institute procedures to ensure that all inmate records kept at correctional facilities are retained in accordance with the State Agencies' Records Retention/Disposition Schedule. (See Recommendation 22.)

Auditee Response: "The agency agrees with this finding. MacDougall-Walker Correctional Institution now maintains two binders one in each building to maintain the bi-weekly pay sheets. Effective April 1st, 2021, all inmate payroll and pertinent paperwork related to inmate payroll at Cheshire Correctional Institute will be filed and kept in the office of the Counselor handling inmate payroll. Every six months these files will be archived in East Block basement, specifically marked for inmate payroll for easy access, this is where all CCI's archives are kept.

The agency will work to ensure that the improvements made at these two facilities will be replicated as necessary and appropriate at all of its other facilities."

Lack of Accountability of Parole Officers

Criteria: The department's Field Operations Manual provides guidelines for the Parole and Community Services Division, including policies and procedures over the use of state-owned vehicles, employee accountability, and the earning of compensatory time.

Parole Officers must travel statewide, often working from satellite locations. They must account for each day's activities via an accountability log, which is approved by the parole manager and filed with the employee's time and attendance sheet.

Condition: We selected ten parole officers and reviewed two months of activity for each, including their employee accountability logs, state-owned motor vehicle monthly usage reports, and compensatory time approvals. Our review identified the following:

- The parole officers did not properly complete 17 of 20 motor vehicle usage reports; 14 reports lacked a submission date or were not submitted on time, 14 reports were not properly certified by the employee, and 15 reports were not properly approved by the supervisors.

- The parole officers did not properly complete 15 of 20 accountability logs documenting daily activity for eight employees; two accountability logs were not on file for one employee and 13 accountability logs were not completed correctly for seven employees. The records lacked supervisory approval and time-worked details, or hours recorded on the log did not agree with the timesheet.

- Proper documentation was not on file for 149 hours of compensatory time earned for six of ten employees. The compensatory time authorization form was not on file for one employee earning 18 hours of compensatory time, and the form was not completed correctly for five employees earning 131 hours of compensatory time. The records lacked employee and supervisory approval, or hours recorded on the authorization form did not agree with the timesheet.

Context: During the audited period, there were 131 parole officers with state-owned vehicles.

Effect: There is an increased risk of abuse of state time and resources.

Cause: The missing and incomplete documentation supporting state-owned vehicles, employee accountability, and compensatory time earned appears to be due to a lack of proper supervisory review.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 to 2017.

Recommendation: The Department of Correction should strengthen internal controls over state-owned vehicles, employee accountability logs, and parole officer compensatory time to ensure the proper use of state time and resources. (See Recommendation 23.)

Auditee Response: "The agency agrees with this finding.

With regard to mileage sheets: mileage sheets are submitted monthly in an electronic format by parole officers to the supervisor for approval. Supervisors review and indicate "approved" before forwarding to DOC Motorpool via e-mail. This process eliminates the need for an actual signature on the form. Parole officers then enter mileage information into the FleetWave reporting system. Corrective action will be taken to achieve policy compliance through an increased focus on supervisory review, training, and auditing.

With regard to Accountability Logs and Compensatory Time Authorization forms: All discretionary compensatory time and overtime is pre-approved by the Director's Office and closely monitored. Non-discretionary compensatory and overtime is earned in accordance with collective bargaining agreements. Accountability Logs and Compensatory Time Authorization forms are completed on a bi-weekly basis and submitted electronically by the parole officer to the supervisor. Corrective action will be taken to achieve policy compliance through an increased focus on supervisory review, training, and auditing."

Untimely Administration of Inmate Medications

Background: In July 2018, inmate healthcare transitioned from the UConn Health Center Correctional Managed Health Care (UCHC/CMHC) to the Department of Correction. In September 2019, the department contracted with a pharmaceutical vendor to provide prescription services for inmates within the facilities. DOC also began utilizing an electronic medication administration records system (eMAR) to assist with the distribution of medication within the facilities. The system allows each facility to customize its medication distribution times to better suit its needs. The administration of medication is recorded by scanning the inmate's identification card and the medication dispensed.

