



# STATE OF CONNECTICUT SINGLE AUDIT REPORT



FOR THE FISCAL YEAR  
ENDED JUNE 30, 2025

STATE OF CONNECTICUT  
Auditors of Public Accounts

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# Letter of Transmittal

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# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL  
210 CAPITOL AVENUE  
HARTFORD, CONNECTICUT 06106-1559

CRAIG A. MINER

March 27, 2026

Governor Ned Lamont  
Members of the General Assembly

We have conducted the Statewide Single Audit of the State of Connecticut for the fiscal year ended June 30, 2025.

This report on that audit complies with state and federal audit requirements placed upon the state as a condition of expending \$14,393,050,861 in federal financial assistance during the fiscal year ended June 30, 2025. We performed this audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* for financial audits issued by the Comptroller General of the United States, and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

This report includes the State of Connecticut financial statements for the fiscal year ended June 30, 2025. While only the basic financial statements are included, the Office of the State Comptroller's website includes the complete [Annual Comprehensive Financial Report](#).

We also call to your attention Section III of the Schedule of Findings and Questioned Costs relating to the state's administration of federal financial assistance programs. Section III of the schedule contains 40 recommendations which need to be addressed to ensure the proper administration and maintenance of federal funds.

We would like to express our appreciation to the Office of the State Comptroller and state agencies that administer major federal programs for their assistance and cooperation. Their cooperation and assistance contributed greatly to the efficient completion of this report.

Finally, we wish to acknowledge the work of our staff in planning and producing this report. They performed this audit work with dedication, resourcefulness, and professionalism. We are pleased to deliver this report for the fiscal year ended June 30, 2025.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John C. Geragosian". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John C. Geragosian  
State Auditor

A handwritten signature in blue ink, appearing to read "Craig A. Miner". The signature is cursive and compact, with the first name being the most prominent.

Craig A. Miner  
State Auditor



# State of Connecticut Financial Statements

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STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

JOHN C. GERAGOSIAN

CRAIG A. MINER

INDEPENDENT AUDITORS' REPORT

The Honorable Ned Lamont, Governor
Members of the General Assembly

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Connecticut, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State of Connecticut's basic financial statements as listed in the table of contents.

In our opinion, based upon our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Connecticut, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following entities and funds:

Table with 4 columns: Opinion Unit, Fund/Entity, Assets, Revenues/Additions. Row 1: Governmental Activities, Special Transportation Fund, Transportation Special Tax Obligations Fund, and Transportation Restricted Grants Fund, 7%, 10%

Opinion Unit	Fund/Entity	Percentage of Opinion Unit's Total	
		Assets	Revenues/ Additions
Business-Type Activities	John Dempsey Hospital, UConn Medical Group and Finance Corp within the University of Connecticut and Health Center, Connecticut State Universities, Connecticut State Community College, Clean Water Fund Federal Account, and Drinking Water Fund Federal Account	55%	36%
Aggregate Discretely Presented Component Units	Connecticut Housing Finance Authority, Connecticut Lottery Corporation, Connecticut Airport Authority, MIRA Dissolution Authority, Connecticut Health and Educational Facilities Authority, Connecticut Innovation Incorporated, Capital Region Development Authority, UConn Foundation, Connecticut Green Bank, and Connecticut Port Authority	100%	100%
Transportation Fund	Special Transportation Fund	100%	98%
Debt Service Fund	Transportation Special Tax Obligations Fund	100%	100%
Restricted Grants and Accounts Fund	Transportation Restricted Grants Fund	12%	14%
Aggregate Remaining Fund Information	Connecticut Paid Family and Medical Leave Insurance Authority	1%	3%

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as they relate to the amounts included for the aforementioned entities and funds, is based solely on the reports of the other auditors.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The financial statements of the University of Connecticut, the UConn Health, the Connecticut State Universities, Connecticut State Community College, and the University of Connecticut Foundation were audited in accordance with GAAS but not in accordance *Government Auditing Standards*.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the State of Connecticut adopted Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences, during the fiscal year ended June 30, 2025. Our opinions are not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension plan, and other postemployment benefits schedules and information, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2026,

on our consideration of the State of Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Connecticut's internal control over financial reporting and compliance.



John C. Geragosian  
State Auditor



Craig A. Miner  
State Auditor

February 27, 2026  
State Capitol  
Hartford, Connecticut



*MANAGEMENT'S  
DISCUSSION AND  
ANALYSIS*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### INTRODUCTION

The following is a discussion and analysis of the State's financial performance and condition providing an overview of the State's activities for the fiscal year ended June 30, 2025. The information provided here should be read in conjunction with the letter of transmittal in the front of this report and with the State's financial statements, which follow this section.

### HIGHLIGHTS

#### Government-wide Financial Statements

The State's total net position (deficit) decreased \$1.3 billion (or 3.2 percent) as a result of this year's operations. Net position (deficit) of governmental activities decreased by \$1.0 billion (or 2.2 percent) and net position of business-type activities increased by \$247.4 million (or 3.3 percent). At year-end, net position (deficit) of governmental activities and business-type activities totaled a negative (\$46.0) billion and \$7.8 billion, respectively.

Component units reported net position of \$3.4 billion, an increase of \$165.3 million (or 5.0 percent) from the previous year.

#### Fund Financial Statements

The governmental funds reported combined ending fund balance of \$9.3 billion, a decrease of (\$1.3) billion in comparison with the prior year. Of this total fund balance, \$222.5 million represents nonspendable fund balance, \$4.8 billion represents restricted fund balance, \$5.3 billion represents committed fund balance, and \$356.8 million represents assigned fund balance. A negative (\$1.5) billion unassigned fund balance offsets these amounts. This deficit belongs primarily to the General Fund which increased by \$374.4 million during the fiscal year.

The State's stabilization account, the General Fund Budget Reserve Fund (Rainy Day Fund) ended the fiscal year with a balance of \$4.8 billion compared to the prior year's balance of \$4.1 billion. The primary reason for the increase in the current fiscal year, as in the prior fiscal year, was that significant progress has been made toward building the balance of the Budget Reserve Fund. This was mainly due to the revenue volatility cap, first implemented in fiscal year 2018. This statutory provision requires revenues above a certain threshold to be transferred to the Budget Reserve Fund. For fiscal year 2025, the cap was just over \$4.7 billion for estimated and final income tax payments and revenue from the pass-through entity tax. At year-end, a volatility transfer of \$2.1 billion was made to the Budget Reserve Fund.

Prior to the close of fiscal year 2025, the balance in the Budget Reserve Fund was just over \$4.1 billion. Adding the \$2.1 billion volatility transfer brought the Budget Reserve Fund total to \$6.2 billion, or 25.8 percent of net General Fund appropriations for fiscal year 2026. As a result, the Budget Reserve Fund was \$1.5 billion above the statutory 18.0 percent cap. According to CGS Section 4-30a (c)(1)(C), the State Treasurer must transfer the balance above the 18.0 percent threshold as additional contributions to the State Employees' Retirement Fund (SERF) and the Teachers' Retirement System (TRS). Connecticut H.B. 8003, which was passed during the November 2025 Special Session, allows an additional \$500.0 million above the 18.0 percent threshold to help stabilize the State's budget in response to any reduction or loss of federal funding caused by action or inaction of the federal government. At fiscal year-end, \$1.37 billion was transferred to reduce the unfunded pension liability of SERF and TRS.

In addition, Public Act 25-93 established the Early Childhood Education Endowment to transform access to affordable, high-quality childcare and early education across the State. The endowment was initially funded in July 2025 with \$300.0 million of the General Fund's anticipated surplus. With the completion of the audit of fiscal year 2025 operations confirming the General Fund surplus of \$410.2 million, the remaining balance of \$110.2 million was transferred to SERF and TRS to further reduce unfunded past service liability.

Tax revenues in the governmental funds increased \$1.5 billion or 6.5 percent. General Fund tax revenues increased \$997.7 million (or 4.8 percent). The Pass-Through Entity Tax was a strong performer, and receipts ended the year \$489.7 million (or 26.1 percent) above the budget plan. Income tax collections finished well above the budgeted plan, \$1.7 billion (or 15.4 percent) over target. This was partly offset by the underperformance of corporation tax as well as sales and use tax, which came in below budgeted targets by (\$123.9) million (or (8.1) percent and (\$307.7) million (or (5.7) percent), respectively.

The Enterprise funds reported net position of \$7.8 billion at year-end, an increase of \$247.4 million during the year, substantially all of which was invested in capital assets or restricted for specific purposes.

#### Long-Term Debt

Total long-term debt was \$83.7 billion for governmental activities at year-end, of which \$27.3 billion was bonded debt. Total long-term debt was \$2.0 billion for business-type activities at year-end, of which \$1.2 billion was bonded debt.

# State of Connecticut

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the State's basic financial statements. The State's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains required and other supplementary information to provide additional support to the basic financial statements.

### Government-wide Financial Statements – Reporting the State as a Whole

The Statement of Net Position and the Statement of Activities comprise the government-wide financial statements. These financial statements are designed to provide readers with a broad overview of the State's finances, in a manner similar to a private-sector business. All revenues and expenses are recognized regardless of when cash is received or spent, and all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term debt, are reported at the entity level. The government-wide statements report the State's net position and changes in net position. Over time, increases and decreases in net position measure whether the State's overall financial condition is getting better or worse. Non-financial factors such as the State's economic outlook, changes in its demographics, and the condition of capital assets and infrastructure should also be considered when evaluating the State's overall condition.

The statement of net position presents information on all of the State's assets and deferred outflows of resources, and liabilities and deferred inflows of resources with the difference between them reported as net position. Net position is displayed in three components – net investment in capital assets; restricted; and unrestricted.

The statement of activities presents information showing how the State's net position changed during fiscal year 2025. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the Statement of Net Position and Statement of Activities report three separate activities. These activities are described as follows:

- **Governmental Activities** – The State's basic services fall under this activity including legislative, general government, regulation and protection, conservation and development, health and hospital, transportation, human services, education, corrections, and judicial. Taxes and intergovernmental revenues are major funding sources for these programs.
- **Business-type Activities** – The State operates certain activities much like private-sector companies by charging fees to cover all or most of the costs of providing goods and services. The major business-type activities of the State include the University of Connecticut and Health Center, Board of Regents (Connecticut State Universities & Connecticut Community College), Employment Security Fund, and Clean Water Fund.
- **Discretely Presented Component Units** – A number of entities are legally separate from the State, yet the State remains financially accountable for them. The major component units of the State are Connecticut Housing Finance Authority, Connecticut Lottery Corporation, Connecticut Airport Authority, and Connecticut Health and Educational Facilities Authority.

### Fund Financial Statements – Report the State's Most Significant Funds

The fund financial statements provide detailed information about individual major funds, not the State as a whole. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the State can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental Funds** – Most of the State's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds use the modified accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the State's financial position helps determine whether the State has sufficient resources to cover expenditures for its basic services in the near future.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the State's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The State reports five individual governmental funds. Information is presented separately in the governmental fund statements for the General Fund, Debt Service Fund, Transportation Fund, Restricted Grants and Accounts Fund, and Grants and Loan Programs Fund,

## State of Connecticut

all of which are considered major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements immediately following the required supplementary information.

- **Proprietary Funds** – Proprietary funds include enterprise funds and internal service funds and account for activities that operate more like private-sector businesses and use the full accrual basis of accounting. Enterprise funds charge fees for services provided to outside customers. Enterprise funds are reported as business-type activities on the government-wide financial statements. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the State's various functions. The State uses Internal Service funds to account for correction industries, information technology, and administrative services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The State reports four individual enterprise funds. Information is presented separately in the proprietary fund statements for the University of Connecticut and Health Center, Board of Regents (Connecticut State Universities & Connecticut Community College), Employment Security, and Clean Water, all of which are considered major funds. Data from the other enterprise funds is combined into a single, aggregated presentation. Individual fund data for all nonmajor proprietary funds is provided in the combining statements immediately following the required supplementary information.

- **Fiduciary Funds** – Fiduciary funds account for resources held by the State in a trustee or custodial capacity for others. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the State's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.
- **Component Units** – The government-wide financial statements report information for all component units into a single, aggregated presentation. Information is provided separately in the component unit fund statements for the Connecticut Housing Finance Authority, Connecticut Lottery, Connecticut Airport Authority, and Connecticut Health and Educational Facilities Authority. Data from the other component units is combined into a single, aggregated presentation. Individual fund data for all other nonmajor component units is provided in the combining statements immediately following the required supplementary information.

### Reconciliation between Government-wide and Fund Statements

The financial statements include schedules that reconcile and explain the differences between the amounts reported for governmental activities on the government-wide statements (full accrual basis of accounting, long-term focus) with amounts reported on the governmental fund statements (modified accrual basis of accounting, short-term focus). The following are some of the major differences between the two statements.

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlay spending results in capital assets on the government-wide statements but is expenditures on the governmental fund statements.
- Bond proceeds result in liabilities on the government-wide statements but are other financing sources on the governmental fund statements.
- Net Pension Liability and Net OPEB Liability are included on the government-wide statements but are not reported on the governmental fund statements.
- Certain tax revenues that are earned but not yet available are reported as revenue on the government-wide statements but are deferred inflows of resource on the governmental fund statements.

### Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the component unit fund financial statements.

### Required Supplementary Information (RSI)

Following the basic financial statements are budgetary comparison schedules for major funds with legally adopted budgets. In addition, within the RSI there is a reconciliation schedule for Budgetary vs. GAAP basis of accounting. The RSI also includes information regarding employer contributions for pension and other postemployment benefits, change in employers' net pension liability and OPEB liability, and investment return for the State's pension and OPEB plans.

### Supplementary Information

The combining financial statements for the State's nonmajor governmental, nonmajor enterprise, nonmajor fiduciary funds, and nonmajor discretely presented component units.

## State of Connecticut

### Statistical Section

This section provides up to ten years of financial, economic, and demographic information.

### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

#### Net Position

The combined net position (deficit) of the State decreased \$1.5 billion (or 3.9 percent). In comparison, last year the combined net position (deficit) decreased \$1.8 billion (or 4.4 percent). The net position (deficit) of the State's governmental activities decreased \$1.2 billion (or 2.6 percent) to (\$46.0) billion during the current fiscal year.

#### State Of Connecticut's Net Position (Expressed in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024*	2025	2024*	2025	2024*
<b>ASSETS</b>						
Current and Other Assets	\$ 14,711	\$ 15,096	\$ 2,753	\$ 2,526	\$ 17,464	\$ 17,622
Noncurrent Assets	22,177	20,932	7,557	7,562	29,734	28,494
<b>Total Assets</b>	<b>\$ 36,888</b>	<b>\$ 36,028</b>	<b>\$ 10,310</b>	<b>\$ 10,088</b>	<b>\$ 47,198</b>	<b>\$ 46,116</b>
<b>Deferred Outflows of Resources</b>	<b>\$ 11,706</b>	<b>\$ 12,624</b>	<b>\$ 5</b>	<b>\$ 6</b>	<b>\$ 11,711</b>	<b>\$ 12,630</b>
<b>LIABILITIES</b>						
Current Liabilities	\$ 7,509	\$ 6,596	\$ 808	\$ 774	\$ 8,317	\$ 7,370
Long-term Liabilities	81,209	81,907	1,719	1,850	82,928	83,757
<b>Total Liabilities</b>	<b>\$ 88,718</b>	<b>\$ 88,503</b>	<b>\$ 2,527</b>	<b>\$ 2,624</b>	<b>\$ 91,245</b>	<b>\$ 91,127</b>
<b>Deferred Inflows of Resources</b>	<b>\$ 5,837</b>	<b>\$ 7,335</b>	<b>\$ 18</b>	<b>\$ 7</b>	<b>\$ 5,855</b>	<b>\$ 7,342</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	\$ 8,234	\$ 7,125	\$ 3,194	\$ 3,255	\$ 11,428	\$ 10,380
Restricted	4,438	5,843	2,436	2,241	6,874	8,084
Unrestricted	(58,633)	(60,154)	2,140	1,967	(56,493)	(58,187)
<b>Total Net Position (Deficit)</b>	<b>\$ (45,961)</b>	<b>\$ (47,186)</b>	<b>\$ 7,770</b>	<b>\$ 7,463</b>	<b>\$ (38,191)</b>	<b>\$ (39,723)</b>

\* Restated for Implementation of GASB 101.

Total investment in capital assets net of related debt was \$8.2 billion (buildings, roads, bridges, etc.); and \$4.4 billion was restricted for specific purposes, resulting in an unrestricted net position deficit of (\$58.6) billion for governmental activities. This deficit is the result of having long-term obligations that are greater than currently available resources. The State has recorded the following outstanding long-term obligations which contributed to the deficit: a) general obligation bonds outstanding of \$16.7 billion to finance various municipal grant programs (e.g., school construction) and \$1.8 billion issued to finance a contribution to a pension trust fund; and b) other long-term obligations in the amount of \$57.2 billion, which are partially funded or not funded by the State (e.g., net pension and OPEB liabilities and compensated absences).

Net position of the State's business-type activities increased \$247.4 million (or 3.3 percent) to \$7.8 billion during the current fiscal year. Of this amount, \$3.2 billion was invested in capital assets and \$2.4 billion was restricted for specific purposes, resulting in unrestricted net position of \$2.1 billion. These resources are not available to make up for the net position deficit of the State's governmental activities. The State can only use these net positions to finance the ongoing operations of its Enterprise funds (such as the University of Connecticut and Health Center and others).

## State of Connecticut

Changes in net position for the years ended June 30, 2025 and 2024 were as follows:

### State of Connecticut's Changes in Net Position (Expressed in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government		Percent Change 25 - 24
	2025	2024	2025	2024	2025	2024	
<b>REVENUES</b>							
Program Revenues							
Charges for Services	\$ 2,029	\$ 2,349	\$ 3,913	\$ 3,592	\$ 5,942	\$ 5,941	0.0%
Operating Grants and Contributions	10,988	10,570	867	773	11,855	11,343	4.5%
Capital Grants and Contributions	1,379	1,272	5	54	1,384	1,326	4.4%
General Revenues							
Taxes	24,136	23,267	-	-	24,136	23,267	3.7%
Casino Gaming Payments	333	306	-	-	333	306	8.8%
Lottery Tickets	350	376	-	-	350	376	-6.9%
Other	621	687	105	111	726	798	-9.0%
<b>Total Revenues</b>	<b>39,836</b>	<b>38,827</b>	<b>4,890</b>	<b>4,530</b>	<b>44,726</b>	<b>43,357</b>	<b>3.2%</b>
<b>EXPENSES</b>							
Legislative	137	127	-	-	137	127	7.9%
General Government	4,281	3,665	-	-	4,281	3,665	16.8%
Regulation and Protection	1,041	1,183	-	-	1,041	1,183	-12.0%
Conservation and Development	1,493	1,350	-	-	1,493	1,350	10.6%
Health and Hospital	3,593	3,348	-	-	3,593	3,348	7.3%
Transportation	2,446	3,036	-	-	2,446	3,036	-19.4%
Human Services	11,804	11,368	-	-	11,804	11,368	3.8%
Education, Libraries, and Museums	7,500	7,110	-	-	7,500	7,110	5.5%
Corrections	2,393	2,345	-	-	2,393	2,345	2.0%
Judicial	1,203	1,175	-	-	1,203	1,175	2.4%
Interest and Fiscal Charges	1,519	964	-	-	1,519	964	57.6%
University of Connecticut & Health Center	-	-	3,150	2,923	3,150	2,923	7.8%
Board of Regents	-	-	1,360	1,268	1,360	1,268	7.3%
Employment Security	-	-	896	892	896	892	0.4%
Clean Water	-	-	56	38	56	38	47.4%
Other	-	-	59	49	59	49	20.4%
<b>Total Expenses</b>	<b>37,410</b>	<b>35,671</b>	<b>5,521</b>	<b>5,170</b>	<b>42,931</b>	<b>40,841</b>	<b>5.1%</b>
Excess (Deficiency) Before Transfers	2,426	3,156	(631)	(640)	1,795	2,516	-28.7%
Transfers Out	(300)	(412)	-	-	(300)	(412)	-27.2%
Transfers - Internal Activities	(901)	(1,130)	901	1,130	-	-	0.0%
<b>Change in Net Position</b>	<b>1,225</b>	<b>1,614</b>	<b>270</b>	<b>490</b>	<b>1,495</b>	<b>2,104</b>	<b>-28.9%</b>
<i>Net Position (Deficit) - Beginning (Restated)*</i>	(47,186)	(48,800)	7,500	7,033	(39,686)	(41,767)	-5.0%
<b>Net Position (Deficit) - Ending</b>	<b>\$ (45,961)</b>	<b>\$ (47,186)</b>	<b>\$ 7,770</b>	<b>\$ 7,523</b>	<b>\$ (38,191)</b>	<b>\$ (39,663)</b>	<b>-3.7%</b>

