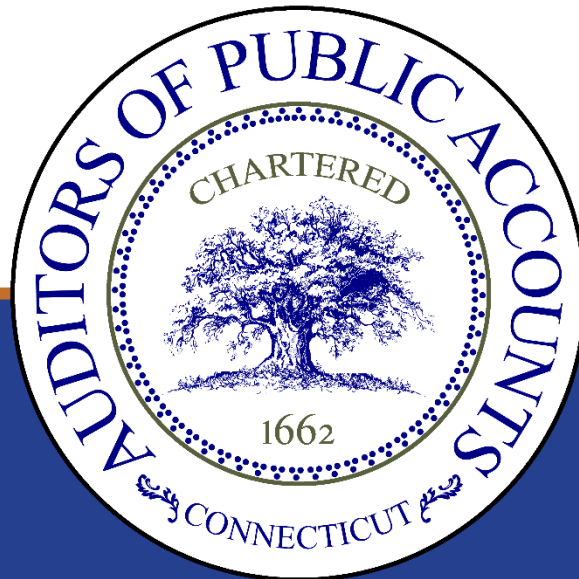


AUDITORS' REPORT

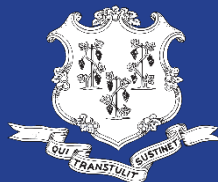
Board of Regents for Higher Education Connecticut State University System Office

FISCAL YEARS ENDED JUNE 30, 2021, 2022, AND 2023



STATE OF CONNECTICUT
Auditors of Public Accounts

JOHN C. GERAGOSIAN
State Auditor



CRAIG A. MINER
State Auditor

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STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

CRAIG A. MINER

August 27, 2025

INTRODUCTION

We are pleased to submit this audit of the Board of Regents for Higher Education Connecticut State University System Office for the fiscal years ended June 30, 2021, 2022, and 2023 in accordance with the provisions of Section 2-90 of the Connecticut General Statutes. Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, or policies; and a need for improvement in practices and procedures that warrant management's attention.

The Auditors of Public Accounts wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Board of Regents for Higher Education Connecticut State University System Office during the course of our examination.

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

Lisa Drzewiecki
Jason Grauer
Jack Soto

John Harrison
Austin Holden

A handwritten signature in black ink that reads "John Harrison".

John Harrison
Principal Auditor

Approved:

A handwritten signature in black ink, appearing to be "John C. Geragosian".

John C. Geragosian
State Auditor

A handwritten signature in black ink that reads "Craig A. Miner".

Craig A. Miner
State Auditor

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Board of Regents for Higher Education Connecticut State University System Office disclosed the following six recommendations, of which four were repeated from the previous audit.

Finding 1

Inadequate Management of Emergency Response System Project

Background

The Board of Regents for Higher Education System Office used a state vendor contract to provide information technology equipment and capabilities that allow state and local police to connect with state university and college security camera feeds and communications devices (e.g., walkie-talkies) during an emergency. In June 2018, the system office entered an agreement with the vendor in to install equipment at the 12 community colleges, four state universities, Charter Oak State College, system office, 19 local police stations, and 13 state police barracks.

Criteria

Proper management of emergency response systems and equipment includes training employees on the use of the equipment and performing drills to ensure the system works effectively.

A memorandum of understanding (MOU) is an agreement clarifying each party's role when undertaking projects of mutual interest. Strong internal controls dictate that an MOU should be in place when state-owned assets are housed off state property.

The Connecticut State Colleges and Universities Capital and Controllable Asset Manual requires all capital and controllable assets to be assigned a unique identification number and tagged with a fixed barcode.

Condition

The system office did not execute memorandums of understanding with the local and state police departments that received the system office's equipment. As a result, the parties did not address critical concerns, including project terms and objectives, each party's responsibilities, equipment maintenance and terms of usage, and key contacts.