Criteria: The Department of Correction Health Services Unit (HSU) Policy D 2.19 – Medication Administration/Distribution, requires that scheduled medications shall be administered within one hour before or after the facility scheduled distribution times. HSU Policy D 2.19 C – Medication Variances, states that nursing staff shall administer medication in a timely manner, in accordance with the prescribing practitioner. The policy also defines the types of medication variances that can occur, including the wrong-time variance which is defined as "administration of a dose of drug greater than 1 hour before or after the facility med-line time/scheduled administration time." Medication variances are to be managed in the facilities and reported immediately by the nurse who makes or discovers the variance. A Medication Variance Report (Form HR 714) should be completed by the reporting nurse, reviewed by the supervising nurse, and emailed to the Health Services Medication Reports inbox, where it is recorded on a variance log and sent to the director of nursing for review.

Condition: We reviewed the administration of medication for ten inmates during November of 2020, which included 837 administrations. Of those reviewed, we noted the following:

- A total of 114, or 14%, were administered between 11 minutes and 1 hour and 15 minutes early

- A total of 125, or 15%, were administered between 11 minutes and 12 hours late; 78% of the late administrations were between 11 minutes and 1 hour late, 21% were over one hour late, and 2% were over 12 hours late

- A total of 29, or 3%, did not have a time recorded at all, and were noted as pending

Medication variance reports were not on file for any of the instances noted above. We further noted that the eMar system does not have the ability to provide a report summarizing the start and end time for each timed administration of medication.

Effect: Medications were not administered timely, and variances were not reported in accordance with established department policies. Additionally, reporting limitations of the eMar system hinder the department's ability to adequately monitor the duration of each medication administration.

Cause: Staff indicated that late administration of medications could be due to various codes within the facilities, lockdowns, facility scheduling issues, and changes in the way they are administered due to the pandemic. The department does not maintain documentation to justify the variances, and there currently are no monitoring activities or policies to ensure delays are appropriately reported and resolved.

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

Recommendation: The Department of Correction should strengthen internal controls to ensure medication is administered and monitored in accordance with agency policies. (See Recommendation 24.)

Auditee Response: "The agency agrees with this finding. The Department of Correction will strengthen internal controls to ensure medications are administered and monitored in accordance with agency policies by:

- Reinstituting quarterly pharmacy audits by pharmacy vendor, starting May 2021 (this was suspended due to the pandemic);
- Reinstituting monthly pharmacy audits by nursing, starting May 2021;
- Identifying a nurse pharmacy companion at each facility, starting April 2021;
- Reviewing and updating medication variance policy and procedures, starting April 2021;
- Reviewing and updating medication policy and procedures with development of clinical guidelines as applicable, starting April 2021; and
- Conducting statewide continuing education surrounding medication practices, starting May 2021."

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior audit report on the Department of Correction contained 19 recommendations. Four have been implemented or otherwise resolved and 15 have been repeated or restated with modifications during the current audit.

- The Department of Correction should strengthen internal controls to ensure that annual service ratings are completed timely in accordance with state regulations and department directives. **We continued to note that annual service ratings were missing; therefore, this recommendation will be repeated. (See Recommendation 8.)**

- The Department of Correction should strengthen internal controls to ensure proper authorization is received prior to employees earning compensatory time. **During our current review of compensatory time, we noted missing and untimely approvals, as well as errors with employee compensation plans; therefore, this recommendation will be modified and repeated. (See Recommendation 1.)**

- The Department of Correction should implement procedures to ensure that leave payments at termination are accurate and adequately supported. **We did not note any issues regarding employee leave payments; therefore, this recommendation will not be repeated.**

- The Department of Correction should strengthen internal controls over the review and approval of timesheets to reduce the risk of errors and potential overpayments. **Our review of attendance records revealed errors in the coding of holiday time; therefore, this recommendation will be modified and repeated. (See Recommendation 5.)**

