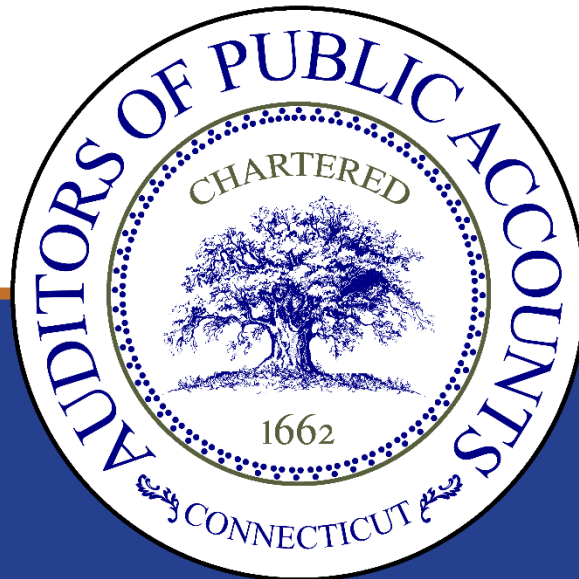


AUDITORS' REPORT

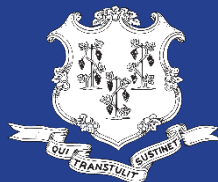
Department of Emergency Services and Public Protection

FISCAL YEARS ENDED JUNE 30, 2022 AND 2023



STATE OF CONNECTICUT
Auditors of Public Accounts

JOHN C. GERAGOSIAN
State Auditor



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State Auditor

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STATE OF CONNECTICUT



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June 3, 2025

INTRODUCTION

We are pleased to submit this audit of the Department of Emergency Services and Public Protection (DESPP) for the fiscal years ended June 30, 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 Department of Emergency Services and Public Protection during the course of our examination.

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

Samantha Grabowski
Irene Mathew
David Paradie
Audrey Wood

A handwritten signature in black ink that reads "Audrey Wood".

Audrey Wood
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 Department of Emergency Services and Public Protection (DESPP) disclosed the following 14 recommendations, of which nine were repeated from the previous audit.

Finding 1

Management and Control of Overtime

Background

DESPP uses Kronos to maintain state trooper time and attendance records and Core-CT to process payroll. State troopers enter their availability, clock in and out for shifts, and enter overtime hours into Kronos. The agency processes the Kronos time and attendance records through Core-CT for payment.

In addition to regular overtime, state troopers may work overtime for special duty assignments, including highway construction projects (HCP) and other projects assigned (OPA). The Special Duty Office oversees the administration of the special duty program, including receiving contractor requests, assigning overtime, and maintaining the forms required for processing payroll and contractor billing.

Criteria

Sound internal controls dictate that agencies should update policies and procedures in response to significant changes impacting the internal control system.

Sections 12.5.1 through 12.5.3 of the Administration & Operations (A&O) Manual require local commands to maintain daily attendance records using day sheets and to prepare biweekly overtime reports that provide an accurate and current tabulation of department overtime. Sound internal controls dictate the agency should maintain adequate documentation to support overtime hours worked, including the reconciliation of discrepancies between daily and biweekly attendance records and attendance records maintained within multiple systems.

In accordance with Section 4.7.5 of the A&O Manual, prior to working any special duty assignments, state troopers must submit a request to work special duty overtime to their commander. Troopers are to submit new requests each April and upon reassignment to another command. For each special duty job worked, a trooper must properly complete a special duty overtime report that documents information about the assignment, including the hours worked, any travel time, and the name of the trooper's supervisor. Upon

completion of the assignment, the trooper shall have the contractor sign the form and shall send a copy of the signed form to the Special Duty Office. The Special Duty Office reviews the form for accuracy and completeness prior to processing payroll and contractor billing.

In accordance with Sections 4.7.5 and 12.5.2 of the A&O Manual, a state trooper shall not work more than two regular leave days during a work week or more than 18.5 hours in any 24-hour period. However, a commander or supervisor may waive these restrictions.

Per a March 13, 2019, memorandum of understanding between DESPP and the Connecticut State Police Union, state troopers with administrative schedules may move their regular days off with prior supervisory approval and may adjust their start and end times not more than once per pay period. Any schedule adjustment shall not result in additional costs to the agency.

State records retention schedules require agencies to maintain overtime records for at least three years from fiscal year-end, or until audited, whichever is later. They also require DESPP to maintain special duty overtime records for five years from the request date.

It is a good business practice to schedule staff in a manner that would reduce unnecessary costs, such as overtime, when possible.

Condition

Our review of 2,959.25 overtime hours earned by 30 state troopers identified the following conditions:

- DESPP has not updated its time and attendance policies and procedures since 2006 and 2012 to account for the 2020 implementation of Kronos.
- Our review of 30 troopers who earned 1,618 hours of regular overtime on 171 days found that DESPP did not maintain adequate attendance records to support 220.5 hours of regular overtime earned by 13 troopers on 27 days. The troopers earned 220.5 hours of overtime but only worked 144.5 hours of overtime per the day sheets and 114.5 hours of overtime per the biweekly overtime reports. Due to unreconciled discrepancies between the attendance records and systems, we could not verify the actual overtime hours worked.
- Our review of 25 troopers who earned 1,341.25 hours of special duty overtime on 143 days found that DESPP did not maintain adequate records to support 1,051 hours of special duty overtime earned by 20 troopers on 109 days.
 - DESPP could not provide 12 special duty request forms for 12 troopers who earned 763.5 hours of special duty overtime on 79 days.

- DESPP could not provide the special duty overtime reports to support 220.5 hours of special duty overtime earned by five troopers on 24 days.
 - DESPP did not ensure nine troopers properly completed 31 special duty overtime reports supporting 290.75 hours of special duty overtime earned on 31 days. Six troopers did not identify their supervisors on 27 reports, one trooper did not have a contractor sign three reports, and four troopers did not properly identify their travel time, or hours worked on seven reports.
 - The special duty overtime hours worked per six special duty overtime reports did not agree with the hours paid for three troopers who earned 68 hours of special duty overtime on five days. The troopers earned 68 hours of overtime but only worked 46.5 hours of overtime per the special duty overtime reports. Due to unreconciled discrepancies between the reports and Core-CT, we could not verify the actual overtime hours worked.
- Our review of 28 troopers who exceeded work restrictions on 90 occasions found that DESPP could not provide documentation to support that a commander or supervisor waived the restrictions for 28 troopers on 86 occasions. There were 14 troopers who worked more than two regular leave days during a work week on 22 occasions and 22 troopers who worked more than 18.5 hours in a 24-hour period on 64 occasions.
 - Our review of five troopers with administrative schedules found that DESPP did not adequately monitor four troopers' schedules for compliance with agreed upon scheduling restrictions. DESPP could not provide evidence of prior supervisory approval for two troopers who moved their regular day off on two occasions. Additionally, there were two troopers who adjusted their start and end times more than once in a pay period.
 - Our review of 30 troopers' earnings found that DESPP did not effectively manage overtime costs for 15 troopers. The troopers earned more in overtime than regular pay during the audited period. For the two-year period, the 15 troopers earned \$3,280,068 in regular pay and \$4,641,159 in overtime. They averaged \$109,336 in annual salary and \$154,705 in overtime.

