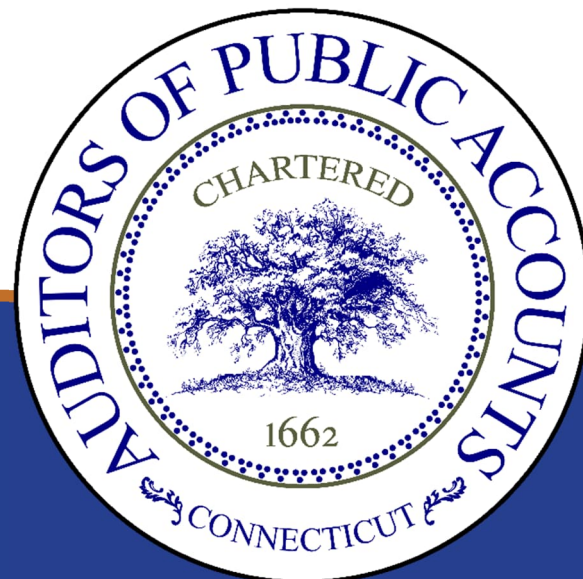


AUDITORS' REPORT

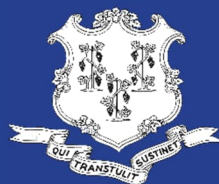
Commission on Human Rights and Opportunities

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

CONTENTS

INTRODUCTION.....	3
STATE AUDITORS' FINDINGS AND RECOMMENDATIONS.....	4
Martin Luther King, Jr. Holiday Commission - Noncompliance with Governing Statutes	4
Statutory Reporting Deficiencies	6
Asset Management Issues	7
Information Technology Resources	9
Noncompliance with Statutory Case Deadlines.....	11
Lack of Controls over Gift Cards.....	15
Overtime	16
STATUS OF PRIOR AUDIT RECOMMENDATIONS	18
OBJECTIVES, SCOPE, AND METHODOLOGY	20
ABOUT THE AGENCY	22

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

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April 8, 2026

INTRODUCTION

We are pleased to submit this audit of the Commission on Human Rights and Opportunities (CHRO) 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; 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 Commission on Human Rights and Opportunities during the course of our examination.

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

Lisa Drzewiecki

A handwritten signature in black ink, appearing to read "L. Drzewiecki".

Lisa Drzewiecki
Associate Auditor

Approved:

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

John C. Geragosian
State Auditor

A handwritten signature in black ink, appearing to read "Craig A. Miner".

Craig A. Miner
State Auditor

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Commission on Human Rights and Opportunities disclosed the following seven recommendations, of which five were repeated from the previous audit.

Finding 1

Martin Luther King, Jr. Holiday Commission – Noncompliance with Governing Statutes

Background

Section 10-29b of the General Statutes established a Martin Luther King, Jr. Holiday Commission (MLK Jr. Holiday Commission), consisting of 19 members appointed by the Governor and leaders of the General Assembly. The Commission on Human Rights and Opportunities serves as secretariat and consultant to the MLK Jr. Holiday Commission.

Criteria

Section 1-225 of the General Statutes requires each public agency to make its meeting minutes available for public inspection within seven days after the meeting, and post them on its website, if available. Agencies must make meeting notices and regular meeting agendas available to the public and file them with the office of the Secretary of the State at least 24 hours before the meeting. Agencies must post meeting agendas on their and the Secretary of the State's websites.

Section 10-29b of the General Statutes requires the Martin Luther King, Jr. Holiday Commission to submit, by each September 1st, a report to the Governor on its findings, conclusions, proposals, and recommendations for the observance of such birthday in the following January.

Condition

Our review of the Martin Luther King, Jr. Holiday Commission disclosed the following exceptions:

- The commission could not provide meeting minutes and agendas for 16 of the 20 meetings held during the audited period.
- The commission did not post 16 of 20 meeting minutes and agendas on the CHRO website.

- The commission did not post its meeting notices and agendas on the Secretary of the State’s public meeting calendar.
- The commission did not provide support that it submitted the 2023 and 2024 Annual Reports to the Governor.