- The Department of Correction should improve internal controls to ensure adequate monitoring and tracking of employee training and compliance with department and professional licensing requirements. **Training records were not available, and employees did not meet training requirements during the current review; therefore, this recommendation will be repeated. (See Recommendation 10.)**

- The Department of Correction should maintain overtime records as required by the bargaining contract, and automated systems should accurately reflect manual records to ensure overtime is adequately documented and monitored. **We continued to note issues with overtime documentation as well as overtime earned by ineligible employees; therefore, this recommendation will be modified and repeated. (See Recommendation 6.)**

- The Department of Correction should strengthen internal controls to ensure that medical leave is administered in accordance with FMLA guidelines. **Documentation to support medical leave was either missing or incomplete; therefore, this recommendation will be repeated. (See Recommendation 3.)**

- The Department of Correction should improve internal controls related to union leave to ensure time is necessary, properly approved, and documented in accordance with department and union guidelines. **We continued to note excessive and unsupported union leave; therefore, this recommendation will be repeated. (See Recommendation 9.)**

- The Department of Correction should strengthen internal controls to ensure that purchase orders are issued in accordance with Section 4-98 of the General Statutes. **We did not note any issues with the issuance of purchase orders for General Fund disbursements; therefore, this recommendation will not be repeated.**

- The Department of Correction should comply with the Office of Policy and Management procurement standards for personal services agreements and purchase of service contracts, which require completion of a contractor evaluation within 60 days of the end of the contract term and completion of Form CT-HR-10 when a PSA contractor is a current state employee. **We noted improvement in the required contract documentation; therefore, this recommendation will not be repeated.**

- The Department of Correction should strengthen internal controls to ensure that it maintains and reports software inventory records in accordance with the State Property Control Manual. **The department still does not maintain a software inventory; therefore, this recommendation will be repeated. (See Recommendation 14.)**

- The Department of Correction should strengthen internal controls to ensure compliance with state statutes and telecommunication procedures for monitoring and verifying cell phone charges. **We continued to note issues with the monitoring of cell phones; therefore, this recommendation will be repeated. (See Recommendation 18.)**

- The Department of Correction should strengthen internal controls to ensure compliance with reporting requirements. **We continued to note numerous issues regarding the lack of required reports; therefore, this recommendation will be repeated. (See Recommendation 15.)**

- The Department of Correction should strengthen internal controls to ensure public safety committees comply with Sections 18-81h and 1-225 of the General Statutes. **The department did not establish committees in various towns, did not hold meetings as required, did not post meeting information online, and annual reports were not filed for some locations; therefore, this recommendation will be repeated. (See Recommendation 16.)**

- The Department of Correction should implement consistent sales pricing practices and ensure that documentation is maintained to support Correctional Enterprises of Connecticut sales pricing. **We continued to note a lack of documentation to support sales prices; therefore, this recommendation will be repeated. (See Recommendation 19.)**

- The Department of Correction should improve its internal controls over activity fund disbursements and ensure that purchase orders are completed for cash disbursements in accordance with the Accounting Procedures Manual for Activity and Welfare Funds. **During our current review, we noted continued issues with missing purchase requisitions and purchase orders; therefore, this recommendation will be repeated. (See Recommendation 20.)**

- The Department of Correction should improve its internal controls over the bank reconciliation process by ensuring that reconciliations are reviewed. The supervisory review of the bank reconciliation process should be formally documented. **The department took corrective action regarding the reconciliation process; therefore, our prior audit recommendation will not be repeated.**

- The Department of Correction should strengthen internal controls over the accounts of discharged inmates to ensure compliance with the department's administrative directives and Section 4-57a of the General Statutes. **We continued to note issues with inmate accounts; therefore, this recommendation will be repeated. (See Recommendation 21.)**

- The Department of Correction should strengthen internal controls over state-owned vehicles, employee accountability logs, and parole officer compensatory time to ensure the proper use of state time and resources. **There were continued issues regarding the documentation related to parole officers; therefore, our recommendation will be repeated. (See Recommendation 23.)**

Current Audit Recommendations:

1. **The Department of Correction should strengthen internal controls to ensure that proper authorization is obtained prior to the earning of compensatory time, time earned is accurately coded, and compensatory time plans comply with bargaining unit contracts and stipulated agreements.**

   Comment:

   Compensatory time request and approval forms were not on file or were not properly approved for five employees. Additionally, we noted that three exempt employees earned both compensatory time and overtime, and compensatory time plans in Core-CT were incorrect for five employees.

