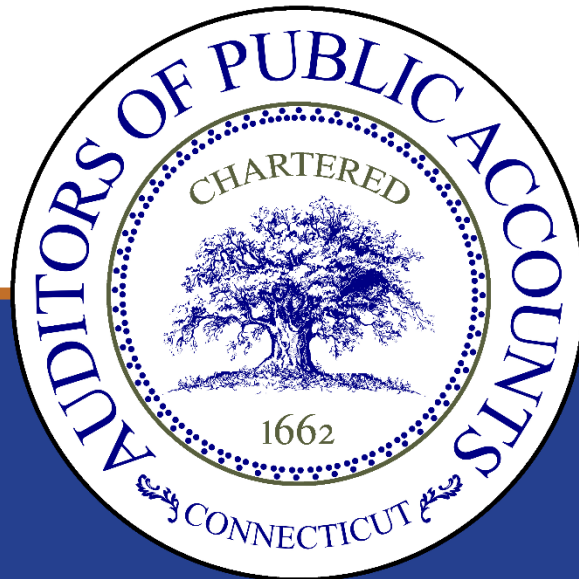


AUDITORS' REPORT

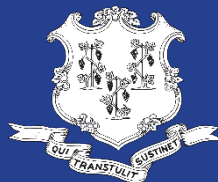
Offices of the Governor and Lieutenant Governor

FISCAL YEARS ENDED JUNE 30, 2023 AND 2024



STATE OF CONNECTICUT
Auditors of Public Accounts

JOHN C. GERAGOSIAN
State Auditor



CRAIG A. MINER
State Auditor

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STATE OF CONNECTICUT



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October 2, 2025

INTRODUCTION

We are pleased to submit this audit of the Offices of the Governor and Lieutenant Governor for the fiscal years ended June 30, 2023 and 2024 in accordance with the provisions of Section 2-90 of the Connecticut General Statutes. Our audit identified internal control deficiencies and instances of noncompliance with laws, regulations, or policies.

The Auditors of Public Accounts wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Offices of the Governor and Lieutenant Governor during the course of our examination.

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

Michael Koonz
Jaimey L. Makie

A handwritten signature in cursive script that reads "Jaimey L. Makie".

Jaimey L. Makie
Associate Auditor

Approved:

A handwritten signature in cursive script that reads "John C. Geragosian".

John C. Geragosian
State Auditor

A handwritten signature in cursive script that reads "Craig A. Miner".

Craig A. Miner
State Auditor

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Offices of the Governor and Lieutenant Governor disclosed the following three recommendations, which were not repeated from the previous audit.

Finding 1

Inadequate Monitoring of State Vehicle Usage

Criteria

The Department of Administrative Services (DAS) General Letter No. 115, Policy for Use of Motor Vehicles to Conduct State Business, governs the use of state-owned motor vehicles and those used for official state business by state employees.

Agencies must maintain mileage logs which include daily operator assignments for pool vehicles. Operators must certify that mileage logs are true and correct. The agency head must certify that travel was essential to the agency's official state business.

All state-owned and rental vehicles must be parked overnight at state-owned or leased facilities.

Agency managers and supervisors are responsible for performing monthly review of vehicle utilization data to ensure it complies with operational guidelines and General Letter No. 115, including home garaging, alternate parking, and fringe benefit reporting.

Condition

During our review of state vehicle usage between April 1, 2024 and June 30, 2024, we noted the following conditions:

- The Office of the Governor did not adequately maintain daily mileage logs. Although vehicle utilization reports were available, they did not include daily operator assignments or certifications.
- On 37 of 84 days in which pool vehicles were utilized, the operators did not park overnight at an approved state-owned or alternative parking location.
- The office did not perform monthly reviews of vehicle utilization data to ensure it complied with General Letter No. 115.