Context	We reviewed all 20 meetings held by the MLK Jr. Holiday Commission during the audited period and selected the 2023 and 2024 annual reports for review.
Effect	The absence of posted meeting notices, minutes, agendas, and annual reports could leave interested parties uninformed about the commission’s activities.
Cause	The MLK Jr. Holiday Commission lacked an effective recordkeeping system for its meeting minutes and online postings.
Prior Audit Finding	This finding has been previously reported in part in the last three audit reports covering the fiscal years ended 2017 through 2022.
Recommendation	The Martin Luther King, Jr. Holiday Commission should ensure compliance with Sections 1-225 and 10-29b of the General Statutes with applicable guidance from the Commission on Human Rights and Opportunities.
Agency Response	<p>“The CHRO respectfully disagrees, in part, with this finding. The CHRO provided all necessary administrative support to the MLK Commission. Specifically, the CHRO maintained consistent communication with the Commission, advising them of their statutory and regulatory obligations. The CHRO also issued multiple follow-up correspondences, phone calls, and other forms of contact to ensure compliance and support.</p> <p>As a concrete example of this support, the CHRO designated the Chair of the CHRO IT Team to serve as the agency’s liaison to the MLK Commission. His assignment ensured that the Commission had direct access to legal and technical guidance as needed. Further, the CHRO maintained contact with the governor’s office regarding irregular activity as it has occurred.”</p>
Auditors’ Concluding Comments	CHRO responded about its administrative support of the MLK Jr. Holiday Commission but failed to address the MLK Jr. Holiday Commission’s noncompliance with Sections 1-225 and 10-29b of the General Statutes.

Finding 2

Statutory Reporting Deficiencies

Criteria	Section 4a-60g(m) of the General Statutes requires CHRO to monitor the achievement of the annual set-aside goals established by each awarding agency and to prepare and submit a quarterly report on whether or how agencies achieved these goals to each awarding agency, the Department of Economic and Community Development, the Department of Administrative Services, and the General Assembly.
Condition	CHRO did not submit eight quarterly set-aside achievement reports required by Section 4a-60g(m) of the General Statutes. Although CHRO prepared the reports, it did not submit them to the intended recipients.
Context	We identified 15 statutory or State Comptroller reporting requirements with one-time to biennial due dates. Thirty-one reports were due during the audited period. We reviewed all 31 submissions.
Effect	The intended recipients of the reports are not cognizant of its respective data to make timely and informed decisions.
Cause	The commission posts the quarterly set-aside achievement reports on its website but appeared to be unaware that it should have submitted the reports to the intended recipients.
Prior Audit Finding	This finding has previously been reported in the last five audit reports covering the fiscal years 2013 through 2022.
Recommendation	The Commission on Human Rights and Opportunities should comply with its statutory reporting requirements.
Agency Response	"The CHRO agrees with this finding and is fully committed to ensuring this report is filed moving forward. While the CHRO has already submitted dozens of required reports, we recognize the importance of this specific filing. To that end, the CHRO has met directly with the staff responsible for report submissions to reinforce accountability and ensure this report is incorporated into the agency's annual reporting process. Clear expectations have been set to prevent future omissions."

Finding 3

Asset Management Issues

Background

A memorandum of understanding between CHRO and the Department of Labor (DOL), makes DOL responsible for entering CHRO's assets into the Core-CT accounting system; coordinating items for surplus; and preparing its Asset Management Report (CO-59). CHRO is responsible for approving its CO-59; managing its physical inventory; reconciling inventory records; identifying and recording missing items; completing and submitting signed CO-853 loss reports; and maintaining its software inventory.

Criteria

Section 4-36 of the General Statutes requires state agencies to establish and maintain inventory records as prescribed by the Office of the State Comptroller. The agency must transmit a CO-59 to the State Comptroller and maintain its inventory in Core-CT. Only capitalized equipment should be reported on the CO-59, which should reconcile to the Core-CT inventory listing.

The State Property Control Manual requires each agency to maintain complete and accurate property records and establish specific standards, including conducting a complete physical inventory of all property by the end of each fiscal year and properly maintaining a software inventory record.

Condition

Our review of CHRO's asset management reports (CO-59) for the fiscal years ended, June 30, 2023, and 2024 determined the reports were unreliable due to the following issues:

- The CHRO asset management system did not indicate whether CHRO has conducted a physical inventory since July 14, 2009. Seventy-eight percent of assets listed did not indicate a date of physical inventory verification.
- The CO-59 reports for fiscal years 2023 and 2024 did not reconcile to the Core-CT asset management records. Capital assets in Core-CT were lower than the CO-59 property control reports by \$186,739 and \$61,443 as of June 30, 2023 and 2024, respectively.
- Our review of 461 purchased assets, totaling \$192,269, disclosed that DOL incorrectly recorded 76 assets, totaling \$68,589, as capital equipment rather than controllable property or IT equipment. DOL did not enter any of these purchased assets into the asset management system.

- The CHRO software inventory listing did not contain the required fields identified in the State Property Control Manual.