Context

During the audited period, 1,474 employees earned \$103,545,646 in overtime at 115 departments. The employees worked 1,543,752

overtime hours, including 1,252,046 regular overtime hours and 291,706 special duty overtime hours. We judgmentally selected 30 state troopers from five departments, with one pay period per trooper. The troopers earned \$221,713 for 2,959.25 overtime hours worked on 288 days, including 1,618 regular overtime hours worked on 171 days and 1,341.25 special duty overtime hours worked on 143 days. The troopers earned \$3,548,070 and \$3,900,925 in overtime during the fiscal years 2022 and 2023, respectively.

Effect

Outdated attendance policies and procedures and inadequate overtime records increase the risk for inaccurate reporting of overtime which could lead to improper overtime payments.

Failure to adequately monitor overtime costs and compliance with work and scheduling restrictions may have short-term impacts on the DESPP budget and long-term costs to the state because most overtime is included in the calculation of retirement benefits. In addition to the fiscal costs, performance can suffer if employees are overtired and inattentive. This may expose DESPP and the public to risks due to errors and mistakes. Working long hours for multiple days increases the risk of fatigue, health problems, and injuries.

Cause

The outdated attendance policies and procedures appear to be the result of lack of management oversight.

The inadequate records supporting regular and special duty overtime appear to be the result of lack of management oversight and failure to comply with state records retention schedules.

The inadequate records supporting the exceedance of established work and scheduling restrictions appear to be the result of a miscommunication regarding the applicability of such restrictions and the agency's failure to develop formal procedures to document and track requests to exceed such restrictions.

The excessive overtime appears to be the result of a lack of staffing and a delay in filling available positions.

Prior Audit Finding

This finding has been previously reported in the last two audit reports covering the fiscal years 2018 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should strengthen internal controls to ensure it promptly updates attendance policies and procedures to reflect significant changes impacting its internal control system, maintains adequate documentation to support overtime, and monitors for compliance with work and scheduling restrictions. The department should also monitor its staffing levels and ensure that it can meet scheduling requirements without incurring significant overtime costs.

Agency Response

"We agree with this finding. The agency began the implementation and use of a new scheduling software package during the height of the pandemic. This made acquiring subject matter expertise at the agency level difficult to obtain, and in turn, increased the difficulty of the implementation of this large-scale project. The scheduling software the agency had previously used was coming to "end of life" and was no longer being supported making postponing the implementation not a viable option. The A & O Manual was not updated as the implementation rolled out. The software update did significantly change several elements of record keeping, how information was entered, and the need for hardcopies or scanned records retention. The agency is convening a working group to revise the A & O Manual provisions starting September 2024. Revisions will focus on updating the processes for use of the new software and ensuring good management control practices.

The agency has instituted the bi-weekly dissemination of detailed overtime reporting allowing management to track trends and address areas for improvement.

The agency is creating a proposal to acquire subject matter expertise in the use of the new scheduling software to ensure it is being used to its greatest advantage and that all the features are understood and implemented properly, reducing the reliance on manual artifacts when possible. This will help the agency take advantage of the software's automated quality assurance tools, making them less reliant on manual interventions. The scope of work will include using the software to alert users to compliance issues, triggering them to seek approval for waivers, the automated production of overtime records and reporting and reducing the need to retain hard copy or scanned copies. Finally, the agency will ensure that employees are trained on the records retention policies and develop a unified records retrieval program."

Finding 2

Additional Pay

Background

State agencies may process additional payments to compensate employees for various reasons, including leave accrual payouts, longevity, hazardous duty pay, on call/standby pay, employee reimbursements, and payroll adjustments. Agencies must manually set up the additional payments in Core-CT by entering the applicable earnings codes, start and end dates, and additional payment amounts.

Criteria	Sound business practice suggests agencies have an internal control process to monitor additional payments to ensure they are valid and accurate.
Condition	Our review of three employees who received recurring biweekly payments found that two employees erroneously received 456 biweekly payments, totaling \$141,096. One employee received 161 biweekly payments of \$750 for retroactive pay, and another employee received 295 biweekly payments of \$68.97 for on call/standby pay.
Context	During the audited period, 1,796 employees received 28,346 additional payments, totaling \$25,773,106. An analytical review identified 210 employees who received 10,631 recurring payments, totaling \$1,291,823, for 20 or more pay periods. From these employees, we judgmentally selected the three employees who received 146 biweekly payments, totaling \$49,486, for the on call/standby, retention stipend, and retroactive payment earnings codes.
Effect	Poor internal controls over additional payments could result in undetected overpayments.
Cause	The additional overpayments appeared to be a result of a lack of management oversight.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	The Department of Emergency Services and Public Protection should strengthen internal controls to ensure the accuracy of additional payroll amounts. The department should recover any related overpayments.
Agency Response	"The agency agrees with this finding. With the centralization of Human Resources to the Department of Administrative Services, the Payroll Unit was organizationally moved under the DESPP Fiscal Services Division. This move, while decoupling Payroll from oversight by Human Resources, did not include any managerial transfer of staff, causing the Fiscal Services Division to allocate existing fiscal managers who had full workloads and had not previously overseen payroll functions to add this to their responsibilities. Additionally, the Payroll Unit has struggled with significant vacancies, with 50% of its staffing being vacant for a sustained period of time and has experienced multiple failed recruitments for the positions. This has led to all but the most critical of payroll components necessary for staff to actually be paid, to be temporarily suspended. DESPP is working to fill these vacancies as quickly as possible, while simultaneously evaluating its ability to

establish additional payroll positions to manage pre and post audit of additional payroll payments. DESPP is currently working with the employees referenced in this finding to pursue repayment options.”

Finding 3

Compensatory Time

Criteria

Collective bargaining agreements and the Department of Administrative Services’ (DAS) Management Personnel Policy 17-01 require the agency head or their designee to provide advanced written authorization to employees seeking to earn compensatory time.

Core-CT designates specific compensatory time plans based on bargaining unit contracts and state statutes. Enrolling employees in the correct plan helps to ensure contractual and statutory compliance.

Condition

We reviewed 20 employees who earned compensatory time, nine of whom were required to obtain advanced written authorization. Our review found that DESPP could not provide evidence of advanced written authorization for any of the nine employees who worked 193 hours of compensatory time. Additionally, DESPP enrolled one employee in the wrong compensatory time plan.

Context

During the audited period, 1,454 employees earned 219,729 hours of compensatory time. We judgmentally selected 20 employees who earned 308 hours of compensatory time.

Effect

DESPP did not fully comply with its contractual and DAS compensatory time requirements. In addition, there is an increased risk that managers may inappropriately earn compensatory time. Employees enrolled in the wrong compensatory time plans may earn excess time or time that should have expired.

Cause

The lack of approvals and incorrect compensatory time plan enrollment appear to be due to a lack of management oversight and lack of staffing.

Prior Audit Finding

This finding has been previously reported in the last four audit reports covering the fiscal years 2012 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should strengthen internal controls to ensure compliance with compensatory time requirements set forth by the Department of Administrative Services and collective bargaining contracts.