2. **The Department of Correction should strengthen internal controls over workers' compensation claims processing to ensure information is accurately recorded and payments are reconciled and correct.**

   Comment:

   Workers' Compensation claim information was not accurately recorded in Core-CT for four employees, the average weekly wage was not calculated correctly for three claims, and discrepancies in indemnity payments for three claims resulted in $2,126 in underpayments.

3. **The Department of Correction should strengthen internal controls to ensure that medical leave is administered in accordance with collective bargaining agreements and Family and Medical Leave Act guidelines.**

   Comment:

   We reviewed 15 medical leaves of absence, ten FMLA and five non-FMLA, and noted that no files were available for eight medical leaves, including three FMLA and five non-FMLA; required FMLA documentation was missing for all seven FMLA files reviewed; FMLA forms for three employees were not properly completed; and one employee's attendance was miscoded.

4. **The Department of Correction should develop and implement a process to ensure compliance with the dual employment provisions of Section 5-208a of the General Statutes and DAS procedures.**

   Comment:

   Dual employment forms were not on file for seven of ten employees reviewed.

5. **The Department of Correction should strengthen internal controls over the review and approval of timesheets to reduce the risk of errors and potential overpayments.**

   Comment:

   The department incorrectly coded 140 hours of holiday time for ten employees.

6. **The Department of Correction should maintain overtime records as required by the bargaining contract, and automated systems should accurately reflect manual records to ensure overtime is adequately documented and monitored.**

   Comment:

   Overtime documentation was either not on file or was incomplete for the ten dates reviewed in five facilities and two dates in the inmate care unit.

7. **The Department of Correction should strengthen internal controls to ensure that use of the Leave in Lieu of Accrual time reporting code is monitored and promptly adjusted in accordance with Core-CT procedures.**

   Comment:

   LILA coding for seven of ten employees, totaling 129 hours, was not promptly adjusted. DOC adjusted the leave accruals between 387 and 574 days after the time they were initially reported.

8. **The Department of Correction should strengthen internal controls to ensure that annual service ratings are completed timely in accordance with state regulations and department directives.**

   Comment:

   Annual service ratings were missing for six of ten employees reviewed. Additionally, all six employees received annual increases without the proper documentation on file.

9. **The Department of Correction should improve internal controls related to union leave to ensure time is necessary, properly approved, and documented in accordance with department and union guidelines.**

   Comment:

   Documentation to support union leave was incomplete, not on file, lacked proper approval, or was coded incorrectly. Additionally, the number of hours charged for one employee appears to be excessive.

10. **The Department of Correction should improve internal controls to ensure adequate monitoring and tracking of employee training and compliance with department and professional licensing requirements.**

    Comment:

    Annual training requirements were not met for seven of ten direct contact employees reviewed. Additionally, documentation for four employees was not on file for one of the two fiscal years reviewed.

11. **The Department of Correction should strengthen internal controls to ensure the hiring and promotion process is adequately supported in accordance with DOC and Department of Administrative Services procedures.**

    Comment:

    Required documentation to support new hires and promotions was missing for 11 of 15 employees reviewed. We also noted that seven promotions by reclassifications were effective 35 to 48 days before being approved by the Department of Administrative Services.

12. **The Department of Correction should strengthen its internal controls over the use of purchasing cards to ensure compliance with state and department policies and procedures.**

    Comment:

    During our review of 101 purchasing card transactions from five cardholders, we noted that transactions were made by someone other than the cardholder, purchases were split to avoid the single transaction limit, and adequate documentation was not on file.