Context	<p>As of June 30, 2024, CHRO had 555 capitalized and controllable assets listed in Core-CT, totaling \$411,654. We reviewed all assets for physical inventory dates.</p> <p>CHRO reported ending balances of \$380,102 and \$254,806 on the CO-59 for the fiscal years ended June 30, 2023 and 2024, respectively. We reviewed the balances reported in all categories.</p> <p>CHRO purchased 461 assets with a total cost of \$192,269 in fiscal years 2024 and 2025. We reviewed all asset purchases.</p> <p>CHRO’s software inventory listing as of February 27, 2025 consisted of 417 installed software products.</p>
Effect	<p>When agencies do not record equipment purchases, conduct complete physical inventories, and maintain comprehensive inventory records, they are more likely to inaccurately report assets, resulting in an increased risk of loss of state property.</p>
Cause	<p>CHRO and DOL did not adequately communicate about asset purchases, physical inventories, and Core-CT asset entries.</p>
Prior Audit Finding	<p>This finding has been previously reported in the last three audit reports covering the fiscal years 2017 through 2022.</p>
Recommendation	<p>The Commission on Human Rights and Opportunities should work with the Department of Labor to ensure compliance with asset management requirements in Section 4-36 of the General Statutes and the State Property Control Manual.</p>
CHRO Response	<p>“The CHRO agrees with this finding in part. The CHRO continues to work collaboratively with the Department of Labor to revise the existing Memorandum of Understanding (MOU) and clearly define each agency’s roles and responsibilities related to asset management. Regular meetings are held to resolve outstanding concerns. The CHRO and DOL have implemented more precise asset tracking logs that include detailed categories for review. These improvements are intended to enhance transparency, strengthen accountability, and ensure full compliance with all reporting and inventory requirements.”</p>
DOL Response	<p>“CTDOL has concerns that the “Conditions” do not differentiate between those tasks which are solely under CHRO’s responsibility from those that are assigned to CTDOL. For example, CTDOL has no responsibility for the first bullet concerning the CHRO’s asset</p>

management system nor the last bullet relating to software inventory. Further, CTDOL finds the "cause" to be a subjective comment with which we disagree, unless the auditors have memorialized conversations with the appropriate staff members indicating a lack of understanding."

Auditors' Concluding Comments

We clearly identified the asset management functions assigned to DOL and CHRO in the above background section. CHRO and DOL should work closely with each other to ensure compliance with asset management requirements in Section 4-36 of the General Statutes and the State Property Control Manual.

Finding 4

Information Technology Resources

Criteria

Operational and management information systems should be designed to ensure the creation, compilation, maintenance, retention, and distribution of information in support of an organization's mission.

Section 46a-68(c) of the General Statutes states that all affirmative action plans shall be filed electronically, if practicable.

Condition

Our review of CHRO's information technology infrastructure disclosed the following:

- Our prior audit reported that CHRO's complaint tracking system (CTS) did not effectively, efficiently, and reliably support management in its mission due to design limitations, inadequate maintenance, and unreliable information. CHRO has not added significant functionality to its complaint tracking system since the last audit.
- Approximately 25 of the 76 state agency affirmative action plans were not filed electronically.
- None of the contractors' 1,137 affirmative action plans were filed electronically during the audited period.

Context

CHRO's services fall into three categories:

- Processing an average of over 2,000 new discrimination cases a year, which may range from less than 60 days to 14 years.

- Monitoring vendor compliance for approximately 2,300 small business and minority set-aside programs that extend over as much as five years for a major contract.
- Monitoring affirmative action plan development and compliance of 50 state agencies and commissions.

This finding addresses systemic issues pertaining to all three categories of CHRO activity and constitutes a general assessment of the information technology environment.

Effect

Not having sufficient information technology resources may cause:

- Redundant effort by management and support staff to produce information that they can obtain more efficiently.
- Extra effort and expense on external parties and other state agencies subject to paper-based reporting requirements.
- Diminished capacity to identify trends in current discrimination case processing, comply with various statutory requirements, and monitor caseloads.

Cause

The agency operates in a paper-oriented environment with a focus on individual case management rather than process management and lacks staff with information technology expertise.

Prior Audit Finding

This finding has been previously reported in the last three audit reports covering the fiscal years 2017 through 2022.

Recommendation

The Commission on Human Rights and Opportunities should continue to pursue funding and obtain appropriate staffing resources to improve its information management capacity and agency efficiency. The commission should develop a strategy to upgrade its current information technology systems, provide training, and implement electronic processing of state agency and contractor affirmative action plans.

CHRO Response

"The CHRO agrees with this finding. However, we have repeatedly requested resources to purchase and upgrade our IT systems. We acknowledge that our current systems are outdated and inefficient, often requiring excessive staff time to manage the high volume of paper-based processes.

We will once again submit a formal request for funding to modernize the agency's technology infrastructure. In the meantime, we continue to work closely with the Office of Policy and Management (OPM) to reduce our environmental footprint while improving overall productivity."

DAS Response

“The Department of Administrative Services (DAS) agrees with the auditors’ assessment regarding CHRO’s legacy technology environment. DAS/BITS has continued to make incremental improvements to the existing system while collaborating closely with CHRO to evaluate modernization options that will enhance electronic submissions, streamline case management, and improve long-term system sustainability.

DAS is taking a proactive role in advancing this effort and will work closely with CHRO to prepare an IT Capital Investment request once a viable solution is identified. We remain committed to driving the planning, technical evaluation, and alignment with statewide IT standards necessary to support CHRO’s future modernization.”