Furthermore, we noted numerous inaccuracies between the information in the system, the physical assets, and supporting documentation. These inaccuracies included:

- Six assets were not properly tagged with a system office barcode. Assets were located offsite in the custody of other state agencies or police departments.
- One asset a police department never received was assigned a tag number and is listed as active on the inventory report.
- One asset received by a police department has been in an unopened box since delivery in 2018.
- Four instances in which the system office did not enter serial numbers in the inventory system or serial numbers in the system did not match the assets or supporting documents.
- One asset was reported to be at a police department but was located at a community college in the same town.

Context

The system office paid approximately \$2.7 million for this equipment. We judgmentally selected seven of 48 assets for review.

Effect

In the event of an emergency, police may not be able to establish a connection with college and university security camera feeds and communications equipment.

Incomplete inventory records increase the risk of undetected losses or theft of state equipment.

Cause

The system office is not properly managing the project and sometimes failed to ensure the assets were properly utilized and inventoried.

Prior Audit Finding

This finding has been previously reported in the last audit report covering the fiscal years 2019 through 2020.

Recommendation

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

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

Agency Response

"Management agrees with this finding. CSCU will continue to work with our vendor to ensure that their training requirements under the contract are carried out. Reductions in fixed asset staff contributed to the physical inventory findings. There is now a Fixed Asset Team in place for CSCU System Office whose duties include physical inventory. This Fixed Asset Team will ensure that these assets are properly captured in our inventory."

Finding 2**Consolidation of Purchasing Process****Criteria**

Section 10a-89e of the General Statutes requires the Board of Trustees for the Connecticut State University system to consolidate the university system's purchasing process at the system office. This went into effect on July 1, 1998.

Condition

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

Context

The state universities had \$213,315,430, \$253,199,248, and \$224,109,251 of expenditures that were not payroll, depreciation, or amortization related in fiscal years 2021, 2022, and 2023, respectively.

Effect

The system office did not comply with the requirements of Section 10a-89e of the General Statutes. Furthermore, the system office did not realize cost savings associated with consolidating the purchasing process.

Cause

The system office informed us that the consolidation of the purchasing process is progressing. The delay appears to be caused by the complexity of the project and competing priorities.

Prior Audit Finding

This finding has previously been reported in the last ten audit reports covering the fiscal years 2000 through 2020.

Recommendation

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

Agency Response

"Management agrees with this finding. The consolidation of purchasing processes is expanding with more procedures being centralized."

Finding 3**Reconciliation of Bank Accounts****Criteria**

It is good business practice to perform monthly bank account reconciliations. The system office should promptly perform reconciliations after the end of each month.

Condition

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

Context

The average ending balance for the four account types over the five months we reviewed was \$1,106,827, \$26,879,217, \$79,000,213, and \$37,111,403, respectfully. For our review, we randomly selected five months of reconciliations from fiscal year 2023 for all four accounts.

Effect

The lack of timely reconciliations increases the likelihood that accounting errors and irregularities may go undetected.

Cause

Lack of staffing and competing priorities caused the monthly reconciliation delays.

Prior Audit Finding

This finding has previously been reported in the last three audit reports covering the fiscal years 2014 through 2020.

Recommendation

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

Agency Response

"Management agrees with this finding. The Connecticut State University System Office has taken steps to ensure bank reconciliations are done timely. The reconciliations have been distributed between two employees instead of being primarily one person's responsibility, which will diminish the impact of other priorities when they arise."

Finding 4

Dual Employment

Criteria

Section 5-208a of the General Statutes bars state employees from holding multiple job assignments within the same state agency unless the appointing authority of such agency certifies that:

- The duties performed are not in conflict with the employee's primary responsibilities to the agency.
- The hours worked on each assignment are documented and reviewed to preclude duplicate payment.
- There is no conflict of interest between the services performed.

The Department of Administrative Services requires the agency head and employee to sign Form CT-HR-25 before the dual employment begins.

Condition

Our review of 13 dual employment forms related to four employees disclosed that eight forms were not completed, and four were approved after the beginning of the secondary arrangement.

Context

We selected all four employees with dual employment arrangements during the audited period.

Effect

The colleges and employees cannot be certain they agreed to the same terms when they do not have properly approved dual employment agreements prior to the start of these services. In addition, the system office may not have sufficiently considered the employee's duties, the potential for duplicate payments, and conflicts of interest.