Agency Response

"We agree with this finding in part. Given the nature of the agency's mission and the 24/7 work duty requirements, there are occasions when written preapproval is not always possible. In those instances, verbal approval is required followed by written documentation being completed during the next business day. DESPP Payroll has implemented a memo to be reissued quarterly as a reminder to all DESPP employees to ensure pre-approvals of all compensatory time /overtime worked are documented per policy. The colonel of the Connecticut State Police has issued to all NP-1 and NP-9 employees, memo SO# 2024-01 section k. documenting the need to adhere to pre-approval practices for compensatory time /overtime worked. Additionally, the agency will be seeking to add an individual to the agency with Kronos expertise to ensure the current system is used to its full capability and adequate reporting and auditing tools are available to monitor adherence to these rules."

Finding 4**Inadequate Medical Leave Records****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 of more than five consecutive working days. The statewide Family and Medical Leave Entitlements Manual sets forth procedures for requesting and approving leave under the Family and Medical Leave Act (FMLA). The manual outlines the required forms and submission deadlines.

Condition

Our review of 20 medical leaves, eight non-FMLA and 12 FMLA, identified the following conditions:

- Required medical certificates were missing for six employees on medical leave for 59 days.
- Required FMLA forms were missing for eight employees on medical leave for 281 days.

Context

During the audited period, 1,542 employees charged 253,110 hours of sick leave. We judgmentally selected 20 employees on medical leave for 456 days. Eight of the employees were on non-

FMLA leave for 81 days and 12 were on FMLA leave for 375 days.

Effect

There is an increased risk for unauthorized medical leaves, which could result in unnecessary costs to the state.

Cause

These conditions appear to be the result of lack of management oversight.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Department of Emergency Services and Public Protection and the Department of Administrative Services should strengthen internal controls to ensure they administer medical leave in accordance with collective bargaining agreements and Family and Medical Leave Act guidelines.

DESPP Response

"The agency is deferring to DAS."

DAS Response

"DAS does not agree with the statement that unauthorized medical leave can lead to unnecessary costs to the state. Not all medical leaves qualify for job-protected leave under the Federal and/or State FMLA. Employees taking leave for their own serious health condition are required to exhaust their sick leave before utilizing other leave accruals and if proper documentation does not exist, they would be unpaid until proper documentation was received.

Our current practice has relied on agency payroll reports and/or supervisors to inform the DAS Benefits & Leaves Division when an employee has met the threshold and would therefore be required to supply a medical certificate and/or be afforded protections under the Federal and/or State FMLA. We recognize that there are gaps in the current reporting process and have therefore taken steps to have a centralized report created that would allow us to more easily report when an employee has coded to more than five consecutive days of sick leave and ensure their compliance with providing a medical certificate to support the absence. This will greatly improve our ability to manage and track compliance with state regulation."

Auditors' Concluding Comments

If an employee does not submit a medical certificate to substantiate the use of more than five consecutive sick days, they must use other leave accruals or take unpaid leave. Unauthorized sick leave could result in the state overpaying an employee or inflating their leave accrual payouts at separation.

Finding 5

Lack of Monitoring of Leave in Lieu of Accrual

Criteria

Core-CT allows agencies to temporarily use the Leave in Lieu of Accrual (LILA) time reporting code until it posts monthly accruals to an employee's leave balance. Core-CT Job Aid procedures require state agencies to review monthly usage of LILA time reporting codes and adjust these hours to the appropriate leave accrual balances.

Condition

Our review of ten employees with 180 hours of LILA identified the following conditions:

- DESPP did not adjust eight employees' leave accruals for 144 hours of LILA coded to their attendance records.
- DESPP adjusted an employee's leave accruals for 27 hours of LILA approximately six months after they were initially recorded.

Context

During the audited period, there were 19 employees with 238 hours of unadjusted LILA charges. We judgmentally selected ten employees with 180 hours of unadjusted LILA charges.

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 been previously reported in the last audit report covering the fiscal years ended June 30, 2020 and 2021.

Recommendation

The Department of Emergency Services and Public Protection should strengthen internal controls to ensure that it monitors and promptly adjusts for the use of the Leave in Lieu of Accrual time reporting code.

Agency Response

"We agree with this finding. During the audit period, the Payroll Unit was struggling with staffing issues. Only three of the eight total positions were filled for a period of time. This was coupled with the Payroll Unit being moved from DAS HR to Fiscal Services just prior to a large wave of retirements, causing the loss of very experienced staff members from the unit and supervising the unit.

The Payroll Unit has recently implemented audit reports to be reviewed with each payroll processing. This will ensure continuous monitoring and prompt adjustments.”

Finding 6

Procurement Control Weaknesses

Criteria

Section 4-98 of the General Statutes states that no budgeted agency may incur any obligation except by the issuance of a purchase order and a commitment transmitted to the State Comptroller. Agencies should encumber sufficient funds to cover the estimated purchases. Core-CT job aids provide guidance to state agencies for creating purchase orders and entering the appropriate purchasing authorities.

Department of Administrative Services (DAS) General Letter 71 specifies that purchases between \$5,000 and \$200,000 must be based upon, when possible, at least three written quotations or bids from responsible and qualified sources of supply.

Section 4-213 of the General Statutes states that no state agency may hire a personal service contractor without executing a personal service agreement. Section 4-216 requires each personal service agreement having a cost of more than \$50,000 or a term of more than one year to be based on competitive negotiation, unless the state agency purchasing the personal services applies to the Secretary of the Office of Policy and Management (OPM) for a waiver from such requirement. Sections 2-90d and 4-216 require state agencies and the Secretary of OPM to notify and consult with the Auditors of Public Accounts prior to entering into any contracts or personal service agreements for audit services.

It is a sound business practice to ensure that a fully executed contract is in place and signed by all relevant parties prior to the commencement of services.

Condition

Our review of 21 expenditure transactions, totaling \$714,488, identified the following conditions:

- DESPP did not properly commit funds at the time of purchase for eight expenditure transactions, totaling \$199,294. DESPP created the purchase orders for two transactions 40 and 67 days after it incurred the obligations, committed insufficient funds for three transactions, and recorded incorrect purchasing authorities for three transactions.

- DESPP could not provide evidence that it complied with state competitive procurement requirements for three expenditure transactions, totaling \$38,810. DESPP could not provide documentation to support that it obtained at least three written quotations or bids for any of the purchases totaling \$68,995.
- DESPP hired a personal service contractor for audit services valued at \$97,605 without executing a personal service agreement for one expenditure transaction, totaling \$24,401. Additionally, DESPP did not competitively procure the personal services or obtain a waiver from competitive procurement from the Secretary of OPM, and did not consult with the Auditors of Public Accounts prior to procuring the audit services.
- DESPP could not provide two signed equipment service contracts valued at \$235,712 for two expenditure transactions, totaling \$126,602.

Context

During the audited period, there were 61,779 expenditure transactions, totaling \$867,047,398. We judgmentally selected 20 expenditure transactions, totaling \$690,087, from the audited period and one expenditure transaction, totaling \$24,401, from after the audited period.

Effect

Incurring an obligation without properly committing funds circumvents budgetary controls and increases the risk that funding may not be available at the time of payment. Committing funds with incorrect purchasing authorities increases the risk for the agency to use improper procurement methods.

The lack of competitive procurement may result in the agency overpaying for goods and services. Failure to properly execute contracts and personal service agreements decreases the assurance that contractors will fulfill their obligations.