Finding 5

Noncompliance with Statutory Case Deadlines

Background

The Commission on Human Rights and Opportunities is responsible for monitoring 28 statutory deadlines when processing discrimination cases. These deadlines include time requirements for filing and responding to complaints, case assessment reviews, mandatory mediation conferences, investigations, early legal intervention, reconsideration requests, appeals to court, reopening of complaints, and release of jurisdiction.

Criteria

Section 46a-83(a) of the General Statutes requires the commission to serve the respondent with the complaint and a notice of the procedural rights and obligations not later than 15 days after the date of filing of the discriminatory practice complaint.

Section 46a-83(c) of the General Statutes requires the commission to conduct a case assessment review to determine whether the complaint should be retained for further processing or dismissed. The commission has 60 days from the filing of the respondent’s answer to the complaint to conduct the case assessment review and inform the complainant of any notice of action taken pursuant to the case assessment review.

Section 46a-83(e) of the General Statutes allows the complainant, the respondent or the commission to request early legal intervention if a complaint is not resolved after the mandatory mediation conference. The commission has 90 days from the date of the request to make a decision on whether the complaint should be heard by the Office of Public Hearings, assigned an investigator to conduct a full investigation, or released from the jurisdiction of the commission.

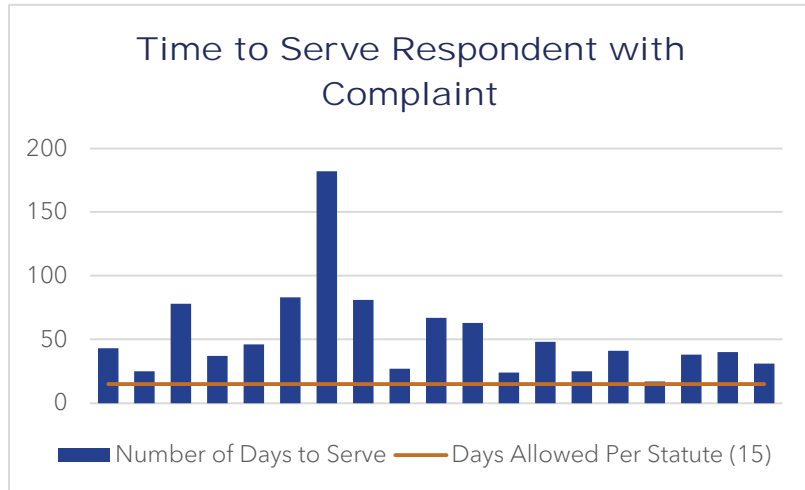
Section 46a-83(f) of the General Statutes requires the commission to assign an investigator to process the complaint no later than 15 days after a mandatory mediation conference failed to resolve the complaint or an early legal intervention decision was made to investigate the case. The investigator may process the complaint by any lawful means of finding facts in order to determine whether there is reasonable cause for believing that a discriminatory practice has been or is being committed as alleged by the complainant.

Section 46a-83(g)(1) of the General Statutes requires the case investigator to make a finding of reasonable cause or not reasonable cause not later than 190 days from the date of the case assessment review. For good cause, the executive director or the executive director's designee may grant up to two extensions of the investigation of three months each.

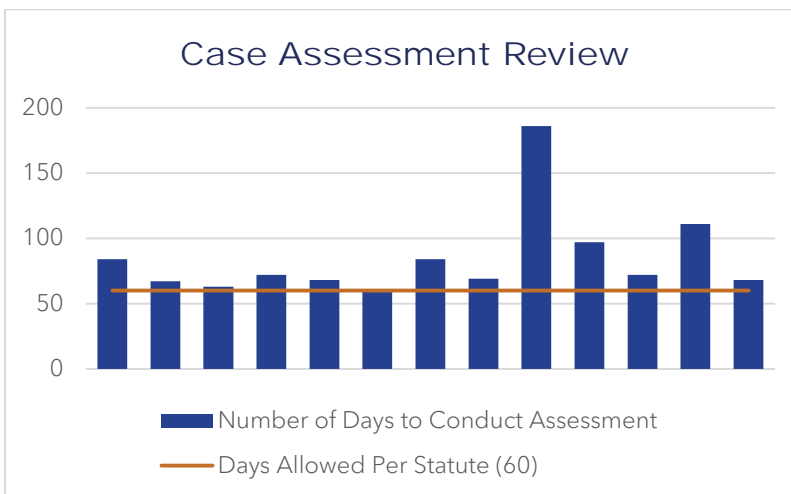
Condition

Our review of 20 discrimination complaint cases filed during the audited period identified the following issues:

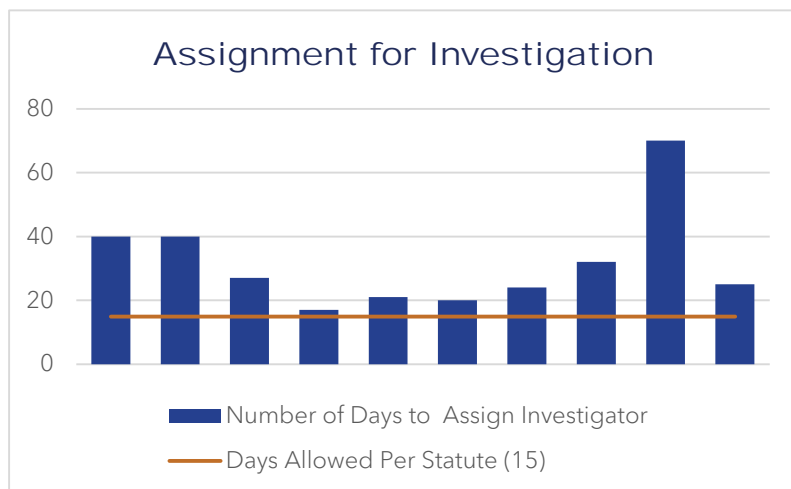
CHRO served 19 complaints to the respondent more than 15 days after the filing date. CHRO served these complaints between two and 167 days late, with a median of 26 days late.



CHRO conducted 13 case assessment reviews more than 60 days from the filing of the respondent's answer to the complaint. CHRO served the complaints to the respondent between one and 126 days late, with a median of 12 days late.

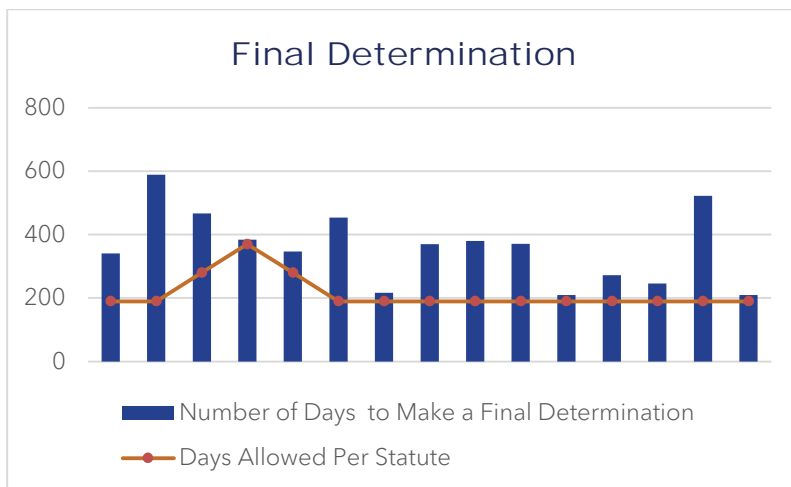


CHRO assigned ten cases to an investigator more than 15 days from the mediation fail or early legal intervention decision. CHRO assigned the investigators between two and 55 days late, with a median of 11 days late.



One case we reviewed went through the Early Legal Intervention (ELI) process. CHRO made the ELI decision more than 90 days after the request for early legal intervention. CHRO made the decision 94 days late.

For 15 complaint cases, the case investigator did not make a final cause determination within the statutory deadline. The case investigators made the final determinations between 14 and 399 days late, with a median of 150 days late.



Context	The Commission on Human Rights and Opportunities received 4,661 discrimination cases during the audited period. Of these, 510 cases had a final determination of reasonable or no reasonable cause. We randomly selected 20 discrimination cases in which the investigator made a final cause determination.
Effect	The failure to promptly process complaints delays the investigation and the potential issuance of a finding of reasonable cause. This places a burden on all parties, particularly the complainant who alleged discrimination.
Cause	This appears to be due to the volume of work exceeding staffing resources.
Prior Audit Finding	This finding has been previously reported in the last audit report covering the fiscal years 2021 through 2022.
Recommendation	The Commission on Human Rights and Opportunities should process discrimination complaints and determine reasonable cause within the statutory deadlines. The commission should consider seeking a legislative amendment to extend the statutory deadlines or request additional resources.
Agency Response	“The CHRO does not agree with the finding. The CHRO has been historically and chronically understaffed and under-resourced, as referenced in this and prior audits. Management is providing sufficient oversight; we are chronically understaffed and under resourced. There are not enough hours in the day or days of the week to meet all statutory and regulatory time frames because the volume of the work exceeds our available resources. As an agency, we have managed to substantially reduce any backlog and have made gains with complying with the statutory and regulatory requirements despite our lack of resources.”