Cause

Internal controls did not ensure the prompt review and approval of dual employment agreements.

Prior Audit Finding

This finding has previously been reported in the last two audit reports covering the fiscal years 2016 through 2020.

Recommendation

The Board of Regents for Higher Education should improve its compliance with dual employment requirements, policies, and procedures. The system office should properly complete and maintain dual employment agreements.

Agency Response

"Management agrees with this finding. CSCU HR shared services is undertaking a systemwide effort to confirm proper documentation in cases of dual employment."

Finding 5**Annual Physical Inventory****Criteria**

The State of Connecticut Property Control Manual requires each agency to conduct a complete physical inventory of all property by the end of the fiscal year to ensure accurate property control records.

Condition

Our review of the Connecticut State University System Office's physical inventory and physical inspection of assets disclosed the following:

- The system office failed to list a cost for 290 of the 557 assets in its physical inventory report.
- The system office did not physically inventory 208 of 557 assets during fiscal year 2023. We noted that 160 of the 208 assets did not have a previous inventory date recorded and may have never been physically inventoried.
- Five of 20 assets physically inspected were not in use. These assets were deemed obsolete but were not properly removed from the active physical inventory.

Context

The system office's physical inventory report consisted of 557 capital assets, totaling \$3,093,005. The CO-59 equipment line item totaled \$17,863,460 as of June 30, 2023.

We reviewed the entire physical inventory report for the inclusion of relevant data, which included cost and inventory date. We judgmentally selected 20 assets, totaling \$498,159, from the physical inventory report for physical inspection.

Effect

When agencies do not promptly conduct physical inventories, there is an increased risk of inaccurate reporting and loss of state property.

Cause

The system office faced a reduction in fixed asset staff. A new information technology infrastructure initiative took precedence over completing a full annual inventory.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

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

Agency Response

"Management agrees with this finding. Reductions in fixed asset staff contributed to the physical inventory findings. There is now a Fixed Asset Team in place for CSCU System Office whose duties include physical inventory. This Fixed Asset Team will be responsible for complying with State physical inventory requirements."

Finding 6**Reconciliation of Asset Management Systems****Background**

The system office uses Banner, an enterprise administrative information system, to maintain its accounting records. It also uses a separate eQuip Asset Management System to track its capital assets. The information from the eQuip system is imported into Banner for financial reporting.

Criteria

The system office's internal policy requires it to perform a quarterly reconciliation of its capital and controllable asset records between the eQuip Asset Management system and Banner. The system office should investigate and correct any unreconciled assets. The reconciliation should be signed and dated to document the performance of the review.

Condition

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

Context

As of June 30, 2023, there were 557 assets noted in the eQuip Asset Management System and 694 assets in Banner. The fiscal year 2023 annual reconciliation noted 153 assets in eQuip that were not in Banner and 290 assets in Banner that were not in eQuip.

Effect

The lack of a quarterly reconciliations between the two systems increases the risk of loss or theft going undetected. In addition, the system office did not fully comply within its policies.

Cause

The system office faced a reduction in fixed asset staff. Therefore, it performed annual instead of quarterly reconciliations. The system office is conducting a clean-up process regarding the asset discrepancies in the two systems.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

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

Agency Response

"Management agrees with this finding. During the audit period, 2 staff experienced with eQuip left the Fixed Asset area. New staff needed to be hired and needed to learn eQuip. Towards the end of the audit period 2 new accountants were hired for Fixed Asset work and other staff has also been assigned some Fixed Asset responsibilities to have the needed resources dedicated to fixed asset management and accounting."

STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on the Board of Regents for Higher Education Connecticut State University System Office contained six recommendations. Two have been implemented or otherwise resolved and four have been repeated or restated with modifications during the current audit.