Cause

The conditions appear to be the result of significant staffing turnover and lack of managerial oversight.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Department of Emergency Services and Public Protection should strengthen internal controls to ensure it commits sufficient funds prior to incurring obligations, competitively procures goods and services, and properly executes contracts and personal service agreements.

Agency Response

"We agree with this finding. During the audit period the agency did experience a large turnover of experienced employees creating several vacancies in this high-volume unit. The issues in this finding were caused by a variety of technical issues, including not correctly carrying forward a purchase order from one year to another in the CORE CT computer system, to misinterpretation of purchasing regulations.

The agency continues to work to recruit experienced employees. The agency is also taking advantage of all the state procurement trainings and seeking procurement advice from DAS. This approach has been successful in developing the employees and improving the quality of work."

Finding 7**Lack of Proper Bank Reconciliations****Criteria**

Section 8.9.5 of DESPP's Administration & Operations (A&O) Manual requires troops and units to perform monthly bank reconciliations. Troop or unit commanders must review and approve each reconciliation.

Condition

Our review of five bank accounts found that DESPP did not perform 22 monthly reconciliations. In addition, the department could not provide evidence of management review and approval for two monthly reconciliations for one bank account with a balance of \$3,805 and \$4,655 as of June 30, 2022 and 2023, respectively.

Context

During the audited period, DESPP maintained 21 bank accounts with balances totaling \$2,051,742 and \$2,051,748 as of June 30, 2022 and 2023, respectively. We judgmentally selected five bank accounts for review with balances totaling \$336,394 and \$291,135 as of June 30, 2022 and 2023, respectively.

Effect

Without proper bank reconciliations, there is an increased risk of inaccurate account balances and undetected and unresolved discrepancies.

Cause

The condition appears to be the result of lack 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, 2012 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should improve internal controls to ensure that it properly completes bank reconciliations.

Agency Response

"We agree with this finding. Due to staffing changes in the past few years, Troop G personnel overseeing the Bail Bond Bank Account was not aware of the monthly reconciliation procedures. Fiscal has provided Troop G personnel with a copy of the A&O manual and will proceed to follow the monthly bank reconciliation procedures."

Finding 8

Lack of Reconciliations for the Connecticut Fire Academy Bookstore

Background

The DESPP Commission on Fire Prevention and Control maintains the Connecticut Fire Academy (CFA) bookstore, which sells books and study materials for CFA classes. The bookstore maintains its records using its own accounting software and uploads financial information to Core-CT.

Criteria

Proper internal controls dictate that agencies should perform monthly reconciliations of financial information maintained in multiple accounting systems.

Condition

During the audited period, DESPP did not perform monthly reconciliations of the revenue in the bookstore's accounting system and Core-CT.

Context

DESPP recorded CFA bookstore revenue as \$333,109 and \$173,849 in Core-CT for the fiscal years ended June 30, 2022 and 2023, respectively.

Effect

There is an increased risk for undetected loss or theft, and inaccurate accounting records.

Cause

DESPP was unable to develop and implement monthly reconciliation procedures for the CFA bookstore due to staffing and information system constraints.

Prior Audit Finding

This finding has been previously reported in the last four audit reports covering the fiscal years 2012 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should establish internal control procedures to conduct monthly reconciliations of the Connecticut Fire Academy bookstore's accounting software to Core-CT.

Agency Response

"The agency agrees with this finding. Working with DESPP Fiscal, efforts to conduct monthly reconciliations of the revenue records maintained within the CFA Bookstore had begun, in addition to the procurement of a new Point of Sale (POS) system. This process abruptly ceased in the summer of 2022 due to the bookstore supervisor needing to go on leave and not being able to return.

Monthly reconciliation of bookstore records with CORE-CT restarted with the filling of the vacant bookstore supervisor position. Further, as planned the CFA procured a new POS system and expects it to be placed into full operation in August 2024. The system has the ability to deliver enhanced reports in order to ensure proper monthly reconciliations. Fiscal will work with the bookstore supervisor to establish risk management protocols governing the bookstores accounting software and the state's financial information system to ensure internal controls are balanced between the two accounting systems."

Finding 9**Late Deposits and Inadequate Controls over Special Licensing and Firearms Receipts****Background**

The DESPP Special Licensing and Firearms Unit (SLFU) is responsible for the issuance of firearms permits and special services licenses. During the audited period, applicants submitted applications and payments in person or via mail to DESPP headquarters or satellite troop locations. Upon receipt of an application and the associated fee, the department enters the information into the Special Licensing and Weapons Registration System (SLWRS) for processing and prints a daily fee accounting report with the type, number, payee, payment method, and amount of each fee. Satellite troop locations deposit the funds received and SLFU deliver the funds at headquarters to Fiscal Services for deposit.

Criteria

The State Accounting Manual requires each agency to establish internal controls over cash receipts to minimize the risk of loss. An individual responsible for receiving cash should record the receipt date, remitter name, receipt amount, receipt type, and the purpose of the remittance in a journal. Agencies must log all receipts into a receipts journal or equivalent tracking record.

Section 4-32 of the General Statutes requires the deposit of receipts of \$500 or more within 24 hours. During the audited period, DESPP headquarters had a two-business day deposit waiver from the 24-hour deposit rule from the State Treasurer and satellite troop locations had a one-business day waiver.

Condition

DESPP does not track receipt dates for SLFU fees. While the SLFU daily fee accounting report includes the date the department entered the fees into SLWRS, this date may be different than the receipt date due to processing delays. Without receipt dates, we could not verify that DESPP promptly processed and deposited six SLFU receipts, totaling \$530.

DESPP did not promptly process and deposit seven SLFU receipts, totaling \$650. DESPP processed the receipts between seven and 46 days after receiving them and deposited the receipts between eight and 44 days late.

Context

During the audited period, DESPP made 1,933 deposits, totaling \$11,604,909, for SLFU receipts. We judgmentally selected 11 SLFU deposits, totaling \$22,395, from which we judgmentally selected 36 individual SLFU receipts, totaling \$2,560.

Effect

Late deposits and inadequate receipt records increase the risk of loss due to error or fraud.

Cause

The identified conditions appear to be the result of diminished staffing levels and a lack of management oversight.

Prior Audit Finding

This finding has been previously reported in the last audit report covering the fiscal years 2020 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should develop the necessary internal controls to ensure that it promptly processes and deposits Special Licensing and Firearms Unit receipts and retains adequate documentation.

Agency Response

"We agree with this finding. SLFU has not had the necessary staffing resources to meet the size of the workload. The unit has recently added four new processing technician positions and will be adding one more next month. This will help eliminate untimely deposits. In addition, the agency's new database is equipped with the capability to scan pertinent documentation to each applicant's file. We have also added a feature allowing applicants to renew online. This will further eliminate untimely deposits. The agency is confident the combination of the both the staffing and technology solutions will make the agency successful in eliminating this finding in the future."

Finding 10

Inadequate Controls over Receivables

Background

DESPP bills customers for various services, including resident state troopers, highway construction and other projects, access to criminal justice information systems, and police officer training. DESPP creates invoices and processes payments through Core-CT.

Criteria

The State Accounting Manual requires each agency to establish internal controls over cash receipts to minimize the risk of loss. An individual responsible for receiving cash should record the receipt date, remitter name, receipt amount, receipt type, and the purpose of the remittance in a journal. Agencies must log all receipts into a receipts journal or equivalent tracking record.