Finding 6

Lack of Controls over Gift Cards

Background	<p>The Kids Court Academy is an annual 17-week program designed to raise the social consciousness of CT middle and high school students regarding civil and human rights law. The program holds biweekly one-hour remote sessions from February through October. Students may earn gift cards by participating during the session and bonus gift cards for perfect attendance.</p>
Criteria	<p>Sound business practices dictate that gift cards should be tracked, managed, and monitored through a reconciliation process to mitigate the risk of fraud, waste, and abuse.</p>
Condition	<p>Of the approximately ten youth or community engagement events, CHRO only kept gift card distribution logs for the Kids Court Academy (KCA) program. Our review of the gift card logs for the 17 KCA sessions held in calendar year 2024 disclosed the following issues:</p> <ol style="list-style-type: none">1) CHRO did not maintain complete and proper tracking logs to confirm distribution and receipt of the gift cards. CHRO awarded \$11,100 in gift cards to students but only documented that it mailed approximately 46 percent of the gift cards, totaling \$5,095, to the students. In addition, CHRO only received confirmation that approximately 16 percent of the gift cards, totaling \$1,760, reached the intended recipients. The gift card logs did not contain any evidence of supervisory review.2) CHRO did not perform reconciliations of gift card purchases, distributions, and remaining stock to verify that it did not lose any gift cards.3) CHRO did not have written policies and procedures for managing gift cards, including safeguarding, storage and custody, segregation of duties, tracking logs, supervisory review, and reconciliation.
Context	<p>CHRO purchased \$61,370 in gift cards for approximately ten youth or community engagement events during the audited period. CHRO purchased \$10,500 (17 percent) of the gift cards for the 2024 Kids Court Academy.</p>
Effect	<p>A lack of adequate monitoring and reconciliation of gift card activity increases the risk of fraud, waste, and abuse.</p>

Cause	This appears to be caused by the lack of management oversight related to the distribution and reconciliation of gift cards.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	The Commission on Human Rights and Opportunities should establish a written policy detailing proper internal control procedures over the distribution of gift cards. The commission should properly document and maintain records confirming distribution and reconciliation of the gift cards.
Agency Response	<p>“The CHRO respectfully disagrees with this finding. A policy has been—and continues to be—in place governing the purchase, distribution, and storage of gift cards.</p> <p>With regards to reconciliation, the agency has implemented enhanced procedures to strengthen our existing controls and ensure greater accuracy in tracking and recordkeeping. Supervisory checks are also in place to prevent waste, fraud or abuse.</p> <p>It is accurate that, in other youth programs and during education and outreach events, we have not required individuals to sign for gift cards. This is primarily due to the high volume of participants and the nature of these stand-alone events. However, moving forward, the CHRO will implement a signatory process and a reconciliation process for all gift card distributions to strengthen accountability and documentation.”</p>
Auditors’ Concluding Comments	<p>CHRO has a policy for the Kids Court Academy that is available to program participants. However, there is no written policy and process for CHRO employees to safeguard the gift cards.</p> <p>Although CHRO has a policy that requires students to acknowledge receipt of gift cards, this policy was not always followed. CHRO only received confirmation for approximately 16 percent of the gift cards awarded in 2024.</p>

Finding 7

Overtime

Criteria	The CHRO overtime approval policy in the Department of Labor’s May 2, 2024, overtime approval memorandum, stipulates that supervisors must preapprove all overtime.
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Condition	Our review of 242.5 hours of overtime, totaling \$12,368, revealed that a supervisor did not preapprove 135.5 hours of overtime (56%), totaling \$6,746, for four executive unit employees.
Context	CHRO's overtime expenditures totaled \$301,395, \$208,061, and \$207,433 in fiscal years 2023, 2024, and 2025, respectively. During this time period, 62 employees earned 13,178 hours of overtime. We judgmentally selected the four employees from the Executive Administration unit with the highest overtime earnings. We focused on the Executive Administrative Unit because this department earned the largest amount of overtime during the audited period.
Effect	Failure to properly administer and approve overtime could lead to unnecessary costs.
Cause	A lack of managerial oversight contributed to the condition.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	The Commission on Human Rights and Opportunities should strengthen internal controls to ensure compliance with its overtime approval policy promulgated in the Department of Labor's overtime approval memorandum dated May 2, 2024.
Agency Response	<p>"The Commission firmly disagrees with the finding related to overtime. Overtime is consistently preapproved, typically through verbal authorization. While documentation or email confirmation may be finalized after some overtime hours have been worked, the approval is granted in advance.</p> <p>Given CHRO's chronic under-resourcing and staffing shortages, it is not always feasible for written approval to precede the overtime worked. This operational reality does not negate the fact that the overtime is authorized. Furthermore, in urgent or emergent situations, overtime may be necessary without prior approval to avoid costly delays-such as the need to reschedule fact-finding conferences or mediations-which would result in unnecessary expenditures and inefficiencies."</p>
Auditors' Concluding Comments	Supervisors did not provide written preapproval for more than half of the overtime earned by executive unit employees during the audited period. Preapproval of overtime helps manage labor costs and prevent unauthorized overtime.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on the Commission on Human Rights and Opportunities contained eight recommendations. Five recommendations have been repeated or restated with modifications.