Prior Recommendation	Current Status
The Board of Regents for Higher Education should properly manage its emergency response project to ensure the appropriate training of employees on the use of related information technology equipment. The system office should also have memorandums of understanding with all stakeholders addressing project terms and objectives, each party's responsibilities, equipment maintenance and terms of usage, key contacts, and other important information. The system office should also ensure that it conducts a required physical inventory in accordance with 4-36 of the General Statutes and properly tags this equipment per its Capital and Controllable Asset Manual.	REPEATED Modified Form Recommendation 1
The Board of Regents for Higher Education should accelerate its efforts to comply with Section 10a-89e of the General Statutes, which requires consolidation of the purchasing process at the system office.	REPEATED Recommendation 2
The Board of Regents for Higher Education should set the New England Board of Higher Education tuition rates for part-time students in accordance with sections 10a-27 and 10a-67 of the General Statutes.	RESOLVED
The Board of Regents for Higher Education should improve internal controls over its bank account reconciliation process to ensure it performs monthly bank reconciliations on time.	REPEATED Recommendation 3
The Board of Regents for Higher Education should improve its compliance with dual employment requirements, policies, and procedures. The system office should properly complete and maintain dual employment agreements.	REPEATED Recommendation 4
The Board of Regents for Higher Education should strengthen internal controls to ensure that it reports accurate and complete amounts on its annual inventory in accordance with the State Property Control Manual.	RESOLVED

OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of the Board of Regents for Higher Education Connecticut State University System Office in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2021, 2022, and 2023. The objectives of our audit were to evaluate the:

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

In planning and conducting our audit, we focused on areas of operations based on assessments of risk and significance. We considered the significant internal controls, compliance requirements, or management practices that in our professional judgment would be important to report users. The areas addressed by the audit included payroll and personnel, revenue and cash receipts, purchasing and expenditures, asset management, and information technology. We also determined the status of the findings and recommendations in our prior audit report.

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

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

The accompanying financial information is presented for informational purposes. We obtained this information from various available sources including the office's management and state information systems. It was not subject to our audit procedures. For the areas audited, we identified

1. Deficiencies in internal controls;
2. Apparent noncompliance with laws, regulations, contracts and grant agreements, policies, or procedures; and

3. A need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations section of this report presents findings arising from our audit of the Board of Regents for Higher Education Connecticut State University System Office.

ABOUT THE AGENCY

Overview

The [Board of Regents for Higher Education](#) operates primarily under the provisions of Chapter 185, Sections 10a-1 through 10a-57g and Chapter 185b, Sections 10a-71 through 10a-160, of the General Statutes. The board's oversight of the State University System is in accordance with Sections 10a-87 through 10a-101 of the General Statutes.

Pursuant to Sections 10a-1a and 10a-87 of the General Statutes, the Board of Regents for Higher Education, located in Hartford, oversees Central Connecticut State University in New Britain, Eastern Connecticut State University in Willimantic, Southern Connecticut State University in New Haven, and Western Connecticut State University in Danbury. It also oversees 12 community colleges and Charter Oak State College. Our office performs a separate audit of the 12 community colleges, each of the four state universities, and Charter Oak State College.

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

Organizational Structure

During the audited period, Section 10a-1a of the General Statutes provided that the Board of Regents for Higher Education consist of 22 members. Of these members, nine were appointed by the Governor, four were appointed by legislative leaders, two were appointed by students, and seven individuals served as ex-officio members. The board, among other duties, sets statewide tuition and student fee policies; establishes financial aid policies; reviews, licenses, and accredits academic programs; and conducts searches for and selects campus presidents in collaboration with institutional stakeholders. In addition to governance, the board is responsible for development and coordination of statewide higher education policy. Board members receive no compensation for their services but are entitled to reimbursement for expenses.

The Board of Regents for Higher Education also appoints a chief executive officer. Mark E. Ojakian was appointed president on October 2, 2015 and served until January 1, 2021. Jane McBride Gates was appointed interim president and served from January 1, 2021 through July 1, 2021. Terrence Cheng was appointed on July 2, 2021 and served in that capacity throughout the audited period.