Context	<p>The Office of the Governor was assigned three state vehicles as of June 30, 2024. One vehicle was assigned for the Governor's use in accordance Section 3-9 of the General Statutes. The other vehicles served as pool vehicles and were not assigned to a single operator for continuous use. We reviewed the use of both pool vehicles during April, May, and June 2024.</p> <p>The Office of the Lieutenant Governor was assigned one vehicle for use in accordance with Section 3-9 of the General Statutes. There were no pool vehicles assigned or used by the Lieutenant Governor's staff.</p>
Effect	Lack of adequate records and management review increases the likelihood of misconduct and noncompliance. When a pool vehicle is used exclusively by a single employee, there is an increased risk of underreporting taxable fringe benefits.
Cause	Lack of management oversight contributed to the condition.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	The Office of the Governor should develop and implement policies and procedures to ensure it complies with the Department of Administrative Services' General Letter No. 115, Policy for Motor Vehicles Used for State Business.
Agency Response	<p>"The Office of the Governor agrees with the finding and is committed to ensuring full adherence to state policies and procedures and promoting accountability in the use of state resources. To address this matter the Office of the Governor has developed policies and procedures in alignment with General Letter No. 115, clarifying the permissible use of motor vehicles for state business. These guidelines will ensure all employees understand their responsibilities and the limits of vehicle use. In addition, any employee who is approved to use a state vehicle for state business will receive comprehensive training pursuant to the Department of Administration Fleet policies.</p> <p>The Office of the Governor has implemented a system of tracking motor vehicle usage, including maintaining accurate logs and ensuring documentation of trips taken for state business.</p> <p>Regular internal audits will be conducted to ensure compliance with established procedures. Any deviations will be promptly addressed, and corrective action will be taken.</p> <p>The Legal department in the Office of the Governor will oversee the compliance process ensuring consistent enforcement and accountability."</p>

Finding 2

Asset Management

Background

The Department of Administrative Services provides fiscal services to the offices of the Governor and Lieutenant Governor including purchasing assets, recording and tracking them in the Core-CT Asset Management Module, performing an annual physical inventory inspection, and preparing and annually submitting the CO-59 Asset Management Report to the Office of the State Comptroller.

Criteria

The State Property Control Manual provides that state agencies maintain complete and accurate property records with sufficient information to adequately track and report items. At a minimum, this information should include item description, cost, tag number, and location. The State 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.

State agencies are not permitted to stockpile inventory. They should routinely survey their property to identify excess items. Agencies should assess whether property can be used in other areas of the agency, reassign it accordingly, and surplus unneeded items.

Good business practice requires that an agency receiving asset management services from DAS should verify the accuracy of assets in the Core-CT Asset Management Module and provide certification to DAS prior to DAS completing and submitting the CO-59 Asset Management Report to the Office of the State Comptroller.

Condition

We judgmentally selected 12 items for inspection, totaling \$51,988, from the Office of the Governor's inventory records in Core-CT and five items, totaling \$3,604, during a physical inspection of the Office of the Governor's assets to verify that the office properly included them on its inventory records. Our review disclosed the following:

- The Office of the Governor's staff could not locate four items, totaling \$7,423, on both the office's inventory list and Core-CT.
- The office did not accurately record the location of 11 items, totaling \$24,940, in Core-CT.

As of April 15, 2025, the Office of the Governor's Core-CT asset listing included 92 in-service laptops and personal computers. The office had 34 and 25 employees in the fiscal years 2023 and 2024,

respectively. Based on its staffing levels, the office appears to have excess laptops and personal computers.

There was no evidence that DAS scanned and updated 72 of 113 assets, totaling \$128,395, into Core-CT during the fiscal year 2024 annual physical inventory.

The office did not verify the accuracy of the DAS annual physical inventory or provide a certification to the DAS business office prior to the department's preparation and submission of the CO-59 Asset Management Report to the Office of the State Comptroller.

Context

As of April 15, 2025, the office's inventory had 113 assets, totaling \$210,920.

Effect

Without accurate inventory records, there is an increased risk that inventory can be lost or stolen and go undetected. It could also lead to the Office of State Comptroller reporting inaccurate asset information in the state's Annual Comprehensive Financial Report.

Cause

The Office of the Governor and the Department of Administrative Services have not clearly defined their respective asset management roles and responsibilities.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Office of the Governor should work with the Department of Administrative Services to develop and implement internal controls over asset management to ensure it maintains its property control system in accordance with the State Property Control Manual.

OTG Response

"We agree with the finding that not all assets were fully inventoried for FY23 and FY24. OTG has already begun to work more closely with DAS Business Office (BO) and Bureau of Information Technology Services (BITS) to ensure assets are scanned for FY25 and that the location and custodian information is updated. Laptops in active service are replaced at the end of their warranty period. Older assets that can no longer be used are transferred to DAS for disposal. Replaced laptops that can still be used are retained for use by interns and fellows or by staff when their laptop is being serviced. Eighteen laptops in the OTG inventory are in use by the Office of Workforce Strategy (OWS). The assets have now been transferred to OWS and DAS BO will update the OTG inventory to reflect this after it is closed for FY25. Additional laptops on OTG inventory are ready for disposal and either are awaiting disposal by DAS or are waiting to be retrieved for disposal."