The State Accounting Manual establishes policies and procedures for state agencies in the management and collection of receivables. Each state agency is responsible for immediately notifying the person or entity that owes money of their outstanding balance and collecting amounts owed to the state in the most effective and efficient manner. Agencies are to initiate collection procedures for all accounts more than 30 days past due. In accordance with its collection procedures, DESPP must send dunning letters to customers when accounts are more than 30 days past due, deny further credit to customers when accounts are more than 60 days past due, contact customers with accounts more than 90 days past due, and send accounts more than 120 days past due to a collection agency.

Condition

Our review of 20 invoices, with 38 receipts totaling \$953,865, identified the following conditions:

- DESPP does not maintain receipts journals or equivalent tracking records for invoiced receipts.
- DESPP did not promptly send nine customer invoices, with 18 receipts totaling \$59,168. DESPP sent the invoices between 36 and 130 days after rendering the services.
- DESPP did not follow collection procedures for two invoices, with four receipts totaling \$13,604. DESPP did not promptly contact customers when the invoices became more than 90 days past due. DESPP contacted the customers when the invoices were 166 and 391 days past due, respectively. DESPP did not send the invoices to a collection agency when they became more than 120 days past due.

Context	During the audited period, DESPP received 16,982 receipts, totaling \$714,615,350, for 9,602 invoices. We judgmentally selected 20 invoices and the 38 receipts received for those invoices, totaling \$953,865.
Effect	When the department does not promptly bill customers and follow up on past due accounts, there is a potential loss to the state. Inadequate receipts records increase the risk of loss due to error or fraud.
Cause	The identified conditions appear to be the result of a lack of management oversight.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	The Department of Emergency Services and Public Protection should strengthen internal controls to ensure that it properly manages and collects receivables and retains adequate documentation to support invoiced receipts.
Agency Response	<p>"We agree with this finding in part. We do not agree with the finding that the agency did not maintain receipts journals or equivalent tracking records for invoiced receipts. The Daily Deposit Summary and backup documentation included within that package is equivalent to requirements per section 2.0 of the Receipts portion of the State Accounting Manual. Although it is not on a one-page document all pertinent information within the Daily Deposit Summary package provides date of receipts, receipt number, name of payer, revenue classification, total receipts, amount deposited, deposit slip number, date of deposit, and other pertinent information. The agency will address standardizing the format.</p> <p>We agree that due to the transition from the ACCESS billing database to the Kronos Billing Interface process with CORE-CT in FY 2022, there were delays in invoicing in a timely manner. With the Kronos billing process functioning properly Fiscal Accounts Receivable Unit and the Special Duty Office will work together to ensure billing files are sent to Fiscal in a timely manner.</p> <p>We agree that collection procedures were not followed due to staffing shortages and workload constraints. Once the unit is fully staffed and trained, the collection process will be completed on a timely basis."</p>
Auditors' Concluding Comments	In accordance with the State Accounting Manual, mail received by an agency may contain cash, money orders, and checks. Employees opening the mail are to record receipts in a receipts journal or other equivalent tracking record. To ensure adequate segregation of

duties, a different employee must verify the amounts entered in the journal and deposit the receipts. DESPP employees prepare the daily deposit summary documents at the time of deposit. While the daily deposit summary contains information on the receipts, it does not provide adequate controls over incoming mail and bank deposits.

Finding 11

Weapons Inventory

Criteria

Section 4-36 of the General Statutes requires that each agency establish and maintain an inventory account in the form prescribed by the State Comptroller. The State Property Control Manual provides standards and procedures for maintaining a property control system and requires all state agencies to use the Core-CT Asset Management Module as their property control system to record and control all property they own or that are in their custody. Agencies must report all firearms on their inventory regardless of the fair market value or cost.

Condition

While DESPP groups and reports its weapons as several line items in Core-CT, it does not use the Core-CT Asset Management Module as its property control system to record and control individual firearms and weapons. DESPP records and controls these items on various inventory listings outside of Core-CT.

A review of DESPP's weapons inventory listings disclosed that the reports lacked pertinent information necessary to accurately identify and report the assets, such as each weapon's cost, date acquired, acquisition method, date disposed, and disposal method.

Additionally, DESPP did not reconcile the weapons inventory balances in Core-CT to its inventory listings. We noted an unreconciled variance of \$1,832,835 between the two records.

Context

At the time of our review, DESPP's weapons inventory listings reported over 5,000 weapons. DESPP reported a weapons balance of \$1,281,802 in Core-CT.

Effect

There is an increased risk of inaccurate reporting and loss of weapons.

Cause

A lack of management oversight contributed to this condition.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Department of Emergency Services and Public Protection should improve internal controls over weapons by ensuring that it tracks and accounts for all weapons in accordance with the State Property Control Manual.

Agency Response

"We agree with this finding. The agency will move to using a single system for controlling the weapons inventory, making CORE CT the system of record. The movement of all these assets to the CORE CT system will allow the full value of this commodity to be appear on the CORE CT reporting correctly."

Finding 12

Asset Management

Background

The Quartermaster unit maintains the stores and supplies for the Connecticut State Police, including uniforms, badges, police tape, flashlights, fingerprint kits, holsters, and other items.

Criteria

Section 4-36 of the General Statutes requires that each agency establish and maintain an inventory account in the form prescribed by the State Comptroller and annually transmit a detailed inventory as of June 30th of all real and personal property to the Comptroller.

The State Property Control Manual provides standards and procedures for maintaining a property control system and requires agencies to tag and track capital and controllable assets, accurately report the value of all capitalized real and personal property on the CO-59 report, annually conduct physical inventories, and maintain specific stores and supplies inventory records.

Condition

Our review of DESPP's property control system disclosed the following.

- Our review of the fiscal year 2023 CO-59 report found that DESPP miscategorized six capital assets as controllable, understating its equipment balance by \$412,207.
- Our review of 30 assets, totaling \$1,005,708, found that DESPP did not include two assets, totaling \$14,996, in its inventory records and could not locate one \$4,082 asset.
- DESPP did not conduct complete annual physical inventories of its 21,977 assets. As of March 2024, DESPP

had not inventoried 8,541 (39%) assets within the past year and 3,656 (17%) assets in more than two years. Additionally, DESPP acquired 633 (3%) assets between one and 33 years ago which it never inventoried. These 12,830 improperly inventoried assets totaled \$265,652,550.

- Our physical count of ten quartermaster stores and supplies items, totaling \$250,433, found discrepancies in the quantities reported for five items, totaling \$178,517. The discrepancies ranged from one to 35 units per item and totaled \$24,314. Additionally, the stores and supplies inventory records were incomplete and did not include unit cost, minimum and maximum levels, reorder quantity, date and quantity of additions, date and number of inventory requisitions, and quantity deleted.

Context

DESPP reported \$321,975,254 and \$322,728,336 in real and personal property for the fiscal years 2022 and 2023, respectively. Stores and supplies totaled \$2,270,015 and \$2,609,822 as of June 30, 2022 and 2023, respectively. At the time of our review, DESPP's property control system included 21,977 capital and controllable assets, totaling \$359,505,075, and its stores and supplies inventory for the quartermaster included 115 items. We judgmentally selected 30 assets, totaling \$1,005,708, and ten stores and supplies items, totaling \$250,433, for review.