Significant Legislative Changes

Notable legislative changes that took effect during the audited period are presented below:

- **Public Act 21-81**, effective July 1, 2021, made various changes to laws dealing with sexual misconduct at higher education institutions. It established a 20-member Council on Sexual Misconduct Climate Assessments and required higher education institutions to conduct biennial sexual misconduct climate assessments and report the results to the Higher Education and Employment Advancement Committee of the General Assembly.

- **Public Act 21-132**, effective July 1, 2021, made numerous changes to higher education laws. It required each higher education institution to review and update its policies on awarding college credit for a student's military training. It also required each higher education institution to (1) establish a mental health coalition to assess the institution's mental health services and programs; (2) maintain a memorandum of understanding with at least one community-based mental health care provider for institutions that lack campus resources; and (3) adopt a student mental health policy. It also prohibited the board of regents from assessing or charging a graduation fee to students enrolled at public higher education institutions and allowed students to earn compensation through an endorsement contract or employment in an activity unrelated to an intercollegiate athletic program.
- **Public Act 22-16**, effective July 1, 2022, required the board of regents to adopt a policy requiring newly appointed governing board members to complete specified training within a year after their appointment. Training topics include financial, legal, and ethical matters, student and general higher education issues, and institutional operations.
- **Public Act 22-126**, Section 2, effective May 27, 2022, increased the Board of Regents for Higher Education membership from 21 members to 22.

Financial Information

Operating Revenues

Operating revenues are derived from the sale or exchange of goods and services that relate to the system office's educational and public service activities.

Operating revenues, as presented in the system office's financial statements for the audited period, are as follows:

Fiscal Year Ended June 30,			
	2021	2022	2023
Other Operating Revenues	\$ -	\$ 252,070	\$ 52,440
Auxiliary Revenues	3,000	-	-
Total	\$ 3,000	\$ 252,070	\$ 52,440

Fiscal year 2022 other operating revenues relate to the recognition of grant revenue and the fiscal year 2023 other operating revenues stem from conference fees earned from the Global Majority Retreat held in Connecticut.

Operating Expenses

Operating expenses generally result from payments made for goods and services to achieve the system office's mission of instruction and public service. Operating expenses include, among other things, employee compensation and benefits, professional services, supplies, and depreciation.

Operating expenses, as presented in the system office's financial statements for the audited period, are as follows:

Fiscal Year Ended June 30,			
	2021	2022	2023
Personal Services and Fringe Benefits	\$ 189,786,134	\$ 68,601,696	\$ (133,717,190)
Operation of Facilities	114,008	62,082	4,670
Other Operating Supplies & Expenses	4,528,635	2,987,252	1,616,418
Professional Services and Fees	1,263,560	670,393	864,509
Depreciation Expense	811,863	718,173	713,517
Travel Expenses	43,575	59,059	153,793
Education Services and Support	593,613	934,846	553,658
Amortization Expense	-	-	1,024,704
Total	\$ 197,141,388	\$ 74,033,501	\$ (128,785,921)

Operating expenses decreased significantly during the audited period primarily due to reductions in personal services and fringe benefits and adjustments to pension and other post-employment benefits (OPEB). In fiscal year 2022, the pension expense was \$60.4 million compared to \$182.8 million in fiscal 2021, which was primarily the result of adjustments related to GASB Statement No. 68, Accounting and Financial Reporting for Pensions, and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. In fiscal year 2023, the pension and OPEB adjustments

resulted in a credit to the fringe benefit expense of \$142.1 million. The credit was largely due to the state's significant contribution to the plans, thereby reducing the allocation of the pension and OPEB liabilities.

Non-operating Revenues and Expenses and Other Changes in Net Position

Nonoperating revenues and expenses and other changes in net position are not from the sale, exchange, or purchase of goods and services that relate to the system office's primary functions of instruction, academic support, and student services. Nonoperating revenues and expenses include items such as the state's General Fund appropriation, investment income, and interest expense. Other changes in net position include interagency transfers.