\* See Basic Financial Statements and Notes

### Changes in Net Position

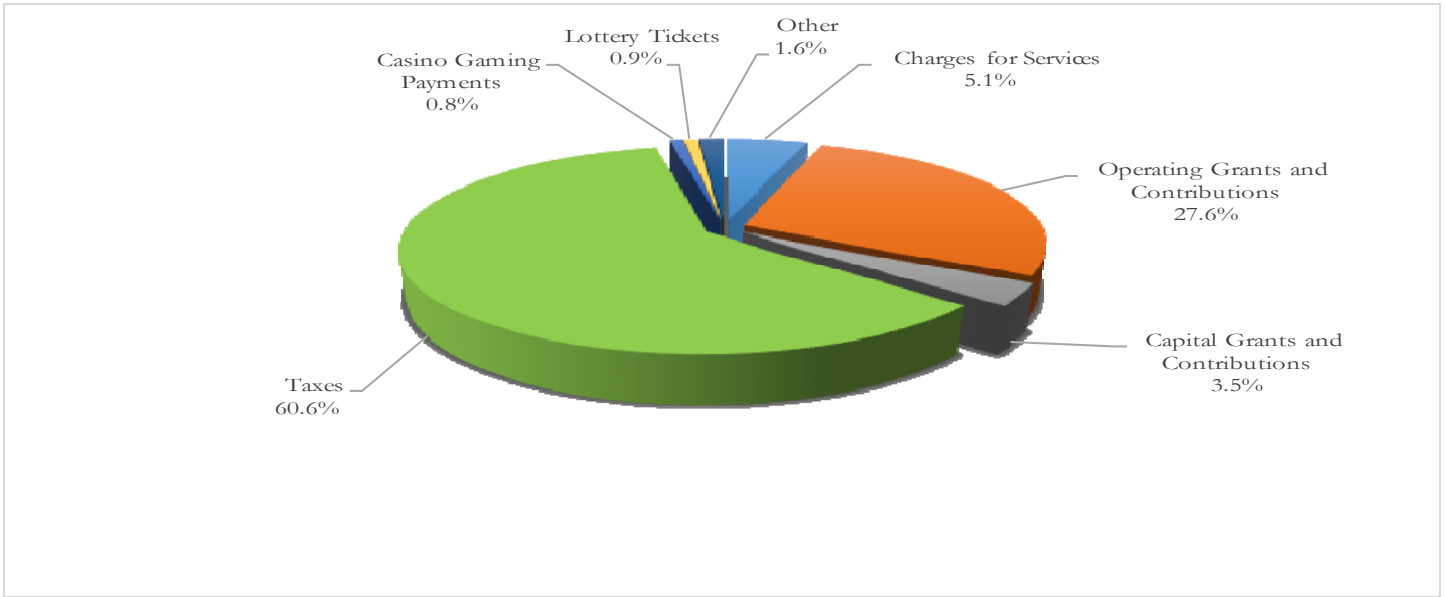
This year the State's governmental activities received 60.6 percent of its revenue from taxes and 31.0 percent of its revenues from grants and contributions. In the prior year, taxes accounted for 59.9 percent and grants and contributions were 30.5 percent of total revenues. Charges for services such as licenses, permits, and fees, rents and fines, and other miscellaneous collections comprised 8.4 percent of total revenue in fiscal year 2025, compared to 9.6 percent in fiscal year 2024.

### Governmental Activities

The following graph is a representation of the Statement of Activities revenues for governmental activities. Governmental activities revenues increased by \$1.0 billion (or 2.6 percent). This increase was primarily due to an increase in taxes as well as operating grants and contributions of \$869.0 million and \$418.0 million, respectively. These increases were partially offset by a decrease in charges for services of (\$320.0) million.

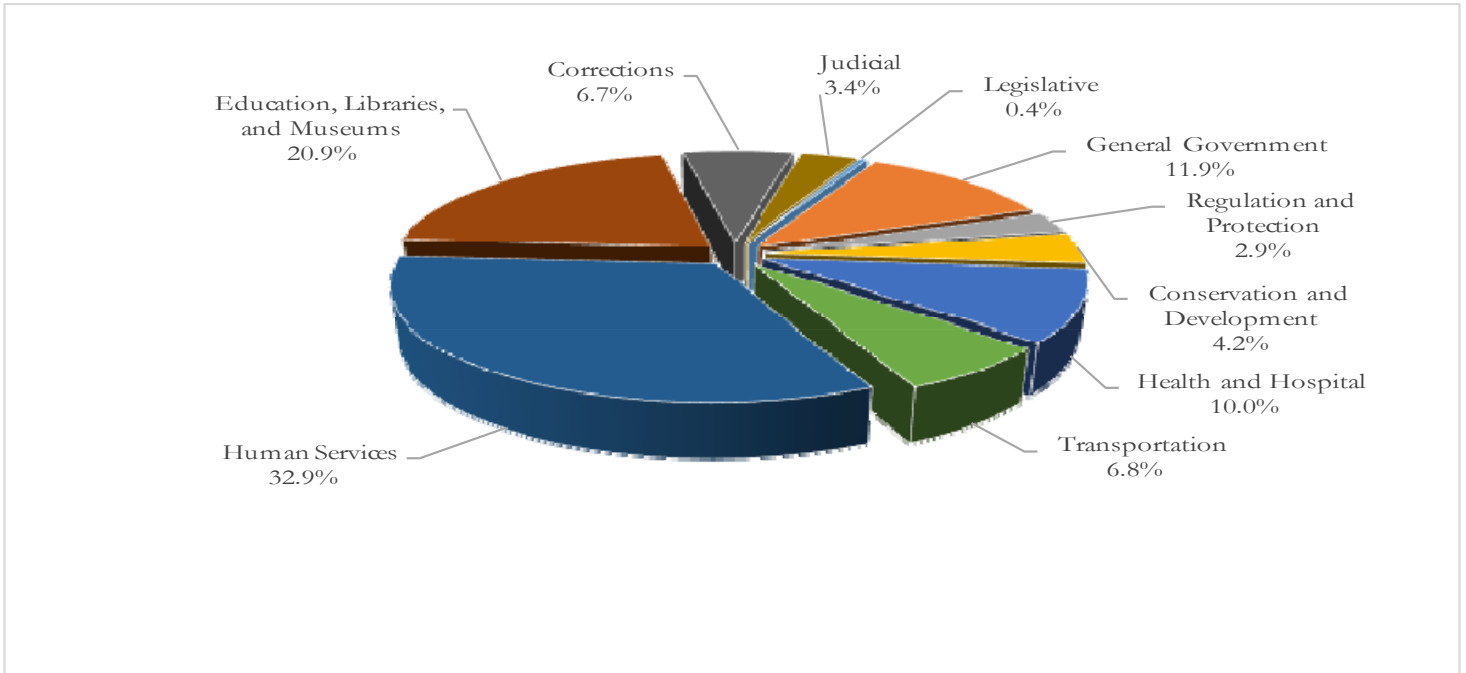
## State of Connecticut

**Revenue by Source – Governmental Funds  
Fiscal Year 2025**



The following graph is a representation of the Statement of Activities expenses for governmental activities. Governmental activities expenses increased by \$1.7 billion, or 4.9 percent.

**Expenses by Type – Governmental Funds  
Fiscal Year 2025**

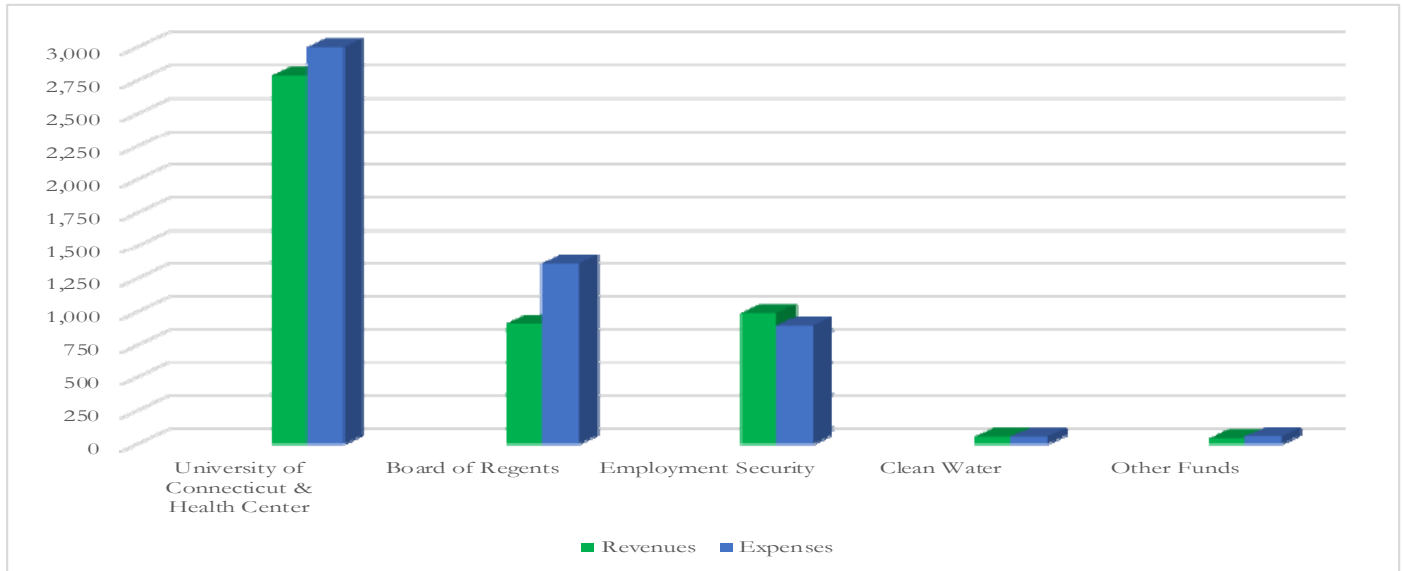


## State of Connecticut

### Business-Type Activities

Net position of business-type activities increased by \$247.0 million during the fiscal year. The following chart highlights the changes in net position for the major enterprise funds.

**Business-Type Activities  
Program Revenues and Expenses  
For the Fiscal Year June 30, 2025  
(Amounts in Millions)**



During the year, total revenues of business-type activities increased \$360.0 million (or 7.9 percent), and total expenses increased \$351.0 million (or 6.8 percent). In comparison, last year total revenues increased \$327.0 million (or 7.8 percent), while total expenses decreased (\$212.0) million (or (3.9) percent). The increase in total expenses of \$351.0 million was driven by increases in salaries, wages, and administrative costs of \$93.4 million within the institutes of higher education, as well as a \$211.8 million increase in other expenses within the University of Connecticut and Health Center. Although total expenses exceeded total revenues by \$631.0 million, this deficiency was reduced by transfers of \$901.0 million, resulting in an increase in net position of \$270.0 million.

### FINANCIAL ANALYSIS OF THE STATE'S GOVERNMENTAL FUNDS

As of the end of the fiscal year, the State's governmental funds had fund balances of \$9.3 billion, a decrease of (\$1.3) billion over the prior year's ending fund balances. Of the total governmental fund balances, \$4.8 billion represents fund balance that is considered restricted for specific purposes by external constraints or enabling legislation; \$222.5 million represents fund balance that is nonspendable and \$5.7 billion represents fund balance that is committed or assigned for specific purposes. A negative (\$1.5) billion unassigned fund balance offsets these amounts.

#### General Fund

The General Fund is the chief operating fund of the State. At the end of the fiscal year, the General Fund had a fund balance of \$4.0 billion, a decrease of (\$9.9) million in comparison with the prior year. Of this total fund balance, \$5.5 billion represents nonspendable fund balance, committed, or assigned for specific purposes, leaving a deficit of (\$1.5) billion in unassigned fund balance.

Specific changes to the General Fund balance included the following:

- Nonspendable fund balance decreased by (\$16.0) million or (16.5) percent.
- Committed fund balance increased by \$435.5 million or 9.0 percent. The primary reason for the increase, as in the prior fiscal years, significant progress was made toward building the balance of the Budget Reserve Fund. This was primarily due to the revenue volatility cap, first implemented in fiscal year 2018. This statutory provision requires revenues above a certain threshold to be transferred to the Budget Reserve Fund.
- Assigned fund balance decreased by (\$55.0) million.
- Unassigned fund balance deficit increased by \$374.4 million.

## State of Connecticut

At the end of fiscal year 2025, General Fund revenues were \$989.5 million (or 3.9 percent) higher than fiscal year 2024 revenues. This change was primarily attributed to increases in taxes (\$997.7 million), federal grants (\$48.6 million), assessments (\$0.8 million), and licenses, permits and fees (\$56.8 million). These increases were slightly offset by decreases in miscellaneous ((\$97.2) million), lottery tickets ((\$25.7) million), and fines, forfeits, and rents ((\$62.8) million).

At the end of fiscal year 2025, General Fund expenditures were \$1.5 billion (or 6.3 percent) higher than fiscal year 2024. This was primarily attributable to increases in health and hospitals (\$193.0 million), education, libraries, and museums (\$580.7 million), general government (\$512.3 million) and human services (\$264.6 million).

### Debt Service Fund

At the end of fiscal year 2025, the Debt Service Fund had a fund balance of \$1.3 billion, all of which was restricted, a decrease of (\$31.3) million in comparison with the prior year.

### Transportation Fund

The State's Transportation Fund had a fund balance of \$745.8 million at the end of fiscal 2025. Of this amount, \$36.1 million was in nonspendable form and \$569.7 million was restricted or committed for specific purposes. Fund balance decreased by (\$431.4) million during the current fiscal year.

At the end of fiscal year 2025, Transportation Fund revenues decreased by (\$12.0) million (or (0.5) percent) and expenditures increased by \$224.2 million (or 18.2 percent). The increase in revenue was primarily due to a decrease in taxes.

### Restricted Grants and Accounts Fund

At the end of fiscal year 2025, the Restricted Grants and Accounts Fund had a fund balance of \$1.1 billion, all of which was restricted for specific purposes, a decrease of (\$865.1) million in comparison with the prior year.

Total revenues were \$304.1 million (or 3.1 percent) higher than in fiscal year 2024. Overall, total expenditures were \$476.7 million (or 4.5 percent) higher than fiscal year 2024.

### Grant and Loan Programs

As of June 30, 2025, the Grant and Loan Programs Fund had a fund balance of \$387.5 million, all of which was restricted or assigned for specific purposes, a decrease of (\$163.3) million in comparison with the prior year.

## FINANCIAL ANALYSIS OF THE STATE'S PROPRIETARY FUNDS

Proprietary funds report activities of the State that are similar to for-profit business. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. Accordingly, a discussion of the financial activities of the Proprietary funds is provided in that section.

## FINANCIAL ANALYSIS OF THE STATE'S FIDUCIARY FUNDS

The State maintains fiduciary funds for the assets of Pension and Other Employee Benefit (OPEB) Trust Funds, a Fiduciary Component Unit, an Investment Trust Fund, Private-Purpose Trust Funds, and Custodial Funds. The net positions of the State's fiduciary funds totaled \$70.9 billion, an increase of \$7.2 billion (or 11.4 percent) when compared to the prior fiscal year ending net position.

## BUDGET HIGHLIGHTS – GENERAL AND SPECIAL TRANSPORTATION FUNDS

The State budget is formulated during odd-numbered years; the General Assembly generates a two-year (biennial) budget. The process begins with the Executive Branch when the governor asks the commissioner of each state agency to prepare draft budgets for the following biennium. Over several months the governor's budget office, the Office of Policy and Management (OPM), compiles this information, makes changes as it sees fit, and then works to match the agencies' spending projections with revenue estimates for the same period.

The results referred to as the 'governor's budget,' will be delivered to the General Assembly in a formal address by the governor in early February. The annual budget address often includes policy initiatives, spending proposals, and vehicles through which additional revenue may be generated. In the address, the governor identifies his priorities for the biennium.

Thereafter, the legislature goes through a similar process to determine spending priorities and corresponding revenue requirements. Later in the session, the Appropriations and Finance Committees approve a budget, which is often different from the governor's proposal. Negotiations with the governor's office reconcile the two versions and determine the final budget language and the state's fiscal path for the following two years. Lastly, the budget must be voted on and passed by both the House and Senate and signed into law by the governor.

In fiscal year 2025, for the eighth consecutive year, progress was made toward building the balance in the Budget Reserve Fund (BRF). This

## State of Connecticut

was primarily due to the revenue volatility cap, first implemented in fiscal year 2018. This statutory provision requires revenues above a certain threshold to be transferred to the BRF. For fiscal year 2025, the cap was just over \$4.7 billion for estimated and final income tax payments and revenue from the pass-through entity tax. At year-end, a volatility transfer of \$2.1 billion was made to the BRF.

Prior to the close of fiscal year 2025, the balance of the BRF was just over \$4.1 billion. Adding the \$2.1 billion volatility transfer brought the BRF total to \$6.2 billion (or 25.8 percent) of net General Fund appropriations for fiscal year 2025. As a result, the BRF was roughly \$1.5 billion above the statutory 18.0 percent cap. According to CGS Section 4-30a (c)(1)(C), the State Treasurer must transfer the balance above the 18.0 percent threshold as additional contributions to the State Employees' Retirement Fund (SERF) and the Teachers' Retirement System (TRS). Connecticut H.B. 8003, which was passed during the November 2025 Special Session, allows an additional \$500.0 million above the 18.0 percent threshold to help stabilize the State's budget in response to any reduction or loss of federal funding caused by action or inaction of the federal government. At fiscal year-end, \$1.37 billion was transferred to reduce the unfunded pension liability of SERF and TRS.

Achieving and surpassing the 18.0 percent threshold represents an important benchmark for Connecticut. Due to continued fiscal discipline and hard work, the State is on stronger financial footing, making it possible to provide critical services to those in need, adapt to challenges and uncertainties at the federal level, and hold steady through any future economic downturns.

The fiscal year 2025 budget plan as initially formulated included a built-in General Fund surplus of \$297.8 million. Surplus estimates declined from the original budget plan early in the year due to higher than budgeted spending projections, especially related to Medicaid and a change in the accounting treatment of certain state employee fringe benefits. From mid-year to spring, the revenue outlook improved primarily due to increased personal income and pass-through entity tax revenues, raising the projected surplus above initial expectations. Heading into the end of the fiscal year, the surplus was projected at \$480.3 million, which was \$182.5 million higher than initially budgeted. The projected surplus was reduced by Public Act No. 25-168, the fiscal year 2026 budget bill. Certain provisions of that Act affected fiscal year 2025, including a transfer of General Fund revenues of \$150.0 million from fiscal year 2025 to fiscal year 2026. General Fund revenues finished the year higher than anticipated, partially offsetting the additional expenditures. After accounting for continued appropriations, this resulted in a General Fund surplus of \$410.2 million, \$112.4 million higher than budgeted. Pursuant to Public Act No. 25-93, \$300.0 million of the surplus was transferred into the State's new Early Childhood Education Endowment established to transform access to affordable, high-quality childcare and early education across the State. The remaining balance of \$110.2 million was transferred to SERF and TRS to further reduce unfunded past service liability.

In fiscal year 2025 General Fund expenditures totaled \$23.5 billion on the statutory basis of accounting. This represented an increase of \$738.1 million (or 3.2 percent) above fiscal year 2024 spending levels. Several appropriations saw large spending increases that accounted for much of the growth in fiscal year 2025. The largest were contributions to state pension plans. The employer contribution to the Teacher's Retirement Fund increased by \$639.6 million (or 41.1 percent) over fiscal year 2024. The General Fund employer contribution to the State Employee Retirement Fund increased by \$330.5 million (or 12.7 percent) over fiscal year 2024, primarily due to an increase in payments toward unfunded pension liability.

On the statutory basis of accounting, realized revenues totaled \$23.9 billion, which represented an increase of \$787.5 million (or 3.4 percent) above the fiscal year 2025 budget plan. The strongest performer was Estimated and Final Income Tax collections, which finished the year \$1.1 billion (or 41.0 percent) over target. Withholding finished \$622.6 million (or 7.3 percent) over its budget target. A strong stock market, continued job growth, and increased wages contributed to increased collections. Pass-Through Entity Tax (PET), which is levied on Partnerships and S-Corporations, ended the year \$489.7 million (or 26.1 percent) above the budget plan. Due in part to weaker than anticipated consumer demand and easing inflation, the Sales and Use Tax came in (\$307.7) million (or (5.7) percent) below the budget plan. The Health Provider tax also came in under budget by (\$45.4) million (or 4.7 percent).