DAS Response

"We agree with the auditor's findings that not all assets were fully inventoried for FY23 and FY2024. Going forward, we will work more closely with the OTG during the year-end inventory.

Regarding the audit selection and observations, we would like to respond as follows:

- Asset 51, we did not report this item as lost as we were attempting to find it to dispose of it. The asset was broken shortly after it was received. If we are unable to locate it, we will file a loss report.
- Asset 69 was not transferred to OWS. This asset is still in GOV's inventory.
- Assets GOVRN01069 and 1174 were not disposed. These assets are still active in our books."

Auditors' Concluding Comment:

We formed our conclusions based on the asset locations and status according to the office's inventory records and the Core-CT Asset Management module at the time we performed our testing.

Finding 3**Timesheet Approvals****Criteria**

Sound business practice dictates that timesheet approvers have direct knowledge of employee work hours and locations.

Condition

The Office of the Governor and DAS business office approved the office's employees' timesheets without direct knowledge of their work hours or locations.

During the audited period, the Office of the Governor lacked formal written procedures for reviewing and approving timesheets.

Context

The office's payroll expenditures totaled \$3,746,724 and \$2,614,365 in fiscal years 2023 and 2024, respectively. The office employed 34 and 25 staff members in fiscal years 2023 and 2024, respectively.

Effect

There was reduced assurance that the office paid employees for their actual time worked.

Cause

Due to limited resources, the office did not adopt formal timesheet approval procedures during the audited period.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Office of the Governor should develop and implement internal controls over the review and approval of timesheets.

Agency Response

"We agree with the finding that during FY23 and FY24 not all timesheets were approved by an individual with direct knowledge of employee work hours, although the approver was able to verify the accuracy of timesheets with supervisors, as necessary, when the approver lacked direct knowledge. To avoid the need for that verification step, OTG has resumed the practice of having supervisors approve timesheets for employees they supervise. OTG is also in the process of developing written timesheet approval procedures to reflect this practice."

STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on the Offices of the Governor and Lieutenant Governor contained one recommendation. The recommendation has been implemented or otherwise resolved during the current audit.

Prior Recommendation	Current Status
The Office of the Governor, in its administrative role to the Governor's Workforce Council, should ensure that the Office of Workforce Strategy (OWS) complies with its statutory reporting requirements. Public Act 23-204, Section 70, effective June 12, 2023, transferred OWS to the Department of Economic and Community Development. Administrative oversight of the OWS is no longer the responsibility of the Office of the Governor.	RESOLVED

OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of the Offices of the Governor and Lieutenant Governor 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, 2023 and 2024. The objectives of our audit were to evaluate the:

1. Offices' internal controls over significant management and financial functions;
2. Offices' 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, purchasing and expenditures, state vehicle usage and asset management.

The Department of Administrative Services administers fiscal services for the Offices of the Governor and Lieutenant Governor. Our audit reviewed these functions, based on assessments of risk and significance, as they relate to the Offices of the Governor and Lieutenant Governor. Our review did not include reviewing other aspects of the Department of Administrative Service's operations.

Our methodology included reviewing written policies and procedures, financial records, 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:

1. Identified deficiencies in internal controls;

2. Identified apparent noncompliance with laws, regulations, contracts and grant agreements, policies, or procedures; and
3. Did not identify 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 Offices of the Governor and Lieutenant Governor.

ABOUT THE AGENCY

Overview

The Offices of the [Governor](#) and [Lieutenant Governor](#) were established under Article Fourth of the Constitution of the State of Connecticut and operate under the provisions of Title 3, Chapter 31 of the General Statutes. The Governor is charged with the responsibility of executive direction and supervision of the general administration of the state. The Honorable Ned Lamont and the Honorable Susan Bysiewicz were first sworn in as Governor and Lieutenant Governor on January 9, 2019. They were reelected in 2022 and continue to serve.

The Department of Administrative Services (DAS) administers payroll, human resources, and fiscal functions for the Offices of the Governor and Lieutenant Governor. The offices' information technology services are centralized under the DAS Bureau of Information Technology Solutions.

Organizational Structure

The Office of the Governor includes the Governor, Chief of Staff, General Counsel, Deputy Chief of Staff, Director of Media Communications, Director of Strategic Public Outreach, Director of Operations, Deputy Policy Director, and Executive Office Aides. As of June 30, 2024, the office had 25 employees.