Nonoperating revenues and expenses and other changes in net position, as presented in the system office's financial statements for the audited period, are as follows:

	Fiscal Year Ended June 30,		
	2021	2022	2023
Non-operating Revenues and (Expenses):			
State Appropriations	\$ 8,017,835	\$ 7,922,002	\$ 9,492,878
Investment Income	745,859	1,037,019	7,285,798
Interest Expense	(8,725,538)	(9,111,978)	(8,912,918)
Federal Emergency Grant Revenue	492,706	-	-
Other Non-operating Revenues Expenses	(859,575)	-	-
Capital Projects Financed by System Office	(15,711,618)	(26,039,992)	(35,913,697)
Net Non-operating Revenues (Expenses)	(16,040,331)	(26,192,949)	(28,047,939)
Other Changes in Net Position:			
State Appropriations Restricted for Capital Purposes	513,600	609,248	169,016
Loss on Disposal of Capital Assets	-	(127,700)	-
Interagency Transfers	34,940,266	30,361,161	35,582,502
Net Other Changes in Net Position	35,453,866	30,842,709	35,751,518
Total Non-operating Revenues and Expenses and Other Changes in Net Position	\$ 19,413,535	\$ 4,649,760	\$ 7,703,579

During the audited period, the increase in nonoperating expenses was primarily caused by increases in the capital projects financed by the system office. Projects relate to non-academic building projects, such as new construction and improvements of parking garages, student centers, and residence halls. The projects during the audited period primarily related to the Connecticut Health and Educational Facilities Authority financed projects and a large information technology infrastructure project. The increase in non-operating expenses was partially offset by an increase in investment income. The system office has investments in the Connecticut Short-Term Investment Fund (STIF), and the STIF rates increased during fiscal years 2022 and 2023.

Dormitory Debt Service Fund

This fund is used to account for costs associated with Connecticut State University long-term debt. Long-term debt includes both self-liquidating state general obligation and revenue bonds issued to fund certain Connecticut State University capital projects as well as bonds issued by the Connecticut Health and Educational Facilities Authority.

Per records of the Office of the State Comptroller, operating transfers into the fund totaled \$30,711,110, \$26,375,326, and \$30,801,566 during fiscal years 2021, 2022, and 2023, respectively. Payments for

retiring principal and interest totaled \$26,934,602, \$29,354,583, and \$29,927,975 during those respective fiscal years. Resources accumulated in the fund to cover future debt service requirements totaled \$84,094,445, \$81,347,552, and \$85,115,198 as of June 30, 2021, 2022 and 2023, respectively.

The Connecticut Health and Educational Facilities Authority (CHEFA), which operates primarily under the provisions contained in Chapter 187 of the General Statutes, was created to assist institutions for higher education, health care, nursing homes and qualified nonprofit organizations in the construction, financing, and refinancing of projects. Outstanding principal of CHEFA bonds issued on behalf of the Connecticut State University System totaled \$319,810,000, \$300,750,000, and \$279,685,000 as of June 30, 2021, 2022 and 2023, respectively.

Connecticut State University System Foundation, Inc.

The Connecticut State University System Foundation, Inc. is a private nonprofit corporation established to raise funds to support the Connecticut State University System. The foundation is a legal entity separate and distinct from the Board of Regents for Higher Education.

Sections 4-37e through 4-37k of the General Statutes define and set requirements for organizations that support state agencies. The requirements address the annual filings of an updated list of board members with the state agency for which the foundation was established; financial record keeping and reporting in accordance with generally accepted accounting principles; financial statement and audit report criteria; written agreements concerning the use of facilities and resources; compensation of state officers or employees; and the state agency's responsibilities with respect to affiliated foundations.

An audit of the books and accounts of the foundation was last performed for fiscal year 2023, in accordance with Section 4-37f(8) of the General Statutes. The auditor expressed an unmodified opinion on the foundation's financial statements. In addition, the foundation's audit report disclosed no reportable instances of noncompliance with Sections 4-37e through 4-37i of the General Statutes.

The foundation's audited financial statements reported revenues and support totaling \$90,901 during fiscal year 2023. The amount reported as support and revenue included \$71,432 in appreciation on investments. Net assets of \$630,408 were reported as of June 30, 2023.