13. **The Department of Correction should strengthen its internal controls over surplus property to ensure that assets are promptly removed in accordance with the State Property Control Manual.**

    Comment:

    Documentation to support one disposal was not on file, and assets were not promptly removed from the department’s inventory.

14. **The Department of Correction should strengthen internal controls to ensure it maintains and reports software inventory records in accordance with the State Property Control Manual.**

    Comment:

    The department did not have a software inventory on file for the audited period.

15. **The Department of Correction should strengthen internal controls to ensure compliance with its statutory reporting requirements.**

    Comment:

    We reviewed 45 reporting requirements and noted that 25 reports were not submitted, five were submitted between five to 39 days late, and submission dates of four reports could not be determined.

16. **The Department of Correction should strengthen internal controls to ensure public safety and advisory committees are established and comply with Sections 18-81h or 18-81bb and 1-225 of the General Statutes.**

    Comment:

    From our review of 11 municipalities in which public safety committees were required, we noted that a committee was not established for seven municipalities; three out of four committees did not hold required quarterly meetings; meeting schedules, agendas, and minutes were not posted on committee websites; and annual reports were not submitted.

17. **The Department of Correction should develop and implement a disaster recovery plan to ensure timely response and minimal interruptions to its information technology systems and operations during emergencies.**

    Comment:

    The agency did not have a required information technology disaster recovery plan on file.

18. **The Department of Correction should strengthen internal controls to ensure compliance with state statutes and telecommunication procedures for monitoring and verifying cell phone charges.**

    Comment:

    Our review of cell phone billing statements revealed that users and supervisors did not approve statements or did not approve them on time.

19. **The Department of Correction should implement consistent sales pricing practices and ensure that documentation is maintained to support Correctional Enterprises of Connecticut pricing.**

    Comment:

    Documentation for five of 15 Correctional Enterprises of Connecticut merchandise sales was not on file to support the calculation of the final sales price.

20. **The Department of Correction should improve internal controls over activity fund disbursements to ensure that purchase orders and requisition forms are completed for cash disbursements in accordance with the Accounting Procedures Manual for Activity and Welfare Funds and the Department of Correction internal procedures.**

    Comment:

    The department could not locate documentation to support seven of 20 activity fund disbursements, totaling $1,846.

21. **The Department of Correction should strengthen internal controls over the accounts of discharged inmates to ensure compliance with the department's administrative directives and Section 4-57a of the General Statutes.**

    Comment:

    We reviewed 20 inactive inmate accounts and noted that the Request for Account Balance forms were not on file for 18 inmates, accounts for five inmates who had been discharged for over a year were not removed from the Unclaimed Accounts Report, and 16 inmates' account balances were not transferred to the General Welfare Fund.

22. **The Department of Correction should institute procedures to ensure that all inmate records kept at correctional facilities are retained in accordance with the State Agencies' Records Retention/Disposition Schedule.**

    Comment:

    Our review of compensation records for 20 inmate workers noted that attendance records were missing for seven inmates.

23. The Department of Correction should strengthen internal controls over state-owned vehicles, employee accountability logs, and parole officer compensatory time to ensure the proper use of state time and resources.

Comment:

We reviewed motor vehicle usage reports, accountability logs, and compensatory time documentation for ten parole officers for a two-month period. We noted that 17 of 20 motor vehicle usage reports and 15 of 20 accountability logs were not properly completed. Additionally, the department did not have proper support for 149 hours of compensatory time earned by six of ten employees on file.

24. The Department of Correction should strengthen internal controls to ensure medication is administered and monitored in accordance with agency policies.

Comment:

We reviewed 837 administrations of medication for ten inmates and noted 114 were administered early, 123 were administered late, and 29 lacked a time recording and were noted as pending.

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 Correction during the course of our examination.

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

Rebecca Balkun
Xiaofeng Chen
Valerie Davis
Jessica Longobardi
Morgan Murphy

Rebecca M. Balkun
Principal Auditor

Approved:

John C. Geragosian
State Auditor

Clark J. Chapin
State Auditor