Effect

There is an increased risk of inaccurate reporting and loss of state property.

Cause

A lack of management oversight contributed to this condition.

Prior Audit Finding

This finding has been previously reported in the last four audit reports covering the fiscal years 2012 through 2021.

Recommendation

The Department of Emergency Services and Public Protection should strengthen internal controls over its property control system to ensure compliance with the State Property Control Manual.

Agency Response

"We agree with this finding. The agency is going to train all employees in the proper coding of purchases to ensure commodities are categorized correctly for inventory purposes. Additionally, the agency is going to fully assess its Asset Management program to determine if the categorization method for controllable items needs to be updated, develop a schedule for ensuring all items are inventoried annually, ensure the inventory in CORE-CT includes all capital items, produce reports to reconcile controllable items, and the stores inventory is validated and reconciled in a regular cycle."

Finding 13

Information Technology Security Deficiencies over Criminal Justice Information Systems

Background

DESPP maintains the Connecticut On-Line Law Enforcement Communications Teleprocessing (COLLECT) system, a statewide criminal justice system that provides local, state, and federal criminal justice and noncriminal justice agencies access to in-state COLLECT files and Federal Bureau of Investigation (FBI) Criminal Justice Information Services (CJIS) Division systems. Each state has a CJIS Systems Agency (CSA) that is responsible for overseeing the administration and usage of the CJIS Division systems. The CJIS Security Policy represents the shared responsibility between FBI CJIS and CSAs for the lawful use and appropriate protection of criminal justice information and contains information security requirements, guidelines, and agreements. As the CSA for the State of Connecticut, DESPP is responsible for establishing and administering an information technology security program in compliance with the CJIS Security Policy. DESPP designated the Department of Administrative Services (DAS) Bureau of Information Technology Solutions (BITS) as a servicing agency responsible for administering the FBI CJIS network and programs. DESPP receives state and federal funds to maintain and enhance the COLLECT system.

Criteria

Section 5.5 of the CJIS Security Policy requires CSAs to implement access controls by managing information system accounts, including establishing, activating, modifying, reviewing, disabling, and removing accounts. Section 5.12 requires agencies to immediately terminate access to criminal justice information systems upon an employee's separation. Sound internal controls require agencies to maintain sufficient information system records to document compliance with security requirements.

Section 5.11 of the CJIS Security Policy requires CSAs to triennially audit all criminal justice and noncriminal justice agencies which have direct access to the state system to ensure compliance with applicable statutes, regulations, and policies.

Condition

DESPP did not promptly deactivate seven terminated employees' COLLECT accounts. DESPP deactivated the accounts between one year and 25 days and two years and 20 days after the employees' separation from state service. We note that none of the employees logged into COLLECT following their termination. Additionally, DESPP could not provide documentation to support when it deactivated three terminated employees' COLLECT accounts.

As of August 2023, DESPP had not performed triennial audits of criminal and noncriminal justice agencies with access to the COLLECT system for three to six years. The department had a backlog of over 15,000 audits.

Context

The COLLECT system services over 400 local, state, and federal agencies and there are over 14,000 certified COLLECT users within the law enforcement and criminal justice community. As of March 2024, there were 1,187 certified COLLECT users within DESPP, including 19 terminated employees. We judgmentally selected ten terminated employees.

Effect

Unauthorized access to a protected information system can jeopardize the security of the information in the system. Noncompliance with the CJIS Security Policy increases the risk for the state to lose federal funding and access to the FBI CJIS Division systems. Additionally, DESPP incurred \$97,605 for audit consulting services to help address the backlog of audits.

Cause

There appears to be a lack of communication between human resources and those responsible for deactivating employee COLLECT access. Additionally, COLLECT is not capable of providing account deactivation information after DESPP reassigns an account to a new employee. DESPP or DAS BITS does not maintain manual records to support account deactivation.

DESPP's failure to promptly complete triennial audits appears to be the result of limited staffing and an increased workload due to the implementation of the state's Clean Slate law.

Prior Audit Finding

This finding has been previously reported in the last four audit reports covering the fiscal years 2012 through 2021.

Recommendation

The Department of Emergency Services and Public Protection and the Department of Administrative Services should strengthen the information technology security program for the Connecticut On-Line Law Enforcement Communications Teleprocessing system to ensure compliance with the Federal Bureau of Investigation's Criminal Justice Information Services Security Policy.

DESPP Response

"The agency is deferring to DAS."

DAS Response

"DAS agrees with the recommendation and will facilitate improved tracking and communication between HR and the COLLECT unit to improve tracking of employee transfer and separation and the required security changes related to the moves."

Finding 14

Information Technology Disaster Recovery Plan

Background

In fiscal year 2023, DESPP's information technology resources centralized with the Department of Administrative Services (DAS) Bureau of Information Technology Solutions (BITS). BITS is responsible for maintaining DESPP's information technology disaster recovery plan, as approved by DESPP. The plan covers DESPP systems and those maintained by other state agencies and outside vendors. The plan relies on these agencies and outside vendors to test their information technology disaster recovery plans.

Criteria

Disaster recovery and business continuity plans help minimize the risk of negative business impacts in the event of an information technology service interruption. State agencies should regularly update their plans and routinely test them to ensure that they can promptly recover systems and data following a disaster or other interruption.

Condition

DESPP last updated its information technology disaster recovery plan on January 31, 2022. Neither DESPP nor BITS has updated the plan to reflect the centralization of information technology into BITS. Neither agency tested the disaster recovery plan or ensured that other state agencies and vendors routinely tested their disaster recovery plans for the DESPP systems.

Context

The DESPP information technology disaster recovery plan is a documented set of strategies and steps to recover data and reestablish the functionality of 24 different information systems.

Effect

Without updating and periodic testing, there is limited assurance that the disaster recovery plan will produce the intended results. This could make it longer to recover and resume critical infrastructure and application systems after a disaster or interruption in service.

Cause

This appears to be the result of a lack of management oversight.

Prior Audit Finding

This finding has been previously reported in the last two audit reports covering the fiscal years 2018 through 2021.

Recommendation

The Department of Emergency Services and Public Protection and the Department of Administrative Services should ensure that they regularly update and test the Department of Emergency Services and Public Protection's information technology disaster recovery

plan and obtain and review the tests performed by other state agencies and vendors.

DESPP Response

"The agency is deferring to DAS."

DAS Response

"As the Enterprise Service provider for DESPP, the Bureau of Information Technology Solutions (BITS), exercises an Infrastructure Continuity Program that merges the traditional disciplines of Disaster Recovery Planning (DRP) and Infrastructure Continuity Planning (ICP). The complementary program is aimed at ensuring organizational resilience during and after a disaster. DRP focuses on the recovery of IT systems and data, targeting the swift restoration of technology infrastructure, applications, and data immediately following a disaster. Its scope includes procedures for recovering servers and restoring data backups, typically addressing short-term recovery needs. In contrast, ICP is concerned with maintaining the functionality of physical infrastructure, such as buildings, utilities, and essential equipment, throughout and beyond the disaster period. This involves planning for backup power supplies and our alternative network/platform locations to support ongoing operations over a medium to long-term timeframe. Together, DRP and ICP provide a comprehensive approach to both technological and physical continuity, ensuring that both IT and infrastructure components are adequately protected and restored. There have been several different operational impairments that have exercised the ICP.