On a statutory basis of accounting, Special Transportation Fund (STF) spending totaled \$2.3 billion in fiscal year 2025, an increase of \$220.9 million (or 10.8 percent) compared with the prior fiscal year. The largest increases occurred within Bus Operations and Rail Operations, which grew by \$128.9 million (or 78.9 percent) and \$51.9 million (or 22.5 percent) above fiscal year 2024 levels. These increases were directly correlated with an acceleration of infrastructure improvements and expansion of transit services in the State. GAAP-based budgeting accruals, mostly salary and wages, resulted in a decrease of (\$7.3) million. The STF employer contribution to SERF decreased by (\$6.6) million (or (4.2) percent) over fiscal year 2024. Personal Services, the primary account for salaries, increased by \$28.6 million (or 11.3 percent).

The Special Transportation Fund had revenue of \$2.2 billion on the statutory basis of accounting, which was (\$133.5) million (or (5.7) percent) below the budget plan for fiscal year 2025. The Highway Use Tax and Oil Companies Tax underperformed budget targets by (\$34.2) million (or 36.3 percent) and (\$59.2) million (or (16.6) percent), respectively.

## State of Connecticut

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The State's investment in capital assets for its governmental and business-type activities as of June 30, 2025, totaled \$25.3 billion (net of accumulated depreciation/amortization). This investment in capital assets includes land, art and historical collections, buildings, improvements other than buildings, equipment, right-to-use assets, infrastructure, and construction in progress. The net increase in the State's investment in capital assets for the fiscal year was \$1.2 billion.

Major capital asset events for governmental activities during the fiscal year include additions to land, art and historical collections, right-to-use assets, infrastructure, and construction in progress of \$1.7 billion and depreciation/amortization expense of \$762.5 million.

The following table is a two-year comparison of the investment in capital assets presented for both governmental and business-type activities:

**State of Connecticut's Capital Assets  
Net of Depreciation (in Millions)**

	Governmental Activities		Business-Type Activities		Total Primary Government		Percent Change 25 - 24
	2025	2024	2025	2024	2025	2024	
Land	\$ 2,050	\$ 2,020	\$ 78	\$ 78	\$ 2,128	\$ 2,098	1.4%
Art & Historical Collections	225	225	72	71	297	296	0.3%
Construction in Progress	8,113	7,542	223	416	8,336	7,958	4.7%
Buildings	1,456	1,483	4,216	4,046	5,672	5,529	2.6%
Improvements Other than Buildings	160	167	404	420	564	587	-3.9%
Equipment	1,137	851	211	215	1,348	1,066	26.5%
Intangible Assets	30	29	32	36	62	65	-4.6%
Right-to-use Assets	71	87	255	261	326	348	-6.3%
Infrastructure	6,558	6,143	-	-	6,558	6,143	6.8%
Total	\$ 19,800	\$ 18,547	\$ 5,491	\$ 5,543	\$ 25,291	\$ 24,090	5.0%

Additional information on the State's capital assets can be found in Note 9 of this report.

#### Long-Term Debt - Bonded Debt

At the end of the current fiscal year, the State had total debt outstanding of \$28.5 billion. Pursuant to various public and special acts, the State has authorized the issuance of the following types of debt: general obligation debt (payable from the General Fund), special tax obligation debt (payable from the Debt Service Fund), and revenue debt (payable from specific revenues of the enterprise funds).

The following table is a two-year comparison of bonded debt presented for both governmental and business-type activities:

**State of Connecticut's Bonded Debt  
General Obligation and Revenue Bonds (in Millions)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 16,716	\$ 16,932	\$ -	\$ -	\$ 16,716	\$ 16,932
Direct Borrowings & Direct Placement	215	231	-	-	215	231
Transportation Related Bonds	7,784	7,860	-	-	7,784	7,860
Revenue Bonds	-	-	1,114	1,198	1,114	1,198
Premiums and Deferred Amounts	2,583	2,497	110	122	2,693	2,619
Total	\$ 27,298	\$ 27,520	\$ 1,224	\$ 1,320	\$ 28,522	\$ 28,840

The State's total bonded debt decreased by (\$318.0) million (or 1.1 percent) during the current fiscal year. This decrease resulted mainly from an decrease in General Obligation bonds of (\$216.0) million. Section 3-21 of the Connecticut General Statutes provides that the total amount of bonds, notes or other evidences of indebtedness payable from General Fund tax receipts authorized by the General Assembly but have not been issued and the total amount of such indebtedness which has been issued and remains outstanding shall not exceed 1.6 times the total estimated General Fund tax receipts of the State for the current fiscal year. In computing the indebtedness at any time, revenue anticipation notes, refunded indebtedness, bond anticipation notes, tax increment financing, budget deficit bonding, revenue bonding, balances in debt retirement funds and other indebtedness pursuant to certain provisions of the General Statutes shall be excluded from the calculation. As of the date of this report, the State had a debt incurring margin of \$7.0 billion.

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### State of Connecticut's Other Long-Term Debt (in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024*	2025	2024*	2025	2024*
Net Pension Liability	\$ 34,786	\$ 37,849	\$ -	\$ -	\$ 34,786	\$ 37,849
Net OPEB Liability	19,167	16,973	-	-	19,167	16,973
Compensated Absences	1,219	792	274	260	1,493	1,052
Workers Compensation	813	807	-	-	813	807
Lease Liabilities	49	58	209	207	258	265
Subscription Liabilities	23	31	50	53	73	84
Non-exchange Financial Guarantees	301	337	-	-	301	337
Federal Loan	-	-	4	4	4	4
Other	58	55	203	225	261	280
<b>Total</b>	<b>\$ 56,416</b>	<b>\$ 56,902</b>	<b>\$ 740</b>	<b>\$ 749</b>	<b>\$ 57,156</b>	<b>\$ 57,651</b>

\*Restated for Implementation of GASB 101

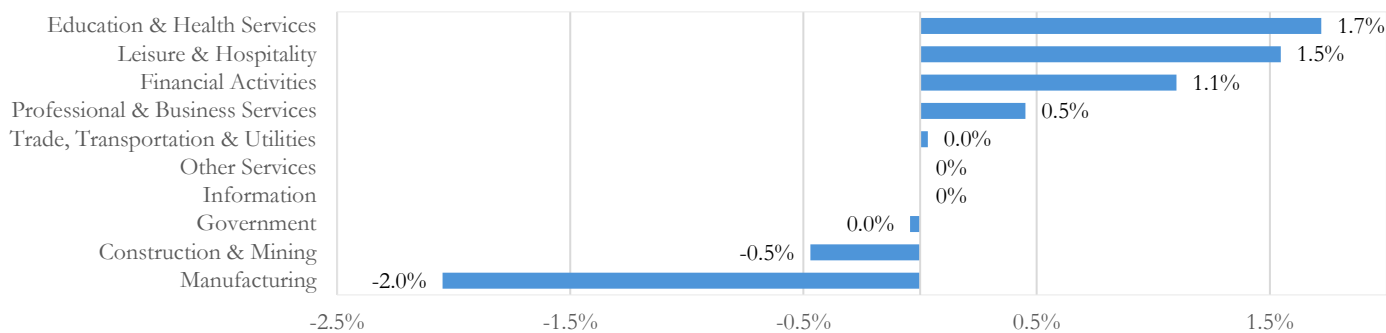
The State's other long-term obligations decreased by (\$495.0) million (or 0.9 percent) during the fiscal year. This decrease was due mainly to a decrease in the Net Pension Liability and Net OPEB Liability (Governmental activities) of (\$869.0) million (or 1.6 percent). Additional information on the State's long-term debt can be found in Notes 16 and 17 of this report.

### ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

Connecticut's budget results are ultimately dependent upon the performance of the national and state economies. Overall, the U.S. economy performed well in FY 2025, a year that included moderate economic growth in late 2024 and significant policy shifts under a new presidential administration in 2025. The Federal Reserve reduced the federal funds target rate by one full percentage point between September 2024 and December 2024 to 4.25-4.5 percent, making monetary policy less restrictive as the labor market showed signs of cooling. U.S. unemployment remained low and steady between 4.0 percent and 4.2 percent all fiscal year.

In 2025, the new presidential administration imposed a frequently changing schedule of double-digit tariffs on imports from around the world, a fundamental change to U.S. trade policy. Additional immigration enforcement action and cuts to the federal workforce and previously allocated federal funding also contributed to economic uncertainty. Investment in new artificial intelligence technology drove stock market gains in 2024, which continued in the first half of 2025.

Connecticut Nonfarm Employment Year-over-Year Percentage Change

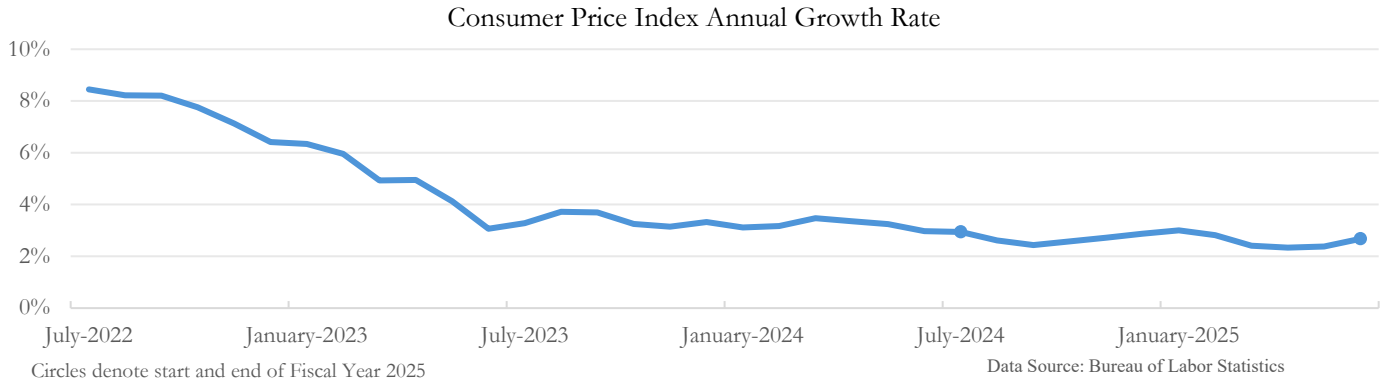


Connecticut added 7,500 (0.4 percent) new payroll jobs in FY 2025, and private industry employment reached a new all-time high in January. The state's civilian labor force, those working or actively looking for work, expanded by 13,545 workers (0.7 percent), and reached an all-time high of 1,960,219 workers in May 2025. Total payroll employment was 1,718,500 in June 2025, the highest since March 2008. While reaching new highs, employment gains slowed in both Connecticut and the U.S. in FY 2025 as labor markets settled into a more sustainable pattern following large pandemic recovery gains in prior years. Connecticut's unemployment rate rose from 3.1 percent in June 2024 to 3.8 percent in June 2025, as the pool of available workers grew faster than employment. An unemployment rate of 3.8 percent is very low by historical standards and indicates that the state's job market remained tighter than the U.S. overall.

## State of Connecticut

Looking at Connecticut net employment changes by major industry sector, four industries experienced growth year-over-year as of June 2025, three sectors experienced declines, and two had no change. Private Education and Health Services made the largest gain (+6,300), while Leisure and Hospitality (+2,400) and Financial Activities (+1,300) sectors also had notable growth. Following national trends, the Manufacturing sector experienced the greatest employment reduction (decreasing by 3,200 jobs).

The U.S. economy added 1.5 million (1.0 percent) net payroll jobs from June 2024 to June 2025, according to official estimates available in December 2025, an average of approximately 127,000 per month. The labor force expanded by 1.4 percent. The Private Education and Health Services sector led job growth (3.3 percent), followed by Leisure and Hospitality (1.4 percent) and Government (1.0 percent). Job growth was sluggish in the summer of 2024 and even more so entering the summer of 2025. The U.S. economy added only 19,000 positions in May and -13,000 in June. While hiring slowed, company layoffs remained limited, making it a better labor market for those who already had jobs than for those who were searching. Low unemployment supported continued growth in consumer spending, which accounts for approximately two thirds of U.S. economic activity.



Following three successive interest rate cuts in September, November and December 2024 in response to the cooling labor market, the Federal Reserve held the federal funds rate steady at 4.25-4.5 percent for the remainder of the fiscal year. While inflation according to the Consumer Price Index (CPI) was much lower than its recent high of 9 percent in June 2022, progress bringing inflation to the central bank’s 2.0 percent target stalled. CPI annual inflation was 2.9 percent in July 2024 and 2.7 percent in June 2025. Low unemployment allowed policy makers to wait for additional data on how new tariff policies would impact inflation before proceeding with additional cuts. Through June, there was limited tariff impact on consumer prices as many firms drew down pre-tariff inventories and absorbed cost increases rather than pass increased costs onto price-conscious consumers. Tariff-related inflation became more apparent later in 2025.

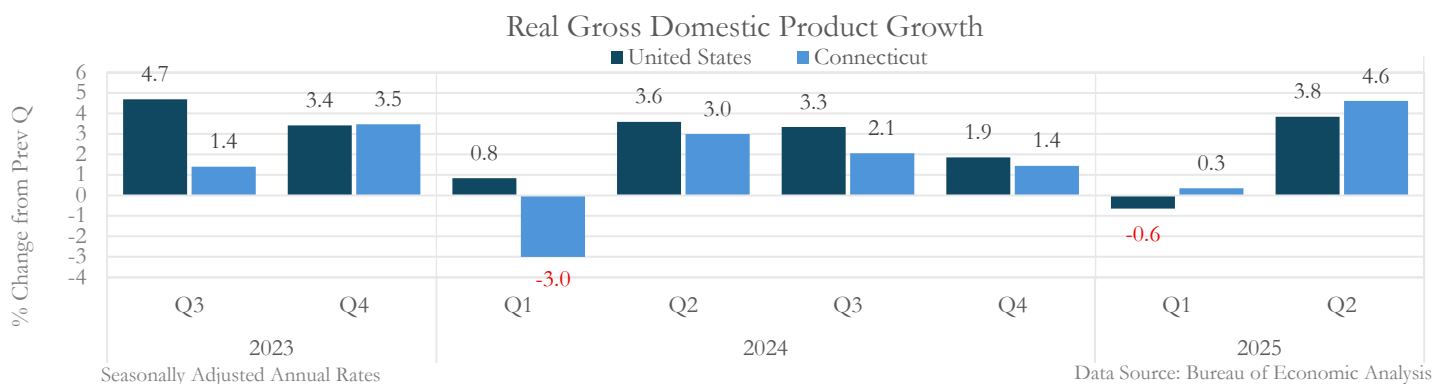
Connecticut’s housing market continues to be impacted by relatively high interest rates and an inventory of homes to buy that is 75 percent smaller than in FY 2019. Home prices are up 8.4 percent according to the U.S. Federal Housing Finance Agency (FHFA) All-Transactions Home Price Index, increasing homeowner wealth but reducing affordability for new buyers. The average rate for a 30-year mortgage ranged between 6.1 percent and 7 percent, according to Freddie Mac, down slightly from the prior year but still much higher than the sub-5 percent rate on 72.5 percent of Connecticut outstanding mortgages in the first quarter of 2025.

Yet FY 2025 marked a housing market turning point. Average monthly listings grew by 11.8 percent, and the number of sales increased 2.7 percent year-over-year according to Realtor.com and the Warren Group, respectively. Connecticut’s housing market is expected to remain tight as demand continues to exceed supply. Renters experienced a slowdown in asking rent growth over the year, with asking rents growing 3.7 percent year-over-year in the second quarter of 2024 but only 2.0 percent in the second quarter of 2025 according to the CoStar Group. However, Connecticut’s rental market remains tighter than the national average, and higher housing cost growth is contributing to higher regional inflation.

Major stock market indices performed well in 2024 for the second year in a row, as shares of the companies at the center of the artificial intelligence boom drove markets higher. The S&P 500 Index ended 2024 at 5,881.6, a rise of 23.3 percent for the calendar year following the 24.2 percent gain in 2023. The tech heavy NASDAQ Composite Index was up 28.6 percent, and the Dow Jones Industrial Average rose 12.9 percent. Despite markets plunging in early April following the President’s announcement of steep new tariffs, major U.S. stock indices were moderately up year-to-date through June 30th, 2025, and reached new record highs in late 2025.

Connecticut saw growth in inflation-adjusted Gross Domestic Product (GDP) in all quarters of Fiscal Year 2025, while U.S. real GDP contracted in the January to March period. A surge of pre-tariff imports and inventory buildup led the national economy to contract in the first quarter (because imports count negatively in GDP). That effect was reversed in the second quarter, when fewer imports boosted growth. U.S. and Connecticut real GDP grew 2.1 percent overall from 2024 Q2 to 2025 Q2. Connecticut was among the top ten fastest growing state economies in the second quarter of 2025.

## State of Connecticut



Connecticut has traditionally ranked among the wealthiest states in the nation. BEA reported that in 2024, Connecticut had a per capita personal income (PCPI) of \$95,067. This PCPI ranked first in the United States and was 129.9 percent of the national average of \$73,204. The United States 2024 PCPI reflected an increase of 4.6 percent from 2023, while Connecticut's increase was higher at 5.4 percent. Connecticut's income growth in the previous decade was slower than the national average. In 2014, the PCPI of Connecticut was \$64,484 and ranked first in the United States. However, the state's 2014-2024 compound annual growth rate of PCPI was 4.0 percent compared with 4.7 percent for the nation.

Connecticut's high level of income and quality of life can be attributed to the educational achievement of its residents, as well as the innovation and productivity of its workforce. According to the U.S. Census Bureau, 42.6 percent of Connecticut's population age 25 and over has a bachelor's degree or higher, compared to 36.8 percent nationally, and 91.7 percent of Connecticut residents are a High School graduate or higher. Connecticut ranked first for preschool enrollment, third for pre-k through 12 education and fourth in college readiness according to U.S. News and World Report. Connecticut also has the second-best overall school system in the country and third-best community college system according to WalletHub.

Connecticut also achieves high rankings on other quality of life measures:

- Connecticut ranked as the second-best state for working moms and dads according to WalletHub.
- Connecticut ranked third best state overall in healthcare access, quality, and public health by U.S. News and World Report.
- Connecticut ranked fifth for public safety by U.S. News and World Report.
- Connecticut ranked second for access to high-speed internet according to U.S. News and World Report.
- Connecticut ranked first in top company headquarters per capita according to U.S. News and World Report.
- Connecticut ranked fifth in business environment by U.S. News and World Report.
- Connecticut is home to more than 32 top colleges and universities.

Connecticut also continues to be a leader in the field of high-tech manufacturing, producing submarines, helicopters, jet engines and parts, electronics, computer equipment and electronic machinery. Much of Connecticut's manufacturing is for the military and the outlook for Connecticut's defense industry remains strong. According to the U.S. Department of Defense for federal fiscal year 2023-2024 (FY 2024), Connecticut ranked seventh overall in total defense spending, sixth in defense spending as a percentage of state gross domestic product (GDP), and fourth in defense spending per capita among states. Contracts awarded to Connecticut defense manufacturers fell in FY 2024 to \$18.7 billion, following an all-time high of \$24.2 billion in FY 2023; however major new awards announced for FY 2025 and beyond ensure defense manufacturing activity will continue. For FY 2024, General Dynamics' Electric Boat was the largest recipient of DoD obligations in the state at \$8.1 billion, followed by RTX Corporation, which makes the F135 engines for F-35 Joint Strike Fighter jets, at \$5.2 billion. Electric Boat is the prime contractor and lead shipyard for all Navy nuclear-powered submarine programs, including the Virginia-class attack submarine and Columbia-class ballistic-missile submarine.

Halfway through FY 2026, Connecticut's economic outlook is mixed. The 43-day federal government shutdown in fall 2025 delayed key government reports on economic growth, employment and inflation, obscuring the current situation as of this writing in December 2025. Major private investment in artificial intelligence (AI) technology and infrastructure is expected to continue supporting U.S. economic growth and has fueled significant equity market expansion, with major stock indices up strongly for the third year in a row. A range of significant federal defense contract announcements ensure continued strong demand for the state's transportation equipment manufacturing sector. Affluent households, benefiting from higher home values and stock market gains, have been increasingly responsible for consumer spending, and could continue to spend freely in Connecticut in early 2026, barring any major changes, supported by higher tax refunds under the major federal tax reform and spending bill signed in July. Higher-income households in Connecticut will especially benefit from the increased amount (\$40,000 rather than \$10,000) of state and local taxes (SALT) that can be deducted on federal income taxes.