Prior Recommendation	Current Status
<p>The Martin Luther King, Jr. Holiday Commission should ensure compliance with Sections 1-225 and 10-29b of the General Statutes with applicable guidance from the Commission on Human Rights and Opportunities.</p>	<p>REPEATED Recommendation 1</p>
<p>The Commission on Human Rights and Opportunities should comply with its statutory reporting requirements.</p>	<p>REPEATED Recommendation 2</p>
<p>The Commission on Human Rights and Opportunities should work with the Department of Labor to ensure compliance with asset management requirements in Section 4-36 of the General Statutes and the State Property Control Manual.</p>	<p>REPEATED Recommendation 3</p>
<p>The Commission on Human Rights and Opportunities should continue to pursue funding and obtain appropriate staffing resources to improve its information management capacity and agency efficiency. The commission should develop a strategy to upgrade its current information technology systems and training and implement electronic processing of state agency and contractor affirmative action plans.</p>	<p>REPEATED Recommendation 4</p>
<p>The Commission on Human Rights and Opportunities should continue to ensure that Office of Public Hearings human rights referee vacancies are promptly filled to reduce the risk of case backlogs and comply with Section 46a-84 of the General Statutes.</p>	<p>RESOLVED</p>
<p>The Commission on Human Rights and Opportunities should process discrimination complaints and determine reasonable cause within the statutory deadlines.</p>	<p>REPEATED Modified Form Recommendation 5</p>

Prior Recommendation	Current Status
<p>The Commission on Human Rights and Opportunities should improve monitoring over the review of contractor affirmative action plans to ensure that it meets statutory deadlines.</p>	<p>RESOLVED</p>
<p>The Commission on Human Rights and Opportunities should review and update its regulations to reflect current statutory language and internal procedures.</p>	<p>RESOLVED</p>

OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of the Commission on Human Rights and Opportunities 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. Commission's internal controls over significant management and financial functions;
2. Commission's compliance with policies and procedures internal to the commission 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 the CHRO and MLK Jr. Holiday commissions' membership and meetings, payroll and personnel, purchasing and expenditures, asset management, reporting systems, information technology, complaint case processing, timeliness of case hearings, and affirmative action plan submission reviews. We also determined the status of the findings and recommendations in our prior audit report.

CHRO has a memorandum of understanding with the Department of Labor to provide various human resources, payroll, affirmative action, and business office functions. They also have a memorandum of understanding with the Department of Administrative Services for shared information technology support services. Our audit reviewed these functions, based on assessments of risk and significance, as they relate to the Commission on Human Rights and Opportunities. Our review did not include reviewing other aspects of the Department of Labor and the Department of Administrative Services' operations.

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

We conducted 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, but not limited to, the commission's management

and the state's information systems. It was not subject to our audit procedures. For the areas audited, we identified:

1. Deficiencies in internal controls);
2. Apparent non-compliance with laws, regulations, contracts and grant agreements, policies, and 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 Commission on Human Rights and Opportunities.

ABOUT THE AGENCY

Overview

The [Commission on Human Rights and Opportunities](#) (CHRO) operates primarily under the provisions of Chapter 814c, Sections 46a-51 through 46a-104 of the General Statutes. Its principal duty is to enforce state laws prohibiting discrimination in employment, housing, credit, and public accommodations through civil and human rights law enforcement. CHRO processes discrimination complaints through case assessment review, mediation, investigation, conciliation, prosecution, and adjudication. As part of its mission, CHRO acts as an advocate and provides education and outreach. It also enforces affirmative action laws and state agency contract compliance.

In a typical fiscal year, the commission receives over 2,150 complaints. About 80% of complaints relate to employment, 10% public accommodations, 8% housing, and 1% other.

CHRO also reviews state agency affirmative action plans, in accordance with Section 46a-68 of the General Statutes. Out of the 76 plans that were voted on during the audited period, the commission approved 71 plans and disapproved five. In accordance with Section 46a-68a of the General Statutes, if the commission disapproves an affirmative action plan, it may issue a certificate of noncompliance. The issuance of a certificate of noncompliance bars the agency from filling a position or position classification by hire or promotion until the commission deems the agency is compliant. If the agency achieves compliance, the commission withdraws the certificate of noncompliance.

CHRO annually monitors state and municipal contracts for statutory compliance reviewing affirmative action and set-aside plans of contractors doing business with state agencies. CHRO is responsible for ensuring equity and opportunity for Connecticut small and minority business enterprises owned by women, ethnic minorities, and people with disabilities.

Organizational Structure

Members and Officials of the Commission on Human Rights and Opportunities

Pursuant to Section 46a-52 of the General Statutes, the [Commission on Human Rights and Opportunities](#) consists of nine members. The Governor appoints five members to five-year terms and one of the commissioners as chairperson. The president pro tempore of the Senate, minority leader of the Senate, speaker of the House of Representatives, and minority leader of the House of Representatives each appoint one member to a three-year term. The commissioners serve without pay but receive compensation for reasonable expenses in the course of serving on the commission. Nicholas Kapoor was appointed as chairperson of the commission, effective August 16, 2023. Prior to that, the chairperson position was vacant.