We agree that updates are required to the agency plans to reflect use of ICP."

STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on the Department of Emergency Services and Public Protection contained 11 recommendations. Two have been implemented or otherwise resolved and nine have been repeated or restated with modifications during the current audit.

Prior Recommendation	Current Status
The Department of Emergency Services and Public Protection should strengthen internal controls to ensure that it monitors and promptly adjusts for the use of the Leave in Lieu of Accrual time reporting code.	REPEATED Recommendation 5
The Department of Emergency Services and Public Protection should strengthen internal controls to ensure compliance with compensatory time requirements set forth by the Department of Administrative Services and collective bargaining contracts.	REPEATED Recommendation 3
The Department of Emergency Services and Public Protection should increase its staffing levels and ensure that it can meet scheduling requirements without incurring significant overtime costs. The department should also implement controls to prevent employees from working excessive overtime shifts and consecutive days.	REPEATED Modified Form Recommendation 1
The Department of Emergency Services and Public Protection should ensure that all relevant parties sign personal service agreements prior to the start of the contract period. The department should comply with state telecommunication monitoring procedures by certifying telephone charges.	RESOLVED
The Department of Emergency Services and Public Protection should improve internal controls over its bank account reconciliation process by ensuring that it timely voids and properly adjusts for outstanding checks.	REPEATED Modified Form Recommendation 7
The Department of Emergency Services and Public Protection's Commission on Fire Prevention and Control division should establish internal control procedures over the Connecticut Fire Academy bookstore to provide reasonable assurance that it is accurately maintaining financial records. In addition, the division should perform reconciliations between the bookstore's accounting software and the state's information system to ensure that it is accurately recording all information in both systems.	REPEATED Modified Form Recommendation 8

Prior Recommendation	Current Status
<p>The Department of Emergency Services and Public Protection should develop the necessary internal controls to ensure that it promptly deposits pistol permit receipts and retains adequate documentation.</p>	<div data-bbox="1192 312 1386 390"> REPEATED Modified Form </div> <p>Recommendation 9</p>
<p>The Department of Emergency Services and Public Protection should annually perform physical inspections of its assets in accordance with the State Property Control Manual.</p>	<div data-bbox="1192 487 1386 564"> REPEATED Modified Form </div> <p>Recommendation 12</p>
<p>The Department of Emergency Services and Public Protection should ensure that it regularly tests its information technology disaster recovery plan and obtain and review the tests performed by other state agencies and vendors for the systems it uses.</p>	<div data-bbox="1192 661 1386 739"> REPEATED Modified Form </div> <p>Recommendation 14</p>
<p>The Department of Emergency Services and Public Protection should strengthen internal controls over access to its information systems and ensure that it promptly terminates access to its information systems upon an employee's separation from state service.</p>	<div data-bbox="1192 835 1386 913"> REPEATED Modified Form </div> <p>Recommendation 13</p>
<p>The Department of Emergency Services and Public Protection should ensure that it administers construction projects in accordance with the Department of Administrative Services Agency Administered Projects Manual and accurately accounts for and reports project costs.</p>	<div data-bbox="1192 1047 1386 1125"> RESOLVED </div>

OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of the Department of Emergency Services and Public Protection 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, 2022 and 2023. The objectives of our audit were to evaluate the:

1. Department's internal controls over significant management and financial functions;
2. 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. 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, purchasing and expenditures, revenue and cash receipts, asset management, information technology, and construction projects. 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 department. 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 department'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 Department of Emergency Services and Public Protection.

ABOUT THE AGENCY

Overview

The [Department of Emergency Services and Public Protection](#) operates primarily under the provisions of Titles 28 and 29 of the Connecticut General Statutes. DESPP is responsible for protecting and improving the quality of life for all by providing a broad range of public safety services, training, regulatory guidance, and scientific services utilizing enforcement, prevention, education, and state of the art science and technology.

Organizational Structure

The Commissioner of Emergency Services and Public Protection is the chief administrative officer of the department and is appointed by the Governor. The commissioner is responsible for providing a coordinated, integrated program for the protection of life and property and for statewide emergency management and homeland security. James C. Rovella served as commissioner from December 28, 2018, until Governor Ned Lamont appointed Ronnell A. Higgins commissioner, effective November 13, 2023. Commissioner Higgins continues to serve in that capacity.

DESPP is comprised of six divisions:

- **Commission on Fire Prevention and Control**
The Commission on Fire Prevention and Control (CFPC) operates primarily under the provisions of Title 7, Chapter 104, Part VI of the Connecticut General Statutes. Its mission is to prevent or mitigate the effects of fire and disasters through leadership and collaboration with municipalities, fire departments, and regional fire schools. The commission achieves this through training, education, and professional competency certification of career and volunteer fire service personnel.
- **Connecticut State Police**
The Connecticut State Police (CSP) operates primarily under Title 29, Chapter 529 of the Connecticut General Statutes. Since 1903, the Connecticut State Police has provided a full range of law enforcement services to the State of Connecticut. There are currently 11 troops located throughout the state with state police troopers providing the primary law enforcement services in 82 of the 169 municipalities in Connecticut. Additionally, the division provides major crime investigations, emergency services, cause and origin investigations, and traffic and truck enforcement to the entire state.
- **Division of Emergency Management and Homeland Security**
The Division of Emergency Management and Homeland Security (DEMHS) operates primarily under the provisions of Title 28 of the Connecticut General Statutes. The division works closely with local, state, federal, tribal, and private sector partners to provide a coordinated, integrated program for statewide emergency management and homeland security. The division directs and coordinates all available resources to protect the life and property of Connecticut residents in the event of a natural or manmade disaster or crisis through a collaborative program of prevention, planning, preparedness, response, recovery, mitigation, and public education. This mission includes strategic and operational planning, operations, training and exercise, grants, and disaster relief. The division also coordinates statewide security communications and establishes standards and protocols for the use and dissemination of intelligence.

- **Police Officers Standards and Training Council**

The Police Officer Standards and Training Council operates primarily under the provisions of Title 7, Chapter 104, Sections 7-294a through 7-294zz of the Connecticut General Statutes. The council's mission includes: (1) providing innovative, credible, and responsive high quality basic, advanced, and specialized training to Connecticut police officers; (2) adopting and enforcing professional requirements for individual police officer certification; and (3) providing a body of comprehensive professional law enforcement accreditation standards for state law enforcement agencies, manage such program, and grant accredited status to agencies that demonstrate and maintain compliance with applicable standards.

- **Division of Scientific Services**

The Division of Scientific Services (SS) provides forensic support to local, state, and federal agencies throughout Connecticut. The division includes three sections: (1) Chemistry Section, which includes toxicology, controlled substances, and arson; (2) Biology/DNA Section; and (3) Identification Section, which includes computer crimes.

- **Division of Statewide Emergency Telecommunications**

The Division of Statewide Emergency Telecommunications operates primarily under the provisions of Title 28, Chapter 518a of the Connecticut General Statutes. The division provides for the development and maintenance of coordinated statewide emergency service telecommunications for public safety organizations and the residents of Connecticut. The division is responsible for the 9-1-1 system, public safety data network, public safety frequency coordination, telecommunicator training, geographic information systems, the Connecticut alert emergency notification system, and support for the consolidation of public safety answering points.