On the other hand, available labor market information points to continued weakening in both Connecticut and the United States overall, with

## State of Connecticut

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renewed inflation from tariffs creating another drag on growth. Policy uncertainty, less immigration, federal actions, and an aging workforce are all headwinds likely to slow Connecticut job growth in the year ahead. Connecticut's unemployment rate remained low and steady at 3.8 percent, as of September, while the U.S. rate ticked up to 4.4 percent; however, the Connecticut labor force—those working or looking for work—declined by about 12,000 people (0.6 percent) between June and September. Annual inflation according to the Consumer Price Index was 3.0 percent in September, putting the Federal Reserve's two mandates—to maximize employment and keep prices steady—in conflict. Despite stubborn inflation, the Federal Reserve reduced its key interest rate by 0.25 percentage points at each of the September, October, and December 2025 meetings, putting the federal funds rate target range at 3.5-3.75 percent to end the year. The outlook for more rate cuts in 2026 is uncertain, as policymakers balance the competing risks of rising unemployment and rising inflation. The degree to which artificial intelligence technologies will impact productivity and employment in the years ahead also remains uncertain.

The most recent consensus revenue forecast for FY 2026 on November 10 showed considerably higher expectations for the estimates and finals portions of the personal income tax as well as the pass-through entity tax, as those volatile revenue sources typically increase with strong stock market growth, and previous revenue estimates were made just following the steep sell off in spring 2025. However, all projected increases in those collections will result in a larger volatility adjustment transfer to the Budget Reserve Fund, rather than additional General Fund revenue. Both the withholding portion of the personal income tax and the sales and use tax are also on track to outperform, thanks to low unemployment, continued wage gains, and resilient spending. Conversely, the corporation tax is anticipated to underperform the budget due primarily to a federal tax law change to which the state automatically conforms, as well as continued weakness in collections. Current forecasts, as of December, show the General Fund is on track to end FY 2026 with a surplus of \$164.4 million. This positive fiscal position is a tribute to smart long-term planning, the resilience of Connecticut's people, and the strength of its economy. However, Connecticut continues to face challenges as spending on entitlements, debt service, and other fixed costs related to state pension and retirement healthcare systems represent a growing share of the state budget. It remains critical to exercise fiscal restraint, execute responsible long-term planning, and support economic growth to maintain future budget stability.

### CONTACTING THE STATE'S OFFICES OF FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. If you have any questions about this report, please contact the State Comptroller's Office at (860) 702-3352.



***BASIC  
FINANCIAL  
STATEMENTS***



***GOVERNMENT-WIDE  
FINANCIAL  
STATEMENTS***

## State of Connecticut

### STATEMENT OF NET POSITION

June 30, 2025

(Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 8,708,946	\$ 1,558,496	\$ 10,267,442	\$ 368,723
Deposits with U.S. Treasury	-	165,514	165,514	-
Investments	143,656	25,122	168,778	829,530
Receivables, (Net of Allowances)	5,770,545	784,099	6,554,644	139,515
Due from Primary Government	-	-	-	5,743
Inventories	51,959	24,361	76,320	-
Restricted Assets	-	158,770	158,770	2,348,677
Leases Receivable	-	1,556	1,556	11,897
Internal Balances	(1,386)	1,386	-	-
Other Current Assets	37,543	34,319	71,862	35,611
Total Current Assets	<u>14,711,263</u>	<u>2,753,623</u>	<u>17,464,886</u>	<u>3,739,696</u>
Noncurrent Assets:				
Cash and Cash Equivalents	-	633,760	633,760	-
Due From Component Units	77,550	-	77,550	-
Investments	-	53,248	53,248	287,901
Receivables, (Net of Allowances)	962,796	1,058,715	2,021,511	579,602
Restricted Assets	1,336,925	290,592	1,627,517	6,106,866
Capital Assets, (Net of Accumulated Depreciation)	19,800,039	5,491,351	25,291,390	1,474,755
Other Noncurrent Assets	13	29,319	29,332	17,486
Total Noncurrent Assets	<u>22,177,323</u>	<u>7,556,985</u>	<u>29,734,308</u>	<u>8,466,610</u>
Total Assets	<u>\$ 36,888,586</u>	<u>\$ 10,310,608</u>	<u>\$ 47,199,194</u>	<u>\$ 12,206,306</u>
<b>Deferred Outflows of Resources</b>				
Unamortized Losses on Bond Refundings	\$ 101,909	\$ 1,587	\$ 103,496	\$ 46,725
Related to Pensions & Other Postemployment Benefits	11,604,277	-	11,604,277	120,268
Other Deferred Outflows	-	3,469	3,469	1,920
Total Deferred Outflows of Resources	<u>\$ 11,706,186</u>	<u>\$ 5,056</u>	<u>\$ 11,711,242</u>	<u>\$ 168,913</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 2,764,371	\$ 385,747	\$ 3,150,118	\$ 559,829
Due to Other Funds	-	-	-	85
Due to Component Units	5,743	-	5,743	6,369
Due to Primary Government	-	-	-	77,550
Due to Other Governments	504,341	5,559	509,900	-
Current Portion of Lease Liabilities	12,788	14,881	27,669	813
Current Portion of Subscription Liabilities	16,589	19,404	35,993	323
Current Portion of Long-Term Obligations	2,476,749	200,218	2,676,967	483,722
Amount Held for Institutions	-	-	-	718,740
Unearned Revenue	25,137	55,634	80,771	135,209
Medicaid Liability	933,359	-	933,359	-
Liability for Escheated Property	638,371	-	638,371	-
Other Current Liabilities	131,285	126,676	257,961	37,321
Total Current Liabilities	<u>7,508,733</u>	<u>808,119</u>	<u>8,316,852</u>	<u>2,019,961</u>
Noncurrent Liabilities:				
Non-Current Portion of Lease Liabilities	36,652	193,970	230,622	21,019
Non-Current Portion of Subscription Liabilities	6,694	30,806	37,500	-
Non-Current Portion of Long-Term Obligations	81,165,245	1,494,644	82,659,889	6,389,766
Total Noncurrent Liabilities	<u>81,208,591</u>	<u>1,719,420</u>	<u>82,928,011</u>	<u>6,410,785</u>
Total Liabilities	<u>\$ 88,717,324</u>	<u>\$ 2,527,539</u>	<u>\$ 91,244,863</u>	<u>\$ 8,430,746</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF NET POSITION (Continued)

June 30, 2025

(Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Deferred Inflows of Resources</b>				
Related to Pensions & Other Postemployment Benefits	\$ 5,837,989	\$ -	\$ 5,837,989	\$ 121,486
Deferred Inflows Leases	-	17,926	17,926	180,032
Other Deferred Inflows	-	-	-	203,948
Total Deferred Inflows of Resources	<u>\$ 5,837,989</u>	<u>\$ 17,926</u>	<u>\$ 5,855,915</u>	<u>\$ 505,466</u>
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 8,234,564	\$ 3,194,240	\$ 11,428,804	\$ 1,033,854
Restricted For:				
Transportation	492,335	-	492,335	-
Debt Service	1,338,973	1,111,628	2,450,601	13,578
Federal Grants and Other Accounts	1,649,709	-	1,649,709	-
Capital Projects	219,766	199,172	418,938	51,168
Grant and Loan Programs	394,898	-	394,898	-
Clean Water and Drinking Water Projects	-	958,021	958,021	-
Bond Indenture Requirements	-	-	-	777,972
Loans	-	2,465	2,465	-
Permanent Investments or Endowments:				
Expendable	-	-	-	22,353
Nonexpendable	148,429	17,035	165,464	800,500
Other Purposes	193,394	147,227	340,621	265,593
Unrestricted (Deficit)	(58,632,609)	2,140,411	(56,492,198)	473,989
Total Net Position (Deficit)	<u>\$ (45,960,541)</u>	<u>\$ 7,770,199</u>	<u>\$ (38,190,342)</u>	<u>\$ 3,439,007</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

# State of Connecticut

## STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Charges for Services, Fees, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
		Governmental Activities	Business-Type Activities	Total					
<b>Primary Government</b>									
Governmental Activities:									
Legislative	\$ 136,579	\$ 2,987	\$ 337	\$ -	\$ (133,255)	\$ -	\$ (133,255)	\$ -	
General Government	4,280,743	515,914	(1,970,165)	-	(5,734,995)	-	(5,734,995)	-	
Regulation and Protection	1,041,312	769,417	500,895	-	229,000	-	229,000	-	
Conservation and Development	1,492,756	352,351	566,888	-	(573,517)	-	(573,517)	-	
Health and Hospitals	3,592,859	127,888	536,092	-	(2,928,879)	-	(2,928,879)	-	
Transportation	2,445,553	145,286	-	1,378,941	(921,326)	-	(921,326)	-	
Human Services	11,804,643	(59,988)	8,764,621	-	(3,100,009)	-	(3,100,009)	-	
Education, Libraries, and Museums	7,499,789	26,142	2,266,168	-	(5,207,479)	-	(5,207,479)	-	
Corrections	2,393,202	9,232	233,115	-	(2,150,855)	-	(2,150,855)	-	
Judicial	1,202,857	139,293	90,164	-	(973,399)	-	(973,399)	-	
Interest and Fiscal Charges	1,518,516	-	-	-	(1,518,516)	-	(1,518,516)	-	
Total Governmental Activities	<u>37,408,809</u>	<u>2,028,522</u>	<u>10,988,115</u>	<u>1,378,941</u>	<u>(23,013,231)</u>	<u>-</u>	<u>(23,013,231)</u>	<u>-</u>	
Business-Type Activities:									
University of Connecticut & Health Center	3,150,082	2,346,488	400,872	4,908	-	(397,814)	(397,814)	-	
Board of Regents	1,359,888	769,168	113,591	-	-	(477,129)	(477,129)	-	
Employment Security	896,389	734,456	254,819	-	-	92,886	92,886	-	
Clean Water	55,548	27,870	68,108	-	-	40,430	40,430	-	
Other	59,304	34,711	29,524	-	-	4,931	4,931	-	
Total Business-Type Activities	<u>5,521,211</u>	<u>3,912,693</u>	<u>866,914</u>	<u>4,908</u>	<u>-</u>	<u>(736,696)</u>	<u>(736,696)</u>	<u>-</u>	
Total Primary Government	<u>\$ 42,930,020</u>	<u>\$ 5,941,215</u>	<u>\$ 11,855,029</u>	<u>\$ 1,383,849</u>	<u>\$ (23,013,231)</u>	<u>\$ (736,696)</u>	<u>\$ (23,749,927)</u>	<u>\$ -</u>	
<b>Component Units</b>									
Connecticut Housing Finance Authority (12/31/2024)	\$ 264,981	\$ 148,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (116,752)	
Connecticut Lottery Corporation	1,786,840	1,789,685	-	-	-	-	-	2,845	
Connecticut Airport Authority	146,686	160,117	-	60,507	-	-	-	73,938	
Connecticut Health and Educational Facilities Authority	21,017	20,576	-	-	-	-	-	(441)	
Other Component Units	278,722	246,678	24,444	53,737	-	-	-	46,137	
Total Component Units	<u>\$ 2,498,246</u>	<u>\$ 2,365,285</u>	<u>\$ 24,444</u>	<u>\$ 114,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,727</u>	
			General Revenues:						
			Taxes:						
					11,556,400	-	11,556,400	-	
					3,630,274	-	3,630,274	-	
					4,632,399	-	4,632,399	-	
					2,450,011	-	2,450,011	-	
			Restricted for Transportation Purposes:						
					992,651	-	992,651	-	
					874,048	-	874,048	-	
					332,729	-	332,729	-	
					105,477	-	105,477	-	
					350,308	-	350,308	-	
					3,693	-	3,693	-	
					512,015	105,747	617,762	238,153	
					(300,000)	-	(300,000)	-	
					(901,001)	901,001	-	(86,036)	
			Total General Revenues,						
					24,239,004	1,006,748	25,245,752	152,117	
					1,225,773	-	1,225,773	157,844	
					(46,972,138)	7,522,765	(39,449,373)	3,273,757	
			Impact of the Implementation of GASB 101						
					(214,176)	(59,667)	(273,843)	249	
					-	1,998	1,998	-	
			Redassification Magnet Schools from CU to Primary Government						
					-	35,051	35,051	-	
			Change in Treatment of OPEB Liability						
					-	-	-	7,157	
					(47,186,314)	7,500,147	(39,686,167)	3,281,163	
			Net Position (Deficit) - Beginning						
					\$ (45,960,541)	\$ 7,770,199	\$ (38,190,342)	\$ 3,439,007	

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### BALANCE SHEET GOVERNMENTAL FUNDS

June 30, 2025

(Expressed in Thousands)

	General	Debt Service	Transportation	Restricted Grants & Accounts	Grant & Loan Programs	Other Funds	Total Governmental Funds
<b>Assets</b>							
Cash and Cash Equivalents	\$ 6,037,050	\$ 2,049	\$ 428,194	\$ 1,170,499	\$ 258,393	\$ 790,616	\$ 8,686,801
Investments	-	-	-	-	-	143,656	143,656
Securities Lending Collateral	-	-	-	-	-	37,045	37,045
Receivables:							
Taxes, Net of Allowances	3,509,043	-	277,029	-	-	-	3,786,072
Accounts, Net of Allowances	294,249	-	87,408	631,039	8,857	140,640	1,162,193
Loans, Net of Allowances	3,413	-	-	60,435	148,235	750,713	962,796
Due From Other Governments	35,970	-	-	766,058	-	10,752	812,780
Due from Other Funds	88,328	-	45,473	1,131	-	31,747	166,679
Due from Component Units	76,758	-	-	-	-	792	77,550
Interest Receivable	-	5,867	1,368	-	-	6	7,241
Other Receivables	-	-	-	-	-	-	-
Inventories	8,200	-	36,105	-	-	-	44,305
Restricted Assets	-	1,336,925	-	-	-	-	1,336,925
Total Assets	<u>\$ 10,053,011</u>	<u>\$ 1,344,841</u>	<u>\$ 875,577</u>	<u>\$ 2,629,162</u>	<u>\$ 415,485</u>	<u>\$ 1,905,967</u>	<u>\$ 17,224,043</u>
<b>Liabilities, Deferred Inflows, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts Payable and Accrued Liabilities	\$ 472,265	\$ -	\$ 49,643	\$ 284,272	\$ 19,759	\$ 107,966	\$ 933,905
Due to Other Funds	1,523,419	5,868	-	43,824	29	32,974	1,606,114
Due to Component Units	14	-	-	5,729	-	-	5,743
Due to Other Governments	501,288	-	-	3,053	-	-	504,341
Unearned Revenue	11,184	-	-	-	-	13,953	25,137
Medicaid Liability	379,877	-	-	553,482	-	-	933,359
Liability For Escheated Property	638,371	-	-	-	-	-	638,371
Securities Lending Obligation	-	-	-	-	-	37,045	37,045
Other Liabilities	57,157	-	-	37,083	-	-	94,240
Total Liabilities	<u>3,583,575</u>	<u>5,868</u>	<u>49,643</u>	<u>927,443</u>	<u>19,788</u>	<u>191,938</u>	<u>4,778,255</u>
<b>Deferred Inflows of Resources</b>							
Receivables to be Collected in Future Periods	<u>2,437,191</u>	<u>-</u>	<u>80,127</u>	<u>578,406</u>	<u>8,217</u>	<u>51,937</u>	<u>3,155,878</u>
<b>Fund Balances</b>							
Nonspendable:							
Inventories and Long-Term Receivables	81,121	-	36,105	-	-	-	117,226
Permanent Fund Principal	-	-	-	-	-	105,285	105,285
Restricted For:							
Debt Service	-	1,338,973	-	-	-	-	1,338,973
Transportation Programs	-	-	490,093	-	-	-	490,093
Federal Grant and State Programs	-	-	-	1,123,313	-	-	1,123,313
Grants and Loans	-	-	-	-	387,442	-	387,442
Other	-	-	-	-	-	1,490,751	1,490,751
Committed For:							
Continuing Appropriations	439,403	-	79,609	-	-	-	519,012
Budget Reserve Fund	4,826,549	-	-	-	-	-	4,826,549
Reserve Future Carry	-	-	-	-	-	-	-
Assigned To:							
Surplus Transfer to Next Fiscal Year	150,000	-	140,000	-	-	-	290,000
Grants and Loans	-	-	-	-	38	-	38
Other	-	-	-	-	-	66,774	66,774
Unassigned (Deficit)	(1,464,828)	-	-	-	-	(718)	(1,465,546)
Total Fund Balances	<u>4,032,245</u>	<u>1,338,973</u>	<u>745,807</u>	<u>1,123,313</u>	<u>387,480</u>	<u>1,662,092</u>	<u>9,289,910</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 10,053,011</u>	<u>\$ 1,344,841</u>	<u>\$ 875,577</u>	<u>\$ 2,629,162</u>	<u>\$ 415,485</u>	<u>\$ 1,905,967</u>	<u>\$ 17,224,043</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2025

(Expressed in Thousands)

Total Fund Balance - Governmental Funds \$ 9,289,910

Amounts reported for governmental activities in the Statement of Net Position are different because:

**Capital assets** used in governmental activities are not financial resources and, therefore, are not reported in the funds (see Note 9). These consist of:

Right-to-use assets	160,154	
Cost of capital assets, (excluding internal service funds)	39,545,764	
Less: Accumulated depreciation (excluding internal service funds)	(19,892,059)	
Less: Accumulated amortization right-to-use assets	(89,480)	
Net capital assets	19,724,379	19,724,379

**Some assets** such as receivables, are not available soon enough to pay for current period's expenditures and thus, are offset by unavailable revenue in the governmental funds. 3,155,878

**Deferred losses on refundings** are reported in the Statement of Net Position (to be amortized as interest expense) but are not reported in the funds. 101,909

**Deferred outflows for pensions and OPEB** are reported in the Statement of Net Position but are not reported in the funds (see Note 10 & 13). 11,604,277

**Long-term debt instruments** such as bonds and notes payable, are not due and payable in the current period and, therefore, the outstanding balances are not reported in the funds (see Note 16). Also, unamortized debt premiums and interest payable are reported in the Statement of Net Position but are not reported in the funds. These balances consist of:

General obligation bonds payable	(16,715,565)	
Transportation bonds payable	(7,784,420)	
Direct Borrowings & Direct Placements	(215,265)	
Unamortized premiums	(2,582,831)	
Accrued interest payable	(341,424)	
Net long-term debt	(27,639,505)	(27,639,505)

**Other liabilities** not due and payable in the current period and, therefore, not reported in the funds (see Note 16).

Net pension liability	(34,786,236)	
Net OPEB liability	(19,167,151)	
Obligations for worker's compensation	(813,390)	
Leases	(49,440)	
Subscriptions	(23,283)	
Compensated absences (excluding internal service funds)	(1,217,296)	
Claims and judgments payable	(36,937)	
Landfill postclosure care	(19,861)	
Nonexchange Financial guarantee	(300,700)	
Total other liabilities	(56,414,294)	(56,414,294)

**Deferred inflows** for pensions and OPEB are reported in the Statement of Net Position but are not reported in the funds (see Note 10 & 13). (5,837,989)