The Office of the Lieutenant Governor includes the Lieutenant Governor and five support staff.

Significant Legislative Changes

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

- **Public Act No. 23-204 (Section 70)**, effective June 12, 2023, transferred administrative oversight of the Office of Workforce Strategy from the Office of the Governor to the Department of Economic and Community Development.

Financial Information

Receipts

A summary of General Fund and Federal and Other Restricted Accounts Fund receipts for the Office of the Governor during the audited period as compared to the preceding fiscal year follows:

Revenue Description	Fiscal Year Ended June 30,		
	2022	2023	2024
Federal Aid, Restricted	\$ 2,909,855	\$ -	\$ -
Grant Transfer Federal Grant Restricted	70,000,000	-	-
Restricted Aid not Grant Transfer	500,000	250,000	-
RF-Auction Sales - Equipment	-	3	-
Sale of Property	-	91	-
Total Revenues	\$ 73,409,855	\$ 250,094	\$ -

Significant fluctuations in federal grant revenue were due to the Office of Workforce Strategy receiving significant transfers of American Rescue Plan Act (ARPA) funds in fiscal year 2022 and receiving no federal grants in fiscal year 2023 prior to its transitioning to the Department of Economic and Community Development in fiscal year 2024.

The Office of the Lieutenant Governor had no receipts during the audited period.

Expenditures

A summary of Federal and Other Restricted Accounts Fund expenditures for the Office of the Governor during the audited period as compared to the preceding fiscal year follows:

Office of the Governor	Fiscal Year		
	2022	2023	2024
Wages, Salaries and Employee Expenses	\$ 301,201	\$ 767,876	\$ -
Other Services	3,037,327	723,831	-
Information Technology	47,724	23,168	-
Communications	50	1,058	-
Purchased Commodities	3,000	72,300	-
Grants and Transfers	-	16,965,510	22,869
Capitalized Subscription-Based Information Technology Arrangements (SBITA)	-	7,006	-
Total Expenditures	\$ 3,389,302	\$ 18,569,748	\$ 22,869

The Office of the Lieutenant Governor had no Federal and Other Restricted Accounts Fund expenditures during the audited period.

There was a significant increase in the Office of the Governor federal expenditures between fiscal years 2022 and 2023 because the Office of Workforce Strategy awarded funding to subrecipients during their second year of operation. The significant decrease in federal expenditures between 2023 and 2024 was the result of the Office of Workforce Strategy transferring to the Department of Economic and Community Development.

A summary of General Fund expenditures for the Offices of the Governor and Lieutenant Governor during the audited period as compared to the preceding fiscal year follows:

Expenditure Description	Fiscal Year Ended June 30,		
Office of the Governor	2022	2023	2024
Wages, Salaries, and Employee Expenses	\$ 2,260,184	\$ 2,978,848	\$ 2,614,365
Other Services	113,284	98,355	18,246
Rental and Maintenance - Equipment	4,321	-	-
Motor Vehicle Costs	23,057	12,245	21,772
Premises and Property Expenses	-	-	14,196
Information and Technology	21,065	46,546	47,844
Communications	19,277	14,881	6,350
Purchased Commodities	6,006	65,035	271,334
Capitalized SBITA	-	38,480	46,647
Total Office of the Governor	\$ 2,447,144	\$ 3,254,390	\$ 3,209,755
Office of the Lieutenant Governor			
Wages, Salaries, and Employee Expenses	\$ 665,630	\$ 729,466	\$ 809,474
Other Services	5,430	8,003	4,508
Rental and Maintenance - Equipment	1,872	1,756	1,929
Motor Vehicle Costs	13,984	11,203	16,887
Information and Technology	1,881	1,254	1,689
Communications	4,793	-	-
Purchased Commodities	1,033	1,666	3,455
Total Office of the Lieutenant Governor	\$ 694,623	\$ 753,348	\$ 837,942

During the audited period, there was one foundation as defined by Section 4-37e of the General Statutes, associated with the Office of the Governor. The Governor's Residence Conservancy, Inc. raises private funds to assist in the restoration and preservation of the Governor's official residence. As a foundation, the Governor's Residence Conservancy is subject to the audit requirements of Section 4-37f (8) of the General Statutes. The foundation engaged the Auditors of Public Accounts to perform these audits. Our office released the foundation's [Financial Statement Audit Report](#) for the fiscal year ended June 30, 2023 on December 12, 2023.