The commission appoints an executive director to oversee the agency's operations. The commission reappointed Tanya A. Hughes, Esq. executive director to a four-year term on August 13, 2025. Cheryl Sharp, Esq. was appointed deputy director, effective July 4, 2014.

CHRO functions through a central office in Hartford and four regional offices in Hartford, Norwich, Bridgeport, and Waterbury. Under Section 46a-52(e) of the General Statutes, the commission is within the Department of Labor for administrative purposes only.

Martin Luther King Jr. Holiday Commission

Section 10-29b of the General Statutes established the Martin Luther King, Jr. Holiday Commission (MLK Jr. Commission) to ensure that the commemoration of Martin Luther King, Jr.'s birthday is meaningful and reflective of the spirit of his life and death. The MLK Jr. Commission consists of 19 members, 11 appointed by the Governor and eight by the leaders of the General Assembly. CHRO serves as the secretariat and consultant for the MLK Jr. Commission. As of June 30, 2024, the MLK Jr. Commission had 19 members. Donna Campbell served as chairperson of the commission throughout the audited period.

Human Rights Referees

Section 46a-57 of the General Statutes allows the Governor to appoint three human rights referees, with the advice and consent of both houses of the General Assembly, to conduct settlement negotiations and authorize hearings. Human rights referees serve three-year terms. The executive director designates one human rights referee to serve as the chief human rights referee for a one-year term. As of June 30, 2024, the following persons served as human rights referees within the CHRO Office of Public Hearings:

Cherron Payne, Esq. Chief Human Rights Referee
Jon P. FitzGerald, Esq.
Komla Matrevi, Esq.

Significant Legislation

Noteworthy legislation that took effect during the audited period is presented below:

- **Public Act 23-145** (Sections 1 and 2), effective July 1, 2023, adds age to the list of protected classes in the state's antidiscrimination laws. It allows CHRO to investigate claims of age discrimination. The act also redefines sexual orientation to mean a person's identify in relation to the gender or genders to which they are romantically, emotionally, or sexually attracted, including any identity that a person may have previously expressed or was perceived by another person to hold. This new definition specifically applies to antidiscrimination laws subject to CHRO enforcement, and laws prohibiting nondiscrimination in awarding agency, municipal public works, and quasi-public agency project contracts.
- **Public Act 23-205** (Sections 192 and 193), effective July 1, 2023, allows CHRO, if it believes that a party to a discriminatory practice case committed a sex offense, to refer the matter to the chief state's attorney's office.

Financial Information

Receipts

General Fund receipts totaled \$1,483,670 and \$1,508,634 for the fiscal years 2023 and 2024, respectively, as compared to \$1,395,467 for fiscal year 2022. Receipts consisted primarily of federal aid received under cooperative agreements with the Department of Housing and Urban Development (HUD) and the Equal Employment Opportunity Commission (EEOC). For each complaint dual-filed with both the CHRO and either EEOC or HUD, the federal government remits payment to the CHRO to process and investigate the complaint on their behalf. As a result of this arrangement, approximately 25 percent of the commission's budget is covered by federal vouchers for case processing. These receipts are deposited directly into the state's General Fund. Receipts increased in the fiscal years 2023 and 2024 due to CHRO processing more cases.

CHRO also received federal EEOC and HUD funds for travel, training, administrative costs, special enforcement efforts, and other purposes. These grant receipts totaled \$206,243 and \$231,128, for the fiscal years 2023 and 2024, respectively.

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,		
	2022	2023	2024
Personal Services	\$ 6,782,447	\$ 7,785,805	\$ 7,831,969
Other Expenses	241,283	782,406	1,786,393
MLK Jr. Commission	4,315	5,624	5,040
Total General Fund	\$ 7,028,045	\$ 8,573,835	\$ 9,623,402

The increase in expenditures was primarily attributed to growth in personal services and other expenses. Personal Services increased primarily due to wage increases, as well as an increase in the total number of full-time employees in fiscal year 2023. The Other Expenses line category increased due to management consultant services for equity and disparity studies which were completed in fiscal year 2024.

Other Funds

Capital Equipment Purchase Fund expenditures totaled \$51,970, \$153,745, and \$1,407 for the fiscal years 2022, 2023, and 2024, respectively. The increase in fiscal year 2023 was due to an upgrade of the agency’s information technology equipment.

Federal and Other Restricted Accounts Fund expenditures totaled \$291,245, \$185,471, and \$152,126 for the fiscal years 2022, 2023, and 2024, respectively. The decrease was primarily due to the elimination of \$106,086 in personal services costs charged to the Coronavirus Relief Fund in fiscal year 2022.