Pension and OPEB related

**Internal service funds** are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 54,894

**Total Net Position - Governmental Activities** \$ (45,960,541)

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

	General	Debt Service	Transportation	Restricted Grants & Accounts	Grant & Loan Programs	Other Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 21,689,130	\$ -	\$ 1,865,674	\$ -	\$ -	\$ 473,029	\$ 24,027,833
Licenses, Permits, and Fees	372,465	-	342,052	7,945	-	169,576	892,038
Tobacco Settlement	-	-	-	-	-	105,477	105,477
Federal Grants and Aid	2,798,945	-	5,196	9,467,110	-	85,507	12,356,758
Assessments	760	-	-	-	-	-	760
State Grants	282	-	-	10,016	-	-	10,298
Lottery Tickets	350,308	-	-	-	-	-	350,308
Charges for Services	17,587	-	58,382	15	-	1,323	77,307
Fines, Forfeits, and Rents	87,899	-	28,102	-	-	34	116,035
Casino Gaming Payments	332,729	-	-	-	-	-	332,729
Investment Earnings	338,294	69,281	50,318	10,477	16,399	27,246	512,015
Sports Wagering	-	-	-	-	-	3,693	3,693
Miscellaneous	85,784	-	12,448	717,344	26,092	162,242	1,003,910
Total Revenues	<u>26,074,183</u>	<u>69,281</u>	<u>2,362,172</u>	<u>10,212,907</u>	<u>42,491</u>	<u>1,028,127</u>	<u>39,789,161</u>
<b>Expenditures</b>							
Current:							
Legislative	160,303	-	-	2,981	-	-	163,284
General Government	2,644,451	-	67,011	273,391	846,040	742,422	4,573,315
Regulation and Protection	609,873	-	129,567	201,549	19,311	192,534	1,152,834
Conservation and Development	314,967	-	8,325	716,177	377,377	123,773	1,540,619
Health and Hospitals	3,106,606	-	-	498,377	12,342	75,599	3,692,924
Transportation	-	-	1,253,993	924,645	16,408	-	2,195,046
Human Services	6,074,779	-	-	6,003,543	-	2,603	12,080,925
Education, Libraries, and Museums	6,062,312	-	-	1,573,103	27,818	3,711	7,666,944
Corrections	2,437,237	-	-	81,340	377	941	2,519,895
Judicial	1,167,021	-	-	52,092	-	62,503	1,281,616
Capital Projects	-	-	-	-	-	1,289,825	1,289,825
Debt Service:							
Principal Retirement	2,036,729	1,031,830	-	-	-	-	3,068,559
Interest and Fiscal Charges	458,518	375,392	553	629,989	4,204	6,618	1,475,274
Total Expenditures	<u>25,072,796</u>	<u>1,407,222</u>	<u>1,459,449</u>	<u>10,957,187</u>	<u>1,303,877</u>	<u>2,500,529</u>	<u>42,701,060</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,001,387</u>	<u>(1,337,941)</u>	<u>902,723</u>	<u>(744,280)</u>	<u>(1,261,386)</u>	<u>(1,472,402)</u>	<u>(2,911,899)</u>
<b>Other Financing Sources (Uses)</b>							
Bonds Issued (Retired)	-	-	-	-	1,094,950	1,505,050	2,600,000
Premiums (Discounts) on Bonds Issued	-	25,418	-	-	81,948	169,026	276,392
Capital Contributions	-	-	-	-	-	(25,000)	(25,000)
Transfers In	2,732,004	1,385,566	56,998	757,031	-	218,688	5,150,287
Transfers Out	(3,727,233)	(56,496)	(1,390,887)	(877,881)	(78,845)	(220,158)	(6,351,500)
Refunding Bonds Issued	-	375,270	-	-	-	-	375,270
Payment to Refunded Bond Escrow Agent	-	(423,077)	-	-	-	-	(423,077)
Total Other Financing Sources (Uses)	<u>(995,229)</u>	<u>1,306,681</u>	<u>(1,333,889)</u>	<u>(120,850)</u>	<u>1,098,053</u>	<u>1,647,606</u>	<u>1,602,372</u>
Net Change in Fund Balances	<u>6,158</u>	<u>(31,260)</u>	<u>(431,166)</u>	<u>(865,130)</u>	<u>(163,333)</u>	<u>175,204</u>	<u>(1,309,527)</u>
Fund Balances - Beginning	<u>4,042,108</u>	<u>1,370,233</u>	<u>1,177,249</u>	<u>1,988,443</u>	<u>550,813</u>	<u>1,486,888</u>	<u>10,615,734</u>
Change in Reserve for Inventories	<u>(16,021)</u>	<u>-</u>	<u>(276)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,297)</u>
Fund Balances - Ending	<u>\$ 4,032,245</u>	<u>\$ 1,338,973</u>	<u>\$ 745,807</u>	<u>\$ 1,123,313</u>	<u>\$ 387,480</u>	<u>\$ 1,662,092</u>	<u>\$ 9,289,910</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

Net change in fund balances - total governmental funds \$ (1,325,824)

Amounts reported for governmental activities in the Statement of Activities are different because:

**Long-term debt** proceeds provide current financial resources to governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities

In the current period, these amounts consist of

Debt issued or incurred:

Bonds issued	(2,600,000)	
Refunding bonds issued	(375,270)	
Premium on bonds issued	(276,392)	
Principal repayment:		
Principal Retirement	3,068,559	
Payments to refunded bond escrow agent	423,077	
Interest and Fiscal Charges	(312,971)	
Net debt adjustments		(72,997)

**Some capital assets** acquired this year were financed with leases. The amount financed by leases is reported in the governmental funds as a source of financing, but lease obligations are reported as long-term liabilities on the Statement of Activities

2,277

**Capital outlays** are reported as expenditures in the governmental funds. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts and other reductions were as follows:

Capital outlays (including construction-in-progress)	2,231,862	
Depreciation/Amortization expense (excluding internal service funds)	(762,513)	
Net capital outlay adjustments		1,469,349

**Inventories** are reported as expenditures in the governmental funds when purchased. However, in the Statement of Activities the cost of these assets is recognized when those assets are consumed. This is the amount by which purchases exceeded consumption of inventories.

(16,297)

**Some expenses** reported in the Statement of Activities do not require the use of current financial resources and therefore are not recognized in the funds. In the current period, the net adjustments consist of:

Increase in accrued interest	(18,257)	
Amortization of bond premium	269,729	
Amortization of loss on debt refunding's	(9,529)	
Increase in capital contributions	25,000	
Decrease in Net OPEB Liability & Net pension liability	868,578	
Decrease in net deferred inflows related to OPEB & pensions	1,497,433	
Decrease in net deferred outflows related to OPEB & pensions	(927,797)	
Decrease in compensated absences	(640,706)	
Increase in workers' compensation	(6,771)	
Decrease in claims and judgments	(4,618)	
Decrease in landfill post closure cost	2,442	
Decrease in lease liability	9,031	
Decrease in subscription liability	7,408	
Decrease in non-exchange financial guarantees	36,680	
Net expense accruals		1,108,623

**Some revenues** in the Statement of Activities do not provide current financial resources and, therefore, are deferred inflows of resources in the funds. Also, revenues related to prior periods that became available during the current period are reported in the funds but are eliminated in the Statement of Activities. This amount is the net adjustment.

62,931

**Internal service funds** are used by management to charge the costs of certain activities, to individual funds. The net revenues (expenses) of internal service funds are included with governmental activities in the Statement of Activities.

(2,289)

Change in net position - governmental activities

\$ 1,225,773

*The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.*

## State of Connecticut

### STATEMENT OF NET POSITION PROPRIETARY FUNDS

June 30, 2025

(Expressed in Thousands)

	Business-Type Activities						Governmental Activities
	Enterprise Funds					Internal Service Funds	
	University of Connecticut and Health Center	Board of Regents	Employment Security	Clean Water	Other Funds		
<b>Assets</b>							
Current Assets:							
Cash and Cash Equivalents	\$ 782,230	\$ 702,671	\$ 1,112	\$ 9,334	\$ 63,149	\$ 1,558,496	\$ 22,145
Deposits with U.S. Treasury	-	-	165,514	-	-	165,514	-
Investments	726	24,396	-	-	-	25,122	-
Receivables:							
Accounts, Net of Allowances	223,354	79,267	221,994	3,082	6,223	533,920	1,900
Loans, Net of Allowances	892	-	-	172,247	37,267	210,406	-
Leases	1,178	378	-	-	-	1,556	-
Interest	-	-	-	3,668	316	3,984	-
Due from Other Governments	-	5,500	12,107	-	18,182	35,789	-
Due from Other Funds	796	46,842	2,251	-	-	49,889	6,843
Inventories	24,361	-	-	-	-	24,361	7,654
Restricted Assets	158,770	-	-	-	-	158,770	-
Other Current Assets	27,043	7,269	-	-	7	34,319	498
Total Current Assets	1,219,350	866,323	402,978	188,331	125,144	2,802,126	39,040
Noncurrent Assets:							
Cash and Cash Equivalents	-	185,349	-	366,230	82,181	633,760	-
Investments	23,659	29,589	-	-	-	53,248	-
Receivables:							
Loans, Net of Allowances	2,038	3,954	-	843,446	193,413	1,042,851	-
Leases	14,814	1,050	-	-	-	15,864	-
Restricted Assets	30,040	-	-	208,617	51,935	290,592	-
Capital Assets, Net of Accumulated Depreciation	3,586,862	1,904,489	-	-	-	5,491,351	75,660
Other Noncurrent Assets	29,316	3	-	-	-	29,319	13
Total Noncurrent Assets	3,686,729	2,124,434	-	1,418,293	327,529	7,556,985	75,673
Total Assets	\$ 4,906,079	\$ 2,990,757	\$ 402,978	\$ 1,606,624	\$ 452,673	\$ 10,359,111	\$ 114,713
<b>Deferred Outflows of Resources</b>							
Unamortized Losses on Bond Refundings	\$ -	\$ -	\$ -	\$ 1,547	\$ 40	\$ 1,587	\$ -
Other Deferred Outflows	114	3,355	-	-	-	3,469	-
Total Deferred Outflows of Resources	\$ 114	\$ 3,355	\$ -	\$ 1,547	\$ 40	\$ 5,056	\$ -
<b>Liabilities</b>							
Current Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 263,541	\$ 108,965	\$ -	\$ 6,993	\$ 6,248	385,747	\$ 1,585
Due to Other Funds	25,655	287	280	3,082	19,199	48,503	55,892
Due to Other Governments	468	-	5,091	-	-	5,559	-
Current Portion of Long-Term Obligations	107,566	36,374	-	47,175	9,103	200,218	97
Lease Liabilities, Current Portion	12,995	1,886	-	-	-	14,881	-
Subscription Liabilities, Current Portion	14,265	5,139	-	-	-	19,404	-
Unearned Revenue	-	55,634	-	-	-	55,634	-
Other Current Liabilities	110,664	16,012	-	-	-	126,676	-
Total Current Liabilities	535,154	224,297	5,371	57,250	34,550	856,622	57,574
Noncurrent Liabilities:							
Lease Liabilities, Net of Current Portion	188,367	5,603	-	-	-	193,970	-
Subscription Liabilities, Net of Current Portion	17,816	12,990	-	-	-	30,806	-
Noncurrent Portion of Long-Term Obligations	506,680	341,174	-	533,076	113,714	1,494,644	2,245
Total Noncurrent Liabilities	712,863	359,767	-	533,076	113,714	1,719,420	2,245
Total Liabilities	\$ 1,248,017	\$ 584,064	\$ 5,371	\$ 590,326	\$ 148,264	\$ 2,576,042	\$ 59,819
<b>Deferred Inflows of Resources</b>							
Deferred Inflows-Leases	\$ 15,896	\$ 2,030	\$ -	\$ -	\$ -	\$ 17,926	\$ -
Total Deferred Inflows of Resources	\$ 15,896	\$ 2,030	\$ -	\$ -	\$ -	\$ 17,926	\$ -
<b>Net Position (Deficit)</b>							
Net Investment in Capital Assets	\$ 1,575,158	\$ 1,619,082	\$ -	\$ -	\$ -	\$ 3,194,240	\$ 75,671
Restricted For:							
Debt Service	1,111,628	-	-	-	-	1,111,628	-
Clean and Drinking Water Projects	-	-	-	759,190	198,831	958,021	-
Capital Projects	199,172	-	-	-	-	199,172	-
Nonexpendable Purposes	16,470	565	-	-	-	17,035	-
Loans	2,465	-	-	-	-	2,465	-
Other Purposes	51,407	95,820	-	-	-	147,227	-
Unrestricted (Deficit)	685,980	692,551	397,607	258,655	105,618	2,140,411	(20,777)
Total Net Position	\$ 3,642,280	\$ 2,408,018	\$ 397,607	\$ 1,017,845	\$ 304,449	\$ 7,770,199	\$ 54,894

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

	Business-Type Activities						Governmental Activities
	Enterprise Funds						
	University of Connecticut and Health Center	Board of Regents	Employment Security	Clean Water	Other Funds	Totals	
<b>Operating Revenues</b>							
Charges for Sales and Services (Net of Allowances & Discounts \$501,676)	\$ 1,885,727	\$ 456,778	\$ -	\$ -	\$ -	\$ 2,342,505	\$ 57,050
Assessments	-	-	725,679	-	28,085	753,764	-
Federal Grants, Contracts, and Other Aid	302,222	48,583	242,876	-	-	593,681	-
State Grants, Contracts, and Other Aid	30,218	53,622	11,943	-	-	95,783	-
Private Gifts and Grants	68,432	11,386	-	-	-	79,818	-
Interest on Loans	-	-	-	20,448	4,527	24,975	-
Lease Revenue	2,255	-	-	-	-	2,255	-
Other	200,051	15,253	8,777	-	659	224,740	154
Total Operating Revenues	<u>2,488,905</u>	<u>585,622</u>	<u>989,275</u>	<u>20,448</u>	<u>33,271</u>	<u>4,117,521</u>	<u>57,204</u>
<b>Operating Expenses</b>							
Salaries, Wages, and Administrative	2,691,985	1,205,370	241,803	1,633	16,313	4,157,104	39,426
Unemployment Compensation	-	-	653,076	-	-	653,076	-
Claims Paid	-	-	-	-	18,358	18,358	-
Depreciation and Amortization	234,756	120,228	-	-	-	354,984	22,232
Other	211,810	26,731	-	27,158	19,340	285,039	-
Total Operating Expenses	<u>3,138,551</u>	<u>1,352,329</u>	<u>894,879</u>	<u>28,791</u>	<u>54,011</u>	<u>5,468,561</u>	<u>61,658</u>
Operating Income (Loss)	<u>(649,646)</u>	<u>(766,707)</u>	<u>94,396</u>	<u>(8,343)</u>	<u>(20,740)</u>	<u>(1,351,040)</u>	<u>(4,454)</u>
<b>Nonoperating Revenue (Expenses)</b>							
Interest and Investment Income	40,413	28,269	-	27,654	9,411	105,747	-
Interest and Fiscal Charges	(11,531)	(7,559)	(1,510)	(26,757)	(5,293)	(52,650)	-
Other - Net	258,455	297,137	-	7,422	1,440	564,454	2,416
Total Nonoperating Revenues (Expenses)	<u>287,337</u>	<u>317,847</u>	<u>(1,510)</u>	<u>8,319</u>	<u>5,558</u>	<u>617,551</u>	<u>2,416</u>
Income (Loss) Before Capital Contributions, Grants, and Transfers	<u>(362,309)</u>	<u>(448,860)</u>	<u>92,886</u>	<u>(24)</u>	<u>(15,182)</u>	<u>(733,489)</u>	<u>(2,038)</u>
Capital Contributions	4,908	-	-	-	-	4,908	-
Federal Capitalization Grants	-	-	-	68,108	29,524	97,632	-
Transfers In	397,218	506,048	-	6,572	-	909,838	-
Transfers Out	-	-	(8,837)	-	-	(8,837)	(251)
Change in Net Position	<u>39,817</u>	<u>57,188</u>	<u>84,049</u>	<u>74,656</u>	<u>14,342</u>	<u>270,052</u>	<u>(2,289)</u>
Total Net Position (Deficit) - Beginning	<u>3,662,007</u>	<u>2,313,904</u>	<u>313,558</u>	<u>943,189</u>	<u>290,107</u>	<u>7,522,765</u>	<u>57,183</u>
Impact of Implementation of GASB 101	(59,667)	-	-	-	-	(59,667)	-
Correction of Prior Year Misstatement	123	1,875	-	-	-	1,998	-
Reclassification Magnet Schools from CU to Primary Government	-	35,051	-	-	-	35,051	-
Total Net Position (Deficit) - Beginning (Restated)	<u>3,602,463</u>	<u>2,350,830</u>	<u>313,558</u>	<u>943,189</u>	<u>290,107</u>	<u>7,500,147</u>	<u>57,183</u>
Total Net Position (Deficit) - Ending	<u>\$ 3,642,280</u>	<u>\$ 2,408,018</u>	<u>\$ 397,607</u>	<u>\$ 1,017,845</u>	<u>\$ 304,449</u>	<u>\$ 7,770,199</u>	<u>\$ 54,894</u>

*The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.*

# State of Connecticut

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

	Business-Type Activities					Governmental Activities	
	Enterprise Funds						
	University of Connecticut and Health Center	Board of Regents	Employment Security	Clean Water	Other		Totals
<b>Cash Flows from Operating Activities</b>							
Receipts from Customers	\$ 2,151,017	\$ 439,119	\$ 713,563	\$ 112,907	\$ 48,043	\$ 3,464,649	\$ 57,350
Payments to Suppliers	(401,805)	(352,902)	-	(27,158)	(19,341)	(801,206)	(3,921)
Payments to Employees	(2,479,053)	(884,854)	-	(1,421)	(14,674)	(3,380,002)	(14,022)
Other Receipts (Payments)	337,850	128,133	(709,038)	(96,572)	(36,412)	(376,039)	(1,293)
Net Cash Provided by (Used in) Operating Activities	(391,991)	(670,504)	4,525	(12,244)	(22,384)	(1,092,598)	38,114
<b>Cash Flows from Noncapital Financing Activities</b>							
Proceeds from Sale of Bonds	-	-	-	-	-	-	-
Retirement of Bonds and Annuities Payable	(35,191)	-	-	(43,040)	(7,910)	(86,141)	-
Interest on Bonds and Annuities Payable	(17,531)	-	-	(26,451)	(5,385)	(49,367)	-
Transfers In	383,899	456,718	-	1,759	-	842,376	-
Transfers Out	-	-	(8,837)	-	-	(8,837)	-
Other Receipts (Payments)	301,380	281,531	-	-	-	582,911	2,416
Net Cash Flows from Noncapital Financing Activities	632,557	738,249	(8,837)	(67,732)	(13,295)	1,280,942	2,416
<b>Cash Flows from Capital and Related Financing Activities</b>							
Additions to Property, Plant, and Equipment	(126,223)	(61,383)	-	-	-	(187,606)	(36,087)
Proceeds from Capital Debt	-	55,124	-	-	-	55,124	-
Principal Paid on Capital Debt	(131,059)	(40,292)	-	-	-	(171,351)	-
Interest Paid on Capital Debt	(91,570)	(8,023)	-	-	-	(99,593)	-
Transfer In	164,993	-	-	-	-	164,993	-
Federal Capitalization Grants	-	-	-	72,897	24,563	97,460	-
Lease Revenue	2,728	-	-	-	-	2,728	-
Payments on leases, net	-	-	-	-	-	-	-
Transfer from State	-	-	-	-	-	-	-
Other Receipts (Payments)	25,504	-	-	-	-	25,504	-
Net Cash Flows from Capital and Related Financing Activities	(155,627)	(54,574)	-	72,897	24,563	(112,741)	(36,087)
<b>Cash Flows from Investing Activities</b>							
Proceeds from Sales and Maturities of Investments	(3,234)	43,673	-	-	-	40,439	-
Purchase of Investment Securities	40,293	(30,258)	-	-	-	10,035	-
Interest on Investments	-	40,825	2,969	27,707	9,413	80,914	-
(Increase) Decrease in Restricted Assets	-	-	-	(45,082)	-	(45,082)	-
Other Receipts (Payments)	183,807	-	-	33,788	6,651	224,246	-
Net Cash Flows from Investing Activities	220,866	54,240	2,969	16,413	16,064	310,552	-
Net Increase (Decrease) in Cash and Cash Equivalents	305,805	67,411	(1,343)	9,334	4,948	386,155	4,443
Cash and Cash Equivalents - Beginning of Year	665,235	820,609	2,455	-	58,201	1,546,500	17,702
Cash and Cash Equivalents - End of Year	\$ 971,040	\$ 888,020	\$ 1,112	\$ 9,334	\$ 63,149	\$ 1,932,655	\$ 22,145
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities</b>							
Operating Income (Loss)	\$ (649,646)	\$ (766,707)	\$ 94,396	\$ (8,343)	\$ (20,740)	\$ (1,351,040)	\$ (4,454)
Adjustments not Affecting Cash:							
Depreciation and Amortization	234,756	120,227	-	-	-	354,983	22,232
Other	720	1,068	(4,479)	-	-	(2,691)	-
Change in Assets and Liabilities:							
(Increase) Decrease in Receivables, Net	6,046	(20,163)	(90,335)	(3,901)	(10,289)	(118,642)	(1,438)
(Increase) Decrease in Due from Other Funds	(455)	(18)	(80)	-	-	(553)	1,738
(Increase) Decrease in Inventories and Other Assets	(22,546)	1,724	-	-	(7)	(20,829)	(1,447)
Increase (Decrease) in Accounts Payables & Accrued Liabilities	42,435	(6,283)	-	-	8,652	44,804	21,483
Increase (Decrease) in Due to Other Funds	(3,301)	-	5,023	-	-	1,722	-
Increase (Decrease) Deferred Inflows Leases	-	(352)	-	-	-	(352)	-
Total Adjustments	257,655	96,203	(89,871)	(3,901)	(1,644)	258,442	42,568
Net Cash Provided by (Used In) Operating Activities	\$ (391,991)	\$ (670,504)	\$ 4,525	\$ (12,244)	\$ (22,384)	\$ (1,092,598)	\$ 38,114
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets</b>							
Cash and Cash Equivalents - Current	\$ 782,230	\$ 702,671					
Cash and Cash Equivalents - Noncurrent	-	185,349					
Cash and Cash Equivalents - Current Restricted	158,770	-					
Cash and Cash Equivalents - Noncurrent Restricted	30,040	-					
	\$ 971,040	\$ 888,020					
<b>Noncash Investing, Capital, and Financing Activities:</b>							
Proceeds from refunding bonds	-	-					
Amortization of premiums, discounts, and net loss on debt refunding's	24,309	-					
Acquisition of right-to-use lease and subscription assets	34,868	-					
Acquisition of equipment under installment purchase agreement	-	7,121					
Capital assets acquired through gifts	1,194	-					
Unrealized gain (loss) on investment	405	-					
Loss on disposal of capital assets	(1,115)	-					
Mortgage proceeds held by Trustee in construction escrow account	-	-					
Funds held in escrow	1	-					
Change in endowment	-	-					

### Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets

Cash and Cash Equivalents - Current	\$ 782,230	\$ 702,671
Cash and Cash Equivalents - Noncurrent	-	185,349
Cash and Cash Equivalents - Current Restricted	158,770	-
Cash and Cash Equivalents - Noncurrent Restricted	30,040	-
	\$ 971,040	\$ 888,020

### Noncash Investing, Capital, and Financing Activities:

Proceeds from refunding bonds	-	-
Amortization of premiums, discounts, and net loss on debt refunding's	24,309	-
Acquisition of right-to-use lease and subscription assets	34,868	-
Acquisition of equipment under installment purchase agreement	-	7,121
Capital assets acquired through gifts	1,194	-
Unrealized gain (loss) on investment	405	-
Loss on disposal of capital assets	(1,115)	-
Mortgage proceeds held by Trustee in construction escrow account	-	-
Funds held in escrow	1	-
Change in endowment	-	-

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

June 30, 2025

(Expressed in Thousands)

	Pension & Other Employee Benefit Trust Funds	Investment Trust Fund External Investment Pool	Private- Purpose Trust Fund Escheat Securities	Private- Purpose Trust Fund Baby Bonds	Fiduciary Component Unit Paid Family Medical Leave Authority	Custodial Funds
<b>Assets</b>						
Current:						
Cash and Cash Equivalents	\$ 517,152	\$ -	\$ -	\$ -	\$ 600,396	\$ 563,129
Receivables:						
Accounts, Net of Allowances	43,078	-	-	-	121,800	2,671
Due from Other Governments	12	-	-	-	132	-
Due from Other Funds	1,489,844	-	-	-	-	-
Interest	3,388	11,929	-	36	-	762
Investments (See Note 3)	62,340,312	4,547,874	-	487,909	-	-
Securities Lending Collateral	5,428,491	-	-	-	-	-
Other Assets	-	119	-	-	244	323,586
Noncurrent:						
Due From Employers	8,626	-	-	-	-	-
Capital Assets, Net of Accumulated Depreciation	-	-	-	-	2,215	-
Other Assets	-	-	8,289	-	-	-
Total Assets	<u>\$ 69,830,903</u>	<u>\$ 4,559,922</u>	<u>\$ 8,289</u>	<u>\$ 487,945</u>	<u>\$ 724,787</u>	<u>\$ 890,148</u>
<b>Deferred Outflows of Resources</b>						
Related to Pensions & Other Postemployment Benefits	\$ -	\$ -	\$ -	\$ -	\$ 19,898	\$ -
Total Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,898</u>	<u>\$ -</u>
<b>Liabilities</b>						
Accounts Payable and Accrued Liabilities	\$ 28,509	\$ 16,487	\$ -	\$ -	\$ 76,553	\$ 1
Securities Lending Obligation	5,428,491	-	-	-	-	-
Compensated Absences	-	-	-	-	901	-
Due to Other Funds	2,388	-	-	-	-	-
Other Current Liabilities	-	-	-	-	1,602	-
Total Current Liabilities	<u>5,459,388</u>	<u>16,487</u>	<u>-</u>	<u>-</u>	<u>79,056</u>	<u>1</u>
Noncurrent Liabilities:						
Pension & OPEB Liability	-	-	-	-	28,924	-
Noncurrent Portion of Long-Term Obligations	-	-	-	-	9,612	-
Total Noncurrent Liabilities	-	-	-	-	38,536	-
Total Liabilities	<u>\$ 5,459,388</u>	<u>\$ 16,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 117,592</u>	<u>\$ 1</u>
<b>Other Deferred Inflows</b>						
Related to Pensions & Other Postemployment Benefits	\$ -	\$ -	\$ -	\$ -	\$ 4,134	\$ -
Total Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,134</u>	<u>\$ -</u>
<b>Net Position</b>						
Restricted for:						
Pension Benefits	\$ 60,472,054	\$ -	\$ -	\$ -	\$ -	\$ -
Other Postemployment Benefits	3,899,461	-	-	-	-	-
Pool Participants	-	4,543,435	-	487,945	-	-
Individuals, Organizations, and Other Governments	-	-	8,289	-	622,959	890,147
Total Net Position	<u>\$ 64,371,515</u>	<u>\$ 4,543,435</u>	<u>\$ 8,289</u>	<u>\$ 487,945</u>	<u>\$ 622,959</u>	<u>\$ 890,147</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

	Pension & Other Employee Benefit Trust Funds	Investment Trust Fund External Investment Pool	Private- Purpose Trust Fund Escheat Securities	Private- Purpose Trust Fund Baby Bonds	Fiduciary Component Unit Paid Family Medical Leave Authority	Custodial Funds
<b>Additions</b>						
Contributions:						
Plan Members	\$ 893,830	\$ -	\$ -	\$ -	\$ -	\$ -
State	6,041,538	-	-	-	-	-
Municipalities	166,322	-	-	-	-	-
Participant Contributions	-	-	-	-	479,406	-
Total Contributions	<u>7,101,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>479,406</u>	<u>-</u>
Investment Income	6,314,436	241,870	-	45,899	27,595	455
Less: Investment Expense	(456,292)	(554)	-	-	-	-
Net Investment Income	<u>5,858,144</u>	<u>241,316</u>	<u>-</u>	<u>45,899</u>	<u>27,595</u>	<u>455</u>
Insurance Securities	-	-	-	-	-	310,921
Escheat Securities Received	-	-	65,866	-	-	-
Pool's Share Transactions	-	501,428	-	-	-	-
Transfer In	-	-	-	-	-	300,000
Other	64,153	-	(20,294)	-	-	46,961
Total Additions	<u>13,023,987</u>	<u>742,744</u>	<u>45,572</u>	<u>45,899</u>	<u>507,001</u>	<u>658,337</u>
<b>Deductions</b>						
Administrative Expense	1,034	-	-	-	493,684	144,041
Benefit Payments and Refunds	6,323,214	-	-	-	-	-
Escheat Securities Returned or Sold	-	-	45,600	-	-	-
Distributions to Pool Participants	-	241,316	-	-	-	-
Depreciation & Amortization	-	-	-	-	1,441	-
Other	143,383	-	-	-	478	358,512
Total Deductions	<u>6,467,631</u>	<u>241,316</u>	<u>45,600</u>	<u>-</u>	<u>495,603</u>	<u>502,553</u>
Change in Net Position Held In Trust For:						
Pension and Other Employee Benefits	6,556,356	-	-	-	-	-
Individuals, Organizations, and Other Governments	-	501,428	(28)	45,899	11,398	155,784
Net Position - Beginning	<u>57,840,976</u>	<u>4,042,007</u>	<u>8,317</u>	<u>400,297</u>	<u>611,561</u>	<u>790,137</u>
Correction of Prior Year Posting Error	(25,817)	-	-	41,749	-	(55,774)
Net Position - Beginning (Restated)	<u>57,815,159</u>	<u>4,042,007</u>	<u>8,317</u>	<u>442,046</u>	<u>611,561</u>	<u>734,363</u>
Net Position - Ending	<u>\$ 64,371,515</u>	<u>\$ 4,543,435</u>	<u>\$ 8,289</u>	<u>\$ 487,945</u>	<u>\$ 622,959</u>	<u>\$ 890,147</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF NET POSITION COMPONENT UNITS

June 30, 2025

(Expressed in Thousands)

Assets	Connecticut Housing Finance Authority (12/31/2024)	Connecticut Lottery Corporation	Connecticut Airport Authority	Connecticut Health and Educational Facilities Authority	Other Component Units	Total
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ -	\$ 18,624	\$ 144,251	\$ 467	\$ 205,381	\$ 368,723
Investments	-	3,896	-	19,853	805,781	829,530
Receivables:						
Accounts, Net of Allowances	-	35,154	7,959	1,558	30,353	75,024
Loans, Net of Allowances	-	-	-	1,302	3,954	5,256
Interest Receivable	-	837	-	58	3,198	4,093
Due From Primary Government	-	-	5,729	-	14	5,743
Due From Other Governments	-	-	55,070	72	-	55,142
Restricted Assets	1,394,124	-	13,578	838,262	102,713	2,348,677
Leases Receivable	-	-	6,576	-	5,321	11,897
Other Current Assets	-	1,642	1,921	284	31,764	35,611
Total Current Assets	<u>1,394,124</u>	<u>60,153</u>	<u>235,084</u>	<u>861,856</u>	<u>1,188,479</u>	<u>3,739,696</u>
<b>Noncurrent Assets:</b>						
Investments	-	108,311	-	-	179,590	287,901
Accounts, Net of Allowances	-	-	-	-	103,975	103,975
Loans, Net of Allowances	-	-	-	7,072	285,330	292,402
Leases Receivable	-	-	137,094	-	46,131	183,225
Restricted Assets	5,645,748	-	82,321	193,227	185,570	6,106,866
Capital Assets, Net of Accumulated Depreciation	3,621	22,967	727,773	2,525	717,869	1,474,755
Other Noncurrent Assets	-	4,915	-	-	12,571	17,486
Total Noncurrent Assets	<u>5,649,369</u>	<u>136,193</u>	<u>947,188</u>	<u>202,824</u>	<u>1,531,036</u>	<u>8,466,610</u>
Total Assets	<u>\$ 7,043,493</u>	<u>\$ 196,346</u>	<u>\$ 1,182,272</u>	<u>\$ 1,064,680</u>	<u>\$ 2,719,515</u>	<u>\$ 12,206,306</u>
<b>Deferred Outflows of Resources</b>						
Unamortized Losses on Bond Refundings	\$ 46,700	\$ -	\$ 25	\$ -	\$ -	\$ 46,725
Related to Pensions & Other Postemployment Benefits	29,969	20,160	33,958	-	36,181	120,268
Other	-	-	-	-	1,920	1,920
Total Deferred Outflows of Resources	<u>\$ 76,669</u>	<u>\$ 20,160</u>	<u>\$ 33,983</u>	<u>\$ -</u>	<u>\$ 38,101</u>	<u>\$ 168,913</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF NET POSITION COMPONENT UNITS (Continued)

June 30, 2025

(Expressed in Thousands)

Liabilities	Connecticut Housing Finance Authority (12/31/2024)	Connecticut Lottery Corporation	Connecticut Airport Authority	Connecticut Health and Educational Facilities Authority	Other Component Units	Total
<b>Liabilities</b>						
Current Liabilities:						
Accounts Payable and Accrued Liabilities	\$ 257,083	\$ 6,659	\$ 80,102	\$ 2,426	\$ 213,559	\$ 559,829
Current Portion of Long-Term Obligations	444,157	4,662	11,060	11,770	12,073	483,722
Due To Primary Government	-	-	-	-	77,550	77,550
Due to Component Units	-	-	-	-	6,369	6,369
Due To Other Funds	-	-	-	85	-	85
Unearned Revenue	-	-	-	-	135,209	135,209
Lease Liabilities, Current	-	2	-	208	603	813
Subscription Liabilities, Current	-	-	-	-	323	323
Amount Held for Institutions	-	-	-	718,740	-	718,740
Other Liabilities	-	30,978	6,156	-	187	37,321
Total Current Liabilities	<u>701,240</u>	<u>42,301</u>	<u>97,318</u>	<u>733,229</u>	<u>445,873</u>	<u>2,019,961</u>
Noncurrent Liabilities:						
Pension & OPEB Liability	104,453	80,031	117,551	-	98,828	400,863
Lease Liabilities, Net of Current Portion	-	13,540	-	2,128	5,351	21,019
Noncurrent Portion of Long-Term Obligations	5,310,027	108,311	195,247	240,616	134,702	5,988,903
Total Noncurrent Liabilities	<u>5,414,480</u>	<u>201,882</u>	<u>312,798</u>	<u>242,744</u>	<u>238,881</u>	<u>6,410,785</u>
Total Liabilities	<u>\$ 6,115,720</u>	<u>\$ 244,183</u>	<u>\$ 410,116</u>	<u>\$ 975,973</u>	<u>\$ 684,754</u>	<u>\$ 8,430,746</u>
<b>Other Deferred Inflows</b>						
Related to Pensions & Other Postemployment Benefits	\$ 36,614	\$ 27,154	\$ 33,006	\$ -	\$ 24,712	\$ 121,486
Deferred Inflows Leases	-	-	134,318	-	45,714	180,032
Other Deferred Inflows	203,322	-	-	626	-	203,948
Total Deferred Inflows of Resources	<u>\$ 239,936</u>	<u>\$ 27,154</u>	<u>\$ 167,324</u>	<u>\$ 626</u>	<u>\$ 70,426</u>	<u>\$ 505,466</u>
<b>Net Position</b>						
Net Investment in Capital Assets	\$ 3,621	\$ 9,422	\$ 487,085	\$ 392	\$ 533,334	\$ 1,033,854
Restricted:						
Debt Service	-	-	13,578	-	-	13,578
Bond Indentures	760,885	-	17,087	-	-	777,972
Expendable Endowments	-	-	-	-	22,353	22,353
Nonexpendable Endowments	-	-	-	-	800,500	800,500
Capital Projects	-	-	51,168	-	-	51,168
Other Purposes	-	-	-	38,611	226,982	265,593
Unrestricted (Deficit)	-	(64,253)	69,897	49,078	419,267	473,989
Total Net Position (Deficit)	<u>\$ 764,506</u>	<u>\$ (54,831)</u>	<u>\$ 638,815</u>	<u>\$ 88,081</u>	<u>\$ 2,002,436</u>	<u>\$ 3,439,007</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

## State of Connecticut

### STATEMENT OF ACTIVITIES COMPONENT UNITS

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position					Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Connecticut Housing Finance Authority	Connecticut Lottery Corporation	Connecticut Airport Authority	Connecticut Health and Educational Facilities Authority	Other Component Units	
					(12/31/2024)					
Connecticut Housing Finance Authority (12/31/2024)	\$ 264,981	\$ 148,229	\$ -	\$ -	\$ (116,752)	\$ -	\$ -	\$ -	\$ -	\$ (116,752)
Connecticut Lottery Corporation	1,786,840	1,789,685	-	-	-	2,845	-	-	-	2,845
Connecticut Airport Authority	146,686	160,117	-	60,507	-	-	73,938	-	-	73,938
Connecticut Health and Educational Facilities Authority	21,017	20,576	-	-	-	-	-	(441)	-	(441)
Other Component Units	278,722	246,678	24,444	53,737	-	-	-	-	46,137	46,137
Total Component Units	<u>\$ 2,498,246</u>	<u>\$ 2,365,285</u>	<u>\$ 24,444</u>	<u>\$ 114,244</u>	<u>(116,752)</u>	<u>2,845</u>	<u>73,938</u>	<u>(441)</u>	<u>46,137</u>	<u>5,727</u>
General Revenues:										
					108,511	6,377	8,325	4,461	110,479	238,153
					-	-	-	-	(86,036)	(86,036)
					108,511	6,377	8,325	4,461	24,443	152,117
					(8,241)	9,222	82,263	4,020	70,580	157,844
					772,747	(64,053)	556,552	-	2,008,511	3,273,757
Consolidation and Change in Presentation from Nonmajor to Major					-	-	-	84,061	(84,061)	-
Change in Treatment of OPEB Liability					-	-	-	-	7,157	7,157
Impact of Implementation of GASB 101					-	-	-	-	249	249
Net Position (Deficit)-Beginning (Restated)					772,747	(64,053)	556,552	84,061	1,931,856	3,281,163
Net Position (Deficit)-Ending					<u>\$ 764,506</u>	<u>\$ (54,831)</u>	<u>\$ 638,815</u>	<u>\$ 88,081</u>	<u>\$ 2,002,436</u>	<u>\$ 3,439,007</u>

The Accompanying Notes to the Financial Statements are an Integral Part of these Statements.

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**Note 1****Summary of Significant Accounting Policies****a. Basis of Presentation**

The accompanying financial statements of the State of Connecticut have been prepared in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and as prescribed in pronouncements of the Governmental Accounting Standards Board, except for the financial statements of the University of Connecticut Foundation, Incorporated (a component unit). Those statements are prepared according to generally accepted accounting principles as prescribed in pronouncements of the Financial Accounting Standards Board.

**b. Reporting Entity**

For financial reporting purposes, the State's reporting entity includes the "primary government" and its "component units." The primary government includes all funds, agencies, departments, bureaus, commissions, and component units that are considered an integral part of the State's legal entity. Component units are legally separate organizations for which the State is financially accountable. Financial accountability exists if (1) the State appoints a voting majority of the organization's governing board, and (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the State.

Component units are reported in separate columns and rows in the government-wide financial statements (discrete presentation) to emphasize that they are legally separate from the primary government. Financial statements for the major component units are included in the accompanying financial statements after the fund financial statements. Audited financial statements issued separately by each component unit can be obtained from their respective administrative offices.

The Connecticut Housing Finance Authority, Materials Innovation and Recycling Authority Dissolution Authority, Connecticut Health and Educational Facilities Authority, and Capital Region Development Authority are reported as component units because the State appoints a voting majority of the organization's governing board and is contingently liable for the portion of the organization's bonded debt that is secured by a special capital reserve fund, or other contractual agreement.

The State appoints a voting majority of the organization's governing board and can access the resources for Connecticut Innovations, Incorporated, and Connecticut Green Bank, therefore, these organizations are reported as component units.

The Connecticut Lottery Corporation is reported as a component unit because the State appoints a voting majority of the corporation's governing board and receives a significant amount of revenues from the operations of the lottery.

The Connecticut Airport Authority and the Connecticut Port Authority are reported as component units because the nature and significance of their relationship with the State are such that it would be misleading to exclude the authorities from the State's reporting entity.

The State's major and nonmajor component units are:

***Connecticut Housing Finance Authority (CHFA)***

CHFA was created for the purpose of increasing the housing supply and encouraging and assisting in the purchase, development, and construction of housing for low and moderate-income families and persons throughout the State. The Authority's fiscal year is for the period ended on December 31, 2024.

***Connecticut Airport Authority (CAA)***

CAA was established to develop, improve, and operate Bradley International Airport and the State's five general aviation airports (Danielson, Groton-New London, Hartford-Brainard, Waterbury-Oxford, and Windham airports).

***Materials Innovation and Recycling Authority (MIRA) Dissolution Authority***

MIRA Dissolution Authority was established to replace the Materials Innovation & Recycling Authority (MIRA) and effectively assumed all MIRA's underlying statutory duties, authorities and capabilities, and will continue MIRA's ongoing waste transfer operations until acceptable alternatives become available. It is responsible for the planning, design, construction, financing, management, ownership, operations and maintenance of solid waste disposal, volume reduction, recycling, intermediate processing, resource recovery and related support facilities necessary to carry out the State's Solid Waste Management Plan. It has also been charged with additional activities related to MIRA's dissolution. Specifically, the MIRA Dissolution Authority is to identify the immediate environmental needs and knowledge necessary for future redevelopment at the site of the now closed waste to energy facility in Hartford, which is to include engaging representatives of Hartford and other stakeholders with respect to the future of the site. The MIRA Dissolution Authority will be dissolved on July 1, 2026. Note 26 contains additional information on this event.