Governor Lamont's Executive Order No. 2 directed the centralization of human resources and labor relations into the Department of Administrative Services (DAS) and the Office of Policy and Management (OPM), respectively. Effective August 28, 2020, the functional areas within the DESPP human resources unit began operating within the new centralized structure. In March 2021, Governor Lamont announced the centralization of the state's information technology resources within the DAS Bureau of Information Technology Solutions (BITS), which went into effect for fiscal year 2023.

Significant Legislative Changes

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

- **Public Act 22-9**, effective July 1, 2022, required DESPP to establish a Hate Crimes Investigative Unit within the State Police. The unit is responsible for seeking to prevent and detect hate crimes and compile, monitor, analyze, and share related data.
- **Public Act 22-82** (Section 6), effective July 1, 2022, required DESPP to administer a grant program to prevent online abuse and provide education and training on identifying, reporting, responding to, and avoiding online abuse.
- **Public Act 23-53** (Section 47), effective June 6, 2023, required DESPP's civil preparedness plan to include a response plan for a mass shooting event. The plan must include coordination between certain parties to determine the circumstances surrounding the shooting and deploy grief counselors and mental health professionals. DESPP must also coordinate with the chief state's attorney's office to investigate and report on each mass shooting event.

Financial Information

General Fund Receipts

A summary of General Fund receipts during the audited period as compared to the preceding fiscal year follows:

Fiscal Year Ended June 30,			
	2021	2022	2023
Reimbursements for Resident State Troopers	\$ 15,690,437	\$ 16,237,260	\$ 16,761,654
Licenses, Permits & Fees	14,265,401	15,103,592	13,732,530
Refunds of Prior Year Expenditures	2,883,752	4,242,605	2,103,018
Other Recoveries & Refunds	213,506	206,695	174,354
Other Receipts	96,227	41,537	59,681
Total	\$ 33,149,323	\$ 35,831,689	\$ 32,831,237

The growth in receipts during the fiscal year 2022 was primarily due to a \$838,191 increase in receipts for licenses, permits, and fees and a \$1,358,853 in refunds of prior year expenditures. The increase in licenses, permits, and fees resulted from more fingerprint applications, offset by a decrease in the number of pistol permit applications. There were additional receivables collected for highway construction and other projects, which increased refunds of prior year expenditures.

The reduction in receipts during the fiscal year 2023 was primarily due to a \$1,371,062 decrease in licenses, permits, and fees and a \$2,139,587 decrease in refunds of prior year expenditures. The decrease in licenses, permits, and fees resulted from fewer pistol permits and fingerprint applications. There was a reduction in the receivables collected for highway construction and other projects, which decreased refunds of prior year expenditures.

General Fund Expenditures

A summary of General Fund expenditures during the audited period as compared to the preceding fiscal year follows:

Fiscal Year Ended June 30,			
	2021	2022	2023
Personal Services & Employee Benefits	\$ 160,621,030	\$ 164,150,179	\$ 170,243,707
Motor Vehicle / Aircraft / Watercraft Costs	10,766,193	13,298,156	14,138,537
Premises & Property Expenses	6,140,453	6,226,074	7,089,808
Information Technology	5,645,288	6,279,311	5,722,269
Rental & Maintenance - Equipment	4,563,005	5,135,205	5,016,675
Purchased Commodities	5,462,874	4,787,061	3,789,596
Other Expenses	5,218,485	6,719,189	7,065,332
Total	\$ 198,417,328	\$ 206,595,175	\$ 213,065,924

The increase in expenditures during the fiscal year 2022 was primarily due to a \$3,529,149 additional personal services and employee benefits expenditures, a \$2,531,963 growth in motor vehicle/aircraft/watercraft costs, and \$1,500,704 in other expenses. A significant number of employees retired in fiscal year 2022, which resulted in an increase in accumulated leave payouts. Overtime costs also increased due to state police staffing shortages and additional highway construction and other projects. Additionally, there was an increase in fuel costs and the agency disbursed state aid for a school safety center.

The increase in expenditures during the fiscal year 2023 was primarily due to \$6,093,528 in additional personal services and employee benefits expenditures. The number of employees grew in fiscal year 2023, which resulted in increased salaries and wages. Overtime costs also continued to increase due to state police staffing shortages and additional highway construction and other projects.

Special Revenue Fund Receipts

A summary of special revenue fund receipts during the audited period as compared to the preceding fiscal year follows:

	Fiscal Year Ended June 30,		
	2021	2022	2023
Federal Aid, Restricted	\$ 43,302,113	\$ 299,221,397	\$ 348,480,233
Non-Federal Aid, Restricted	42,711,614	45,264,116	45,070,485
Federal Grant Transfer, Restricted	2,727,789	3,638,771	3,371,598
Non-Federal Grant Transfer, Restricted	3,080,190	2,597,128	3,115,275
Other Aid, Restricted	456,207	745,115	672,144
Investment Interest	56,060	166,711	2,141,676
Total	\$ 92,333,973	\$ 351,633,238	\$ 402,851,411

The increase in receipts during the fiscal years 2022 and 2023 was primarily due to an additional \$259,487,781 and \$56,388,678 in federal aid for the Federal Emergency Management Agency (FEMA) Public Assistance program for the COVID-19 disaster, respectively.

Special Revenue Fund Expenditures

A summary of special revenue fund expenditures during the audited period as compared to the preceding fiscal year follows:

	Fiscal Year Ended June 30,		
	2021	2022	2023
Fixed Charges	\$ 100,630,324	\$ 370,992,845	\$ 301,183,305
Personal Services & Employee Benefits	15,298,119	15,665,439	17,265,648
Information Technology	10,997,532	10,578,330	12,968,535
Capital Outlays - Equipment	3,942,395	15,601,814	5,635,838
Rental & Maintenance - Equipment	4,234,070	3,793,708	4,997,478
Professional, Scientific & Technical Services	318,111	2,857,519	9,800,090
Purchased Commodities	3,462,999	2,967,698	5,388,078
Other Expenses	4,178,488	7,573,711	5,062,754
Total	\$ 143,062,038	\$ 430,031,064	\$ 362,301,726

The fluctuation in expenditures during the audited period was due primarily to a \$274,067,137 increase and a \$74,233,383 decrease in expenditures and grants made under the FEMA Public Assistance program for the COVID-19 disaster during the fiscal years 2022 and 2023, respectively.

Capital Project Funds Expenditures

A summary of capital project fund expenditures during the audited period as compared to the preceding fiscal year follows:

	Fiscal Year Ended June 30,		
	2021	2022	2023
Information Technology	\$ 9,598,822	\$ 7,709,414	\$ 4,309,623
Capital Outlays - Equipment	6,495,539	4,733,903	2,057,109
Other Expenses	544,132	388,090	497,484
Total	\$ 16,638,493	\$ 12,831,407	\$ 6,864,216

The decrease in expenditures during the audited period was due to a reduction in capital projects for the statewide emergency telecommunications system and information technology.

Non-Capital Project Funds Expenditures

Non-capital project fund expenditures totaled \$0 and \$750,000 for the fiscal years 2022 and 2023, respectively. The expenditures for fiscal year 2023 were for a public safety grant for the replacement of a municipal emergency communications system.