***Connecticut Health and Educational Facilities Authority (CHEFA)***

CHEFA was created to assist certain health care institutions, institutions of higher education, and qualified for-profit and not-for-profit institutions in the financing and refinancing of projects to be undertaken in relation to programs for these institutions.

The Connecticut Higher Education Supplemental Loan Authority (CHESLA) was created to assist students, their parents, and institutions of higher education to finance cost of higher education through its bond funds. In prior years, CHESLA was reported as a separate component unit of the State. However, Public Act 12-149 statutorily consolidated CHESLA with CHEFA making CHESLA a component unit of CHEFA. Therefore, starting in fiscal year 2025, CHESLA's activity is included within CHEFA for financial reporting purposes.

The Connecticut Student Loan Foundation (CSLF) was established as a Connecticut state chartered nonprofit corporation established pursuant to Connecticut State Statute Chapter 187a for the purpose of improving educational opportunity. CSLF is empowered to achieve this by originating and acquiring student loans and providing appropriate service incident to the administration of programs, which are established to improve educational opportunities. CSLF no longer originates or acquires student loans. In prior years, CSLF was reported as a separate component unit of the State. However, Public Act 14-217 statutorily consolidated CSLF with CHEFA by making CSLF a component unit of CHEFA. Therefore, starting in fiscal year 2025, CSLF's activity is included within CHEFA for financial reporting purposes.

***Capital Region Development Authority (CRDA)***

CRDA markets major sports, convention, and exhibition venues in the region.

***Connecticut Innovations, Incorporated (CI)***

CI was established to stimulate and promote technological innovation and application of technology within Connecticut and encourage the development of new products, innovations, and inventions or markets in Connecticut by providing financial and technical assistance.

***Connecticut Green Bank (CGB)***

CGB uses public and private funds to finance and support clean energy investment in residential, municipal, small business and larger commercial projects and stimulate demand for clean energy and the deployment of clean energy sources within the State.

***Connecticut Lottery Corporation (CLC)***

CLC was created in 1996 for the purpose of generating revenues for the State through the operation of a lottery.

***Connecticut Port Authority (CPA)***

CPA was established to grow Connecticut's maritime economy and create jobs by strategically investing in the State's three deep water ports and small harbors.

In addition, the State includes the following non-governmental nonprofit corporation as a component unit:

***University of Connecticut Foundation, Incorporated***

The Foundation was created exclusively to solicit, receive, and administer gifts and financial resources from private sources for the benefit of all campuses and programs of the University of Connecticut and Health Center, a major Enterprise fund. The Foundation is reported as a component unit because the nature and significance of its relationship with the State are such that it would be misleading to exclude the Foundation from the State's reporting entity.

The State also reports the following fiduciary component unit:

***Fiduciary Component Unit (Connecticut Paid Family Medical Leave Authority (PFMLA))*** – PFMLA was established pursuant to Public Act No 19-25. The main objective of the Authority is to establish and administer a paid leave program to eligible employees funded by the employees under the Connecticut Paid Family and Medical Leave Insurance Act.

The Family and Medical Leave Insurance Trust Fund is a non-lapsing fund held by the State Treasurer to hold all contributions and other amounts intended for the Trust. The amounts in the Trust shall not constitute property of the State and the trust is not a department, institution, or agency of the State. The State has no duty to pay obligations of the Trust and all amounts to be paid from the Trust are limited to amounts in the Trust. In accordance with GASB 84 *Fiduciary Activities*, PFMLA has been classified as a Fiduciary Component Unit and presented in the fiduciary fund financial statements.

**c. Related Organizations**

The Community Economic Development Fund, Connecticut Health Insurance Exchange, and Connecticut Foundation Solutions Indemnity Company, Inc. are legally separate organizations that are related to the State because the State appoints a voting majority of the organizations governing board. However, the State's accountability for these organizations does not extend beyond making the appointments.

**d. Government-wide and Fund Financial Statements****Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities report information on all the nonfiduciary activities of the primary government and its component units. These statements distinguish between the governmental and business-type activities of the primary government by using separate columns and rows. Governmental activities are generally financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Net Position presents the reporting entity's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position is reported in three components:

1. Net Investment in Capital Assets – This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the purchase, construction, or improvement of capital assets or related debt are included in this component of net position.
2. Restricted – This component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
3. Unrestricted – This component is the remaining balance of net position, after the determination of the other two components of net position.

When both restricted and unrestricted resources are available for use, the State generally uses restricted resources first, then unrestricted resources as needed. There may be occasions when restricted funds may only be spent in proportion to unrestricted funds spent.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are not allocated to the various functions or segments. Program revenues include a) fees, fines, and charges paid by the recipients of goods or services offered by the functions or segments; and b) grants and contributions that are restricted to meeting the operational or capital needs of a function or segment. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues. Even though Internal Service funds are part of the proprietary reporting, for government-wide reporting they are included within the governmental activities because these services are rendered primarily for the benefit of activities within the governmental funds.

**Fund Financial Statements**

The fund financial statements provide information about the State's funds, including its fiduciary funds and blended component units. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

In the governmental fund financial statements, fund balance (difference between assets and liabilities) is classified as nonspendable, restricted, and unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints on the resources are externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints by formal action of the Legislature, such as appropriation or legislation. Assigned fund balance is constrained by the Legislature's intent to be used for specific uses but is neither restricted nor committed.

The State reports the following major governmental funds:

**General Fund** - This is the State's primary operating fund. It is used to account for all financial resources that are not required to be accounted for in other funds and that are spent for those services normally provided by the State (e.g., health, social assistance, education, etc.).

**Debt Service** - This fund is used to account for the resources that are restricted for payment of principal and interest on special tax obligation bonds of the Transportation fund.

**Transportation** - This fund is used to account for motor fuel taxes, vehicle registration and driver license fees, and other revenues that are restricted for the payment of budgeted appropriations of the Transportation and Motor Vehicles Departments.

**Restricted Grants and Accounts** - This fund is used to account for resources which are restricted by Federal and other providers to be spent for specific purposes.

**Grant and Loan Programs** - This fund is used to account for resources that are restricted by state legislation for the purpose of providing grants and/or loans to municipalities and organizations located in the State.

The State reports the following major enterprise funds:

**University of Connecticut and Health Center** - This fund is used to account for the operations of the University of Connecticut, a comprehensive institution of higher education, which includes the University of Connecticut Health Center and John Dempsey Hospital.

**Board of Regents** - This fund is used to account for the operations of the State University System, CT State Community College, and Charter Oak State College, which consists of four universities: Central, Eastern, Southern, and Western; one community college comprised of twelve campuses; and one on-line college.

Colleges and universities do not have separate corporate powers and sue and are sued as part of the State with legal representation provided through the State Attorney General's Office. Since the colleges and universities are legally part of the State, their financial operations are reported in the State's financial statements using the fund structure prescribed by the Government Accounting Standards Board.

**Employment Security** - This fund is used to account for unemployment insurance premiums from employers and the payment of unemployment benefits to eligible claimants.

**Clean Water** - This fund is used to account for resources used to provide grants and loans to municipalities to finance wastewater treatment facilities.

In addition, the State reports the following fund types:

**Internal Service Funds** - These funds account for goods and services provided to other agencies of the State on a cost-reimbursement basis. These goods and services include prisoner-built office furnishings, information services support, telecommunications, printing, and other services.

**Pension Trust Funds** - These funds account for resources held in the custody of the State for the members and beneficiaries of the State's pension plans. These plans are discussed more fully in Notes 10, 11, and 12.

**Other Postemployment Benefit (OPEB) Trust Funds** - These funds account for resources held in trust for the members and beneficiaries of the State's other postemployment benefit plans which are described in notes 13 and 14.

**Investment Trust Fund** - This fund accounts for the external portion of the State's Short-Term Investment Fund, an investment pool managed by the State Treasurer.

**Private-Purpose Trust Fund** - This fund accounts for escheat securities and baby bond funds held in trust for individuals by the State Treasurer.

**Custodial Funds** - These funds account for deposits, investments, and other assets held by the State as an agent for inmates and patients of state institutions, insurance companies, municipalities, and private organizations.

#### **e. Measurement Focus and Basis of Accounting**

##### **Government-wide, Proprietary, and Fiduciary Fund Financial Statements**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Taxes and casino gaming payments are recognized as revenues in the period when the underlying exchange transaction has occurred. Grants and similar items are recognized as revenues in the period when all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the State's enterprise and internal service funds are charges to customers for sales and services, assessments, and intergovernmental revenues. Operating expenses for enterprise and internal service funds include salaries, wages, and administrative expenses, unemployment compensation, claims paid, and depreciation expense. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

##### **Governmental Fund Financial Statements**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The State considers taxes and other revenues to be available if the revenues are collected within 60 days after year-end. Exceptions to this policy are federal grant revenues, which are available if collection is expected within 12 months after year-end, and licenses and fees which are recognized as revenues when the cash is collected. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and

claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

#### **f. Assets and Liabilities**

##### ***Cash and Cash Equivalents (see Note 3)***

In addition to petty cash and bank accounts, this account includes cash equivalents – short-term, highly liquid investments with original maturities of three months or less when purchased. Cash equivalents consist of investments in the Short-Term Investment Fund (STIF) which are reported at the fund's share price.

In the Statement of Cash Flows, certain enterprise funds exclude from cash and cash equivalents investments in STIF reported as noncurrent or restricted assets.

##### ***Investments (see Note 3)***

Investments include Equity in Combined Investment Funds and other investments. Equity in Combined Investment Funds is reported at fair value based on the funds' current share price. Other investments are reported at fair value, except for the following investments which are reported at cost or amortized cost:

- Nonparticipating interest-earning investment contracts.
- Money market investments that mature within one year or less at the date of their acquisition.
- Investments of the External Investment Pool fund (an Investment Trust fund).

The fair value of other investments is determined based on quoted market prices except for:

- The fair value of State bonds held by the Clean Water and Drinking Water funds (enterprise funds) which is estimated using a comparison of other State bonds.
- The fair value of securities not publicly traded held by the Connecticut Innovations, Incorporated, a component unit. The fair value of these investments is determined by an independent valuation committee of the Corporation, after considering pertinent information about the companies comprising the investments, including but not limited to recent sales prices of the issuer's securities, sales growth, progress toward business goals, and other operating data.

The State invests in derivatives. These investments are held by the Combined Investment Funds and are reported at fair value in each fund's statement of net position.

##### ***Inventories***

Inventories are reported at cost in the State's governmental funds and for some proprietary funds inventory is valued at lower of cost or market. Cost is determined by the first-in first-out (FIFO) method. Inventories in the governmental funds consist of expendable supplies held for consumption whose cost was recorded as an expenditure at the time the individual inventory items were purchased. Reported inventories in these funds are offset by a fund balance designation (nonexpendable) to indicate that they are unavailable for appropriation.

##### ***Capital Assets***

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, railways, and similar items), which are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the State as assets with an initial individual cost of more than \$5,000 and an estimated useful life more than one year. Such assets are recorded at historical cost or estimated fair value at the date of donation, or in the case of gifts at acquisition value.

Works of art and historical treasures are not capitalized if meeting all three of the following criteria: (1) held for public exhibition, education, or research in furtherance of public service, rather than financial gain; (2) protected, kept unencumbered, cared for, and preserved; and (3) subject to organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. The State's non-capitalized collections include historical documents, rare books and manuscripts, guns, and paintings. Assets that do not meet all three criteria, or that were capitalized as of June 30, 1999, are capitalized at historical or acquisition cost and included in the government-wide financial statements.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Cumulative costs incurred on major capital assets under construction but not yet placed in service are capitalized and reported as construction in progress. The costs of normal maintenance and repairs that do not significantly add to the value of an asset or materially extend the useful life of an asset are not capitalized.

The State routinely engages in lease agreements to meet operational needs. The State's lease contracts generally relate to buildings and associated facilities, such as parking, and various machinery and equipment. In addition, the State has entered into various subscription-based information technology arrangements to support its services. Intangible right-to-use (RTU) assets associated with these leases/subscriptions are defined by

the State as leased assets whose future lease/subscription payments through the lease/subscription term are \$300,000 or greater. Component units of the State have established their own thresholds for defining lease and subscription assets whose future lease/subscription payments run through the lease/subscription term.

For short-term leases/subscriptions with a maximum possible term of 12 months or less at commencement, the State recognizes period revenue or expenditures based on the provisions of the contract. For all other subscriptions and contracts where the State is the lessee, the State recognizes the lease/subscription liability and an RTU asset based on the present value of future payments over the contracted term of the lease/subscription. RTU assets are amortized over the shorter of the lease/subscription term or the useful life of the underlying asset using the effective interest rate, and the liability is reduced by the principal portion of the lease/subscription payments made.

On a more limited basis, the State serves as a lessor providing leases of buildings. The financial statements recognize the lease receivable and a deferred inflow of resources, based on the present value of the future lease payments expected to be received during the contracted lease term, and the deferred inflow of resources is amortized evenly over the life of the lease.

The State uses an estimated incremental borrowing rate as the discount rate for leases/subscriptions unless the rate charged is known. The incremental borrowing rate is based on the interest rate the State would pay to borrow during the lease/subscription term. If amendments or other certain circumstances occur that are expected to significantly affect the amount of the lease/subscription, the present value is remeasured, and corresponding adjustments are made. Many lease contracts include increases to rent payments related to the consumer price index (CPI) or similar indexes, and the available index increase is included in the present value at the commencement of the lease or upon remeasurement. Payments based on future performance are not included in the measurement of the lease liability or lease receivable but are recognized as revenue or expenditures in the period performed. Residual value guarantees and exercise options will be included in the measurement if they are reasonably certain to be paid or exercised.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Improvements Other than Buildings	10-20 years
Machinery and Equipment	5-30 years
Software	2-6 years
Infrastructure	20-28 years

### ***Securities Lending Transactions (see Note 3)***

Assets, liabilities, income, and expenses arising from securities lending transactions of the Combined Investment Funds are allocated ratably to the participant funds based on their equity in the Combined Investment Funds.

### ***Escheat Property***

Escheat property is private property that has reverted to the State because it has been abandoned or has not been claimed by the rightful owners for a certain amount of time. State law requires that all escheat property receipts be recorded as revenue in the General fund. Escheat revenue is reduced, and a fund liability is reported to the extent that it is probable that escheat property will be refunded to claimants in the future. This liability is estimated based on the State's historical relationship between escheat property receipts and amounts paid as refunds, considering current conditions and trends.

### ***Unearned Revenues***

In the government-wide and fund financial statements, this liability represents resources that have been received, but not yet earned.

### ***Long-term Obligations***

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and issuance costs are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are reported as an expense in the year they are incurred. Other significant long-term obligations include the net pension liability, OPEB obligation, compensated absences, workers' compensation claims, lease liability, subscription liability, and federal loans. In the fund financial statements, governmental fund types recognize bond premiums and bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

### ***Capital Appreciation Bonds***

Capital appreciation (deep discount) bonds issued by the State, unlike most bonds, which pay interest semi-annually, do not pay interest until the maturity of the bonds. An investor who purchases a capital appreciation bond at its discounted price and holds it until maturity will receive an amount which equals the initial price plus an amount which has accrued over the life of the bond on a semiannual compounding basis. The net value of the bonds is accreted (the discount reduced), based on this semiannual compounding, over the life of the bonds. This deep-discount debt is reported in the government-wide statement of net position at its net or accreted value rather than at face value.

***Compensated Absences***

The State's compensated absences liability represents the total liability for the cumulative balance of employees' vacation, personal, compensatory, and sick leave that is attributable to service already rendered and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability calculation includes the State's share of Social Security and Medicare and is measured based on salary rates in effect as of the date of the Statement of Net Position. The State uses the first-in, first-out flows assumption when determining its liability, which is reported in the government-wide and proprietary fund financial statements.

Vacation and sick policy are as follows: Employees hired on or before June 30, 1977, and managers regardless of date hired can accumulate up to a maximum of 120 vacation days. Employees hired after that date can accumulate up to a maximum of 60 days. Upon termination or death, the employee is entitled to be paid for the full amount of vacation days owed. No limit is placed on the number of sick days that an employee can accumulate. However, the employee is entitled to payment for accumulated sick time only upon retirement, or after ten years of service upon death, for an amount equal to one-fourth of his/her accrued sick leave up to a maximum payment equivalent to 60 days.

**g. Derivative Instruments**

The State's derivative instruments consist of interest rate swap agreements, all of which have been determined by the State to be effective cash flow hedges. Accumulated decreases in the fair value of some of the swaps are reported as deferred outflows of resources in the Statement of Net Position.

**h. Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources are defined as the consumption of net assets in one period that are applicable to future periods and will not be recognized as an outflow of resources (expenditure) until then. These amounts are reported in the Statement of Net Position and fund financial statements in a separate section, after total assets.

Deferred inflows of resources are defined as the acquisition of net assets in one period that are applicable to future period and will not be recognized as an inflow of resources (revenue) until then. These amounts are reported in the Statement of Net Position and fund financial statements in a separate section, after total liabilities.

**i. Interfund Activities**

The effect of interfund activities has been eliminated from the government-wide statements, the exceptions to this general rule are interfund activities between the general fund and fiduciary funds. In the fund financial statements, interfund activities are reported as follows:

***Interfund receivables and payables*** - The current portion of interfund loans outstanding at the end of the fiscal year is reported as due from/to other funds; the noncurrent portion as advances to/from other funds. All other outstanding balances between funds are reported as due from/to other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***Interfund services provided and used*** - Sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. In the statement of activities, transactions between the primary government and its discretely presented component units are reported as revenues and expenses, unless they represent repayments of loans or similar activities.

***Interfund transfers*** - Flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

***Interfund reimbursements*** - Repayments from the funds responsible for certain expenditures or expenses to the funds that initially paid for them. Reimbursements are not reported in the financial statements.

**j. Endowments**

The University of Connecticut and Health Center designate the University of Connecticut Foundation (a component unit of the State) as the manager of the University's and Health Center's endowment funds. The Foundation makes spending distributions to the University and Health Center for each participating endowment. The allocation is spent by the University and Health Center in accordance with the respective purposes of the endowments, the policies and procedures of the University and Health Center, and State statutes, and in accordance with the Foundation's endowment spending policy. Additional information regarding endowments is presented in the UConn Foundation financial report.

**k. Supplemental Nutrition Assistance Program (SNAP)**

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, nutrition assistance distributed to recipients during the year is recognized as an expenditure and a revenue in the governmental fund financial statements.

**l. External Investment Pool**

Assets and liabilities of the Short-Term Investment Fund are allocated ratably to the External Investment Pool Fund based on its investment in the Short-Term Investment Fund (see Note 3). Pool income is determined based on distributions made to the pool's participants.

**m. Recently Adopted and Upcoming Accounting Pronouncements****Recently Adopted Accounting Pronouncements**

The following GASB accounting pronouncements were adopted during the fiscal year 2025: GASB Statement No. 101, *Compensated Absences*; and GASB Statement No. 102, *Certain Risk Disclosures*. The impact of the implementation of GASB Statement No. 101 is included below. The adoption of GASB Statement No. 102 had no material impact on the financial statements.

The implementation of GASB Statement No. 101 resulted in a change in the State's liability calculation of accumulated leave, resulting in a restatement of the prior year's liability for compensated absences resulting in an increase of \$273.9 million (\$214.2 million in governmental activities and \$59.7 million in business-type activities) within note disclosure 16. This also resulted in the restatement of the beginning balance presented on the face of the government-wide financial statements.

**Upcoming Accounting Pronouncements**

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The statement also addresses certain application issues. This statement is effective for fiscal years beginning after June 15, 2025. The State is currently evaluating the impact this standard will have on its financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure required by GASB Statement No. 34. It also requires additional disclosures for capital assets held for sale. This statement is effective for fiscal years beginning after June 15, 2025. The State is currently evaluating the impact this standard will have on its financial statements.

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The State is currently evaluating the impact this standard will have on its financial statements.

**n. Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosures in the financial statements. Actual results could differ from those estimates.

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## Note 2

### Nonmajor Fund Deficits

The following funds have deficit fund/net position balances at June 30, 2025, none of which constitutes a violation of statutory provisions (amounts in thousands):

<b>Special Revenue</b>		
Regional Market	\$	(340)
<b>Capital Projects</b>		
Transportation	\$	(718)

The Transportation deficit will be eliminated in the future by the sale of bonds. Bonds have not been issued in this fund since fiscal year 2008. The Regional Market fund deficit was carried forward from prior years and should be eliminated in the future.

### Note 3 Cash Deposits and Investments

According to GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, the State is required to make certain disclosures about deposit and investment risks that have the potential to result in losses. Thus, the following deposit and investment risks are discussed in this note:

**Interest Rate Risk** - the risk that changes in interest rates will adversely affect the fair value of an investment.

**Credit Risk** - the risk that an issuer or other counterpart to an investment will not fulfill its obligations.

**Concentration of Credit Risk** - the risk of loss attributed to the magnitude of an investment in a single issuer.

**Custodial Credit Risk (deposits)** - the risk that, in the event of a bank failure, the State's deposits may not be recovered.

**Foreign Currency Risk** - the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

#### ***Primary Government***

The State Treasurer is the chief fiscal officer of State government and is responsible for the prudent management and investment of monies of State funds and agencies as well as monies of pension and other trust funds. The State Treasurer with the advice of the Investment Advisory Council, whose members include outside investment professionals and pension beneficiaries, establishes investment policies and guidelines. Currently, the State Treasurer manages one Short-Term Investment Fund and twelve Combined Investment Funds.

#### ***Short-Term Investment Fund (STIF)***

STIF is a money market investment pool in which the State, municipal entities, and political subdivisions of the State are eligible to invest. The State Treasurer is authorized to invest monies of STIF in United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts, bankers' acceptances, repurchase agreements, and asset-backed securities. STIF's investments are reported at amortized cost (which approximates fair value) in the fund's statement of net position.

For financial reporting purposes, STIF is a mixed investment pool – a pool having external and internal portions. The external portion of STIF (i.e., the portion that belongs to participants which are not part of the State's financial reporting entity) is reported as an investment trust fund (External Investment Pool fund) in the fiduciary fund financial statements. The internal portion of STIF (i.e., the portion that belongs to participants that are part of the State's financial reporting entity) is not reported in the accompanying financial statements. Instead, investments in the internal portion of STIF by participant funds are reported as cash equivalents in the government-wide and fund financial statements.

For disclosure purposes, certificates of deposit held by STIF are reported in this note as bank deposits, not as investments. As of June 30, 2025, STIF had the following investments and maturities (amounts in thousands):

Investment Type	Short-Term Investment Fund		
	Amortized Cost	Investment Maturities (in years)	
		Less Than 1	1-5
Treasury Securities	\$ 497,373	\$ 497,373	\$ -
Federal Agency Securities	1,699,000	1,699,000	-
Bank Commercial Paper	2,181,141	2,181,141	-
Repurchase Agreements	6,550,000	6,550,000	-
Money Market Funds	11,349	11,349	-
Total Investments	<u>\$ 10,938,863</u>	<u>\$ 10,938,863</u>	<u>\$ -</u>

#### ***Interest Rate Risk***

STIF's policy for managing interest rate risk is to limit investment to a very short weighted average maturity, not to exceed 90 days, and to comply with Standard and Poor's requirement that the weighted average maturity not to exceed 60 days. As of June 30, 2025, the weighted average maturity of STIF was 21 days. Additionally, STIF is allowed by policy to invest in floating-rate securities. However, investment in these securities having maturities greater than two years is limited to no more than 20.0 percent of the overall portfolio. For purposes of the fund's weighted average maturity calculation, variable-rate securities are calculated using their rate reset date. Because these securities reprice frequently to prevailing market rates, interest rate risk is substantially reduced. As of June 30, 2025, the amount of STIF's investments in variable-rate securities was \$5.4 billion.

**Credit Risk**

STIF's policy for managing credit risk is to purchase short-term, high-quality fixed income securities that fall within the highest short-term or long-term rating categories by nationally recognized rating organizations. As of June 30, 2025, STIF's investments subject to credit risk were rated by Standard and Poor's as follows (amounts in thousands):

<b>Credit Quality Ratings</b>	<b>Amortized Cost</b>	<b>Percentage of Amortized Cost</b>
A-1+	\$ 1,989,889	51.1%
A-1	191,252	4.9%
AAAm	11,349	0.3%
U.S. Government Agency Securities	1,699,000	43.7%
<b>Total</b>	<b>\$ 3,891,490</b>	<b>100.0%</b>

**Concentration of Credit Risk**

STIF reduces its exposure to this risk by ensuring that at least 60.0 percent of fund assets will be invested in securities rated "A-1+" or repos with A-1 banks. In addition, exposure to any single non-governmental issuer will not exceed 5.0 percent (at the time a security is purchased), exposure to any single money market mutual fund (rated AAAm) will not exceed 5.0 percent of fund assets and exposure to money market mutual funds in total will not exceed 15.0 percent. As of June 30, 2025, STIF's investments in any one issuer that represents more than 5.0 percent of total investments were as follows (amounts in thousands):

<b>Investment Issuer</b>	<b>Amortized Cost</b>
Federal Home Loan Bank	\$ 1,000,000

**Custodial Credit Risk-Bank Deposits-Nonnegotiable Certificate of Deposits (amounts in thousands)**

STIF follows policy parameters that limit deposits in any one entity to a maximum of ten percent of assets. Further, the certificates of deposit must be issued from commercial banks whose short-term debt is rated at least "A-1" by Standard and Poor's and "F-1" by Fitch and whose long-term debt is rated at least "A-" or backed by a letter of credit issued by a Federal Home Loan bank. As of June 30, 2025, \$7,289,318 of the bank balance of STIF's deposits of \$7,400,018 was exposed to custodial credit risk as follows (amounts in thousands):

Uninsured and uncollateralized	\$	7,289,318
Uninsured and collateral held by trust department of either the pledging bank or another bank not in the name of the State		-
<b>Total</b>	<b>\$</b>	<b>7,289,318</b>

**Combined Investment Funds (CIFS)**

The CIFS are open-ended, unitized portfolios in which the State pension trust and permanent funds are eligible to invest. The State pension trust and permanent funds own the units of the CIFS. The State Treasurer is also authorized to invest monies of the CIFS in a broad range of fixed income and equity securities, as well as real estate properties, mortgages, and private equity. The CIFS' investments are reported at fair value in each fund's statement of net position.

For financial reporting purposes, the CIFS are external investment pools and are not reported in the accompanying financial statements. Instead, investments in the CIFS by participant funds are reported as equity in the CIFS in the government-wide and fund financial statements (amounts below in thousands).

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Fiduciary Funds</b>
Equity in the CIFS	\$ 143,656	\$ 726	\$ 62,340,312
Other Investments	-	24,396	5,035,783
<b>Total Investments-Current</b>	<b>\$ 143,656</b>	<b>\$ 25,122</b>	<b>\$ 67,376,095</b>

The CIFS measure and record their investments using fair value measurement guidelines. Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The guidelines recognize a three-tiered fair value hierarchy, as follows: Level 1: Quoted prices for identical investments in active market; Level 2: Observable inputs other than quoted market price; and Level 3: Unobservable inputs.

As of June 30, 2025, the CIFS had the following investments (amounts in thousands):

<u>Investments by Fair Value Level</u>	<u>Fair Value Measurement</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash Equivalents	\$ 2,003,362	\$ -	\$ 2,003,362	\$ -
Asset Backed Securities	383,581	-	383,581	-
Government Securities	4,817,045	-	4,817,045	-
Government Agency Securities	1,613,219	-	1,613,219	-
Mortgage Backed Securities	439,560	-	439,560	-
Corporate Debt	4,251,996	-	4,248,466	3,530
Convertible Securities	17,187	-	17,187	-
Derivatives	-	-	-	-
Common Stock	29,531,526	29,514,181	6,148	11,197
Preferred Stock	56,254	56,154	-	100
Real Estate Investment Trust	466,539	464,256	2,267	16
Mutual Fund	68,939	68,939	-	-
<b>Total</b>	<b>\$ 43,649,208</b>	<b>\$ 30,103,530</b>	<b>\$ 13,530,835</b>	<b>\$ 14,843</b>

<u>Investments Measured by Net Asset Value (NAV)</u>		<u>Unfunded</u>	<u>Redemption</u>	<u>Redemption</u>
		<u>Commitments</u>	<u>Frequency</u>	<u>Notice Period</u>
Business Development Corporation	234,372	154,607	Illiquid	N/A
Limited Partnerships	19,224,179	14,058,922	Illiquid	N/A
<b>Total</b>	<b>19,458,551</b>	<b>14,213,529</b>		
<b>Total Investments in Securities at Fair Value</b>	<b>\$ 63,107,759</b>			

Investments are stated at fair value for each of the CIFS as described below. For the Alternative Investment, Real Assets, Private Credit and Private Investment Funds substantially all of the investments, other than those in the Liquidity Fund, are shown at values that are carried at the general partner's June 30, 2025 fair value, or net asset value ("NAV") equivalent. The CIFS' assets are fair valued quarterly by the General Partner and at such other times as determined by the General Partner and are based on Accounting Standards Codification ("ASC") 820 "Fair Value Measurements and Disclosures." The fair value the General Partner assigned to these investments is based upon available information and does not represent necessarily the amount that ultimately might be realized upon sale or maturity. Because of the inherent uncertainty of the fair valuation process, this estimated fair value presented by the General Partner may differ significantly from the fair value that would have been used had a ready market for the security existed, and the difference could be material. The General Partner is responsible for coordination and oversight of all investment valuations.

### ***Interest Rate Risk***

The CIFS' investment managers are given full discretion to manage their portion of the CIFS' assets within their respective guidelines and constraints. The guidelines and constraints always require each manager to maintain a diversified portfolio. In addition, each core manager is required to maintain a target duration that is like its respective benchmark, which is typically the Barclays Aggregate-an intermediate duration index.

Following is a schedule which provides information about the interest rate risks associated with the CIFS' investments. The investments include short-term cash equivalents including certificates of deposit and collateral, long-term investments and restricted assets by maturity in years (amounts in thousands):

<u>Investment Type</u>	<u>Combined Investment Funds</u>				
	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
Cash Equivalents	\$ 2,003,362	\$ 2,003,362	\$ -	\$ -	\$ -
Asset Backed Securities	383,581	254	90,322	82,744	210,261
Government Securities	4,817,045	30,407	3,293,293	1,020,448	472,897
Government Agency Securities	1,613,219	-	3,102	9,673	1,600,444
Mortgage Backed Securities	439,560	-	23,442	10,169	405,949
Corporate Debt	4,251,996	95,512	2,454,580	1,106,347	595,557
Convertible Debt	17,187	4,206	12,978	3	-
<b>Total</b>	<b>\$ 13,525,950</b>	<b>\$ 2,133,741</b>	<b>\$ 5,877,717</b>	<b>\$ 2,229,384</b>	<b>\$ 3,285,108</b>

**Credit Risk**

The CIFS minimize exposure to this risk in accordance with a comprehensive investment policy statement, as developed by the Office of the Treasurer and the State's Investment Advisory Council, which provides policy guidelines for the CIFS and includes an asset allocation plan. The asset allocation plan's main objective is to maximize investment returns over the long term at an acceptable level of risk. As of June 30, 2025, the CIFS' debt investments were rated by Moody's as follows (amounts in thousands):

**Combined Investment Funds**

	Fair Value	Cash Equivalents	Asset Backed Securities	Government Securities	Government Agency Securities	Mortgage Backed Securities	Corporate Debt	Convertible Debt
Aaa	\$ 314,898	\$ -	\$ 115,864	\$ 16,888	\$ 15,952	\$ 137,279	\$ 28,915	\$ -
Aaa-mf	802,915	802,915	-	-	-	-	-	-
Aa	6,009,221	-	33,194	4,122,784	1,597,267	173,012	82,964	-
A	628,744	-	47,165	26,704	-	12,502	542,373	-
Baa	1,392,560	-	60,134	116,718	-	25,988	1,189,720	-
Ba	936,081	-	3,708	97,662	-	-	834,711	-
B	1,010,906	-	204	33,776	-	-	976,926	-
Caa	471,988	-	7,970	30,396	-	961	432,661	-
Ca	9,888	-	382	338	-	-	9,168	-
C	5,729	-	-	3,417	-	-	2,312	-
Not Rated	1,943,020	1,200,447	114,960	368,362	-	89,817	152,247	17,187
Total	\$ 13,525,950	\$ 2,003,362	\$ 383,581	\$ 4,817,045	\$ 1,613,219	\$ 439,559	\$ 4,251,997	\$ 17,187

**Foreign Currency Risk**

The CIFS manage exposure to this risk by utilizing a strategic hedge ratio of 50.0 percent for the developed market portion of the International Stock Fund (a Combined Investment Fund). This strategic hedge ratio represents the neutral stance or desired long-term exposure to currency for the ISF. To implement this policy, currency specialists actively manage the currency portfolio as an overlay strategy to the equity investment managers. These specialists may manage the portfolio passively or actively depending on opportunities in the marketplace. While managers within the fixed income portion of the portfolio can invest in non-U.S. denominated securities, managers are required to limit that investment to a portion of their respective portfolio.

As of June 30, 2025, the CIFS' foreign deposits and investments were as follows (amounts in thousands):

Foreign Currency	Total	Cash	Fixed Income Securities			Equities		Real Estate Investment Trust Fund	
			Cash Equivalent Collateral	Government Securities	Corporate Debt	Mortgage and Asset Backed	Common Stock		Preferred Stock and Mutual Funds
Argentine Peso	\$ 96	\$ 96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Australian Dollar	426,324	825	-	-	-	401,761	-	23,738	
Brazilian Real	292,816	384	-	32,296	1,760	(251)	219,126	39,501	
Canadian Dollar	88,180	527	-	-	-	87,653	-	-	
Chilean Peso	9,683	91	-	6,167	-	(20)	2,160	1,285	
Colombian Peso	13,718	38	-	9,358	2,384	63	1,875	-	
Czech Koruna	11,650	(8)	-	11,239	-	41	378	-	
Danish Krone	177,433	75	-	-	-	-	177,358	-	
Dominican Peso	11,730	-	-	11,730	-	-	-	-	
Egyptian Pound	6,224	-	-	2,294	3,913	-	17	-	
Euro Currency	2,906,902	3,507	(1,184)	14,814	2,258	611	2,850,958	13,679	
Ghana Cedi	602	-	-	602	-	-	-	-	
Hong Kong Dollar	680,337	2,106	-	-	-	-	674,039	4,192	
Hryvnia	9,290	6,506	-	2,784	-	-	-	-	
Hungarian Forint	44,423	12	-	11,273	-	15	33,123	-	
Indian Rupee	404,879	46	-	-	14,328	11	389,782	712	
Indonesian Rupiah	93,047	251	-	25,066	1,805	-	65,925	-	
Japanese Yen	1,532,661	11,198	-	-	-	5	1,503,933	17,525	
Kazakhstan Tenge	1,384	-	-	1,384	-	-	-	-	
Kenyan Shilling	1,284	-	-	-	-	-	1,284	-	
Malaysian Ringgit	27,880	87	-	23,388	-	17	4,257	131	
Mexican Peso	61,422	(625)	-	23,756	5,233	638	32,027	393	
New Israeli Shekel	46,095	176	-	581	-	-	44,896	442	
New Taiwan Dollar	274,427	6	-	-	-	-	274,418	3	
New Zealand Dollar	9,744	13	-	-	-	-	9,492	239	
Norwegian Krone	48,686	83	-	-	-	-	48,603	-	
Paraguay Guarani	1,683	-	-	1,683	-	-	-	-	
Philippine Peso	13,728	173	-	4,786	-	-	8,769	-	
Polish Zloty	51,125	(44)	(1,081)	15,154	1,265	37	35,794	-	
Pound Sterling	1,375,463	1,536	-	-	-	1,189	1,346,582	26,156	
Romanian Leu	7,122	6	-	7,116	-	-	-	-	
Russian Ruble	2,620	2,620	-	-	-	-	-	-	
Saudi Riyal	60,717	-	-	-	-	-	60,717	-	
Singapore Dollar	121,678	254	-	-	-	-	111,914	9,510	
Soi	24,180	-	-	18,661	5,519	-	-	-	
South African Rand	152,480	143	-	29,365	603	(42)	122,411	-	
South Korean Won	403,703	678	-	-	-	-	402,667	358	
Swedish Krona	168,940	99	-	-	-	38	168,803	-	
Swiss Franc	686,210	53	-	-	-	-	686,157	-	
Thailand Baht	63,768	159	-	11,248	-	-	52,361	-	
Turkish Lira	11,750	2	-	6,353	-	-	5,164	231	
Uganda Shilling	747	-	-	747	-	-	-	-	
Uruguayan Peso	1,583	-	-	1,583	-	-	-	-	
Uzbekistan Sum	575	-	-	-	575	-	-	-	
Yuan Renminbi	22,582	(136,250)	-	-	-	727	158,105	-	
Yuan Renminbi (Offshore)	136,640	136,640	-	-	-	-	-	-	
Zambian Kwacha	545	1	-	544	-	-	-	-	
Total	\$ 10,488,756	\$ 31,464	\$ (2,265)	\$ 273,972	\$ 39,643	\$ 3,079	\$ 9,982,509	\$ 54,823	\$ 105,531

**Derivatives**

As of June 30, 2025, the CIFS held the following derivative investments (amounts in thousands):

	2025		2024	
	Fair Value		Fair Value	
Adjustable Rate Securities	\$	1,779,701	\$	1,701,455
Asset Backed Securities		383,581		409,846
Mortgage Backed Securities		439,560		343,769
Forward Mortgage Backed Securities (TBA's)		302,484		346,482
Total	\$	2,905,326	\$	2,801,552

The Core Fixed Income Fund held futures with a notional cost of \$350,733,858. The Developed Market International Stock Fund held futures with a notional cost of \$51,915,843. Also, the Non-Core Fixed Income Fund held futures with a notional cost of \$30,776,349.

The CIFS invest in derivative investments for trading purposes and to enhance investment returns. The credit exposure resulting from these investments is limited to their fair value at year end. The CIFS also invest in foreign currency contracts. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIFS' investments against currency fluctuations. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms. As of June 30, 2025, the fair value of contracts to buy and contracts to sell was \$410.0 million and \$407.0 million, respectively.

**Custodial Credit Risk-Bank Deposits**

The CIFS minimize this risk by maintaining certain restrictions set forth in the Investment Policy Statement. The CIFS use a Liquidity Account which is a cash management pool investing in highly liquid money market securities. As of June 30, 2025, the CIFS had deposits with a bank balance of \$44.1 million, all of which was uninsured and uncollateralized. Complete financial information about the STIF and the CIFS can be obtained from financial statements issued by the Office of the State Treasurer.

**Other Investments**

The University of Connecticut (UConn) measures and records its investments using fair value measurement guidelines. These guidelines have a three tiered fair value hierarchy, as follows: Level 1: Quoted prices for identical investments in active market; Level 2: Observable inputs other than quoted market price; and Level 3: Unobservable inputs. As of June 30, 2025, UConn had the following recurring fair value measurements. (amounts in thousands):

<b>Investments by Fair Value Level</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash Equivalents	\$ 671	\$ 671	\$ -	\$ -
Fixed Income Securities	1,815	1,815	-	-
Equity Securities	18,463	18,463	-	-
Other	1,517	1,517	-	-
Total	\$ 22,466	\$ 22,466	\$ -	\$ -

**Investments Measured by Net Asset Value (NAV)**

		<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
Private Capital Partnerships	\$ 191	\$ 107	N/A	N/A
Private Real Estate Partnerships	7	35	N/A	N/A
Natural Resource Partnerships	90	5	N/A	N/A
Long/Short Equities	1	-	N/A	N/A
Relative Value	223	-	N/A	N/A
Other	681	-	N/A	N/A
Total	1,193	\$ 147		
Total Investments in Securities at Fair Value	\$ 23,659			

As of June 30, 2025, the State had other investments and maturities as follows (amounts in thousands):

Investment Type	Investment Maturities (in Years)			
	Fair Value	Less Than 1	1-5	6-10
U.S. Government and Agency Securities	535,208	80,676	257,740	196,792
Guaranteed Investment Contracts	11,771	749	11,022	-
Money Market Funds	16,463	16,463	-	-
Total Debt Investments	563,442	\$ 97,888	\$ 268,762	\$ 196,792
Endowment Pool	21,461			
Other Investments	16,718			
Total Investments	\$ 601,621			

### Credit Risk

As of June 30, 2025, other debt investments were rated by Standard and Poor's as follows (amounts in thousands):

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
U.S. Government and Agency Securities	\$ 481,223	\$ -	\$ 481,223	\$ -	\$ -
Guaranteed Investment Contracts	11,771	-	-	11,236	535
Money Market Funds	16,463	16,463	-	-	-
Total	\$ 509,457	\$ 16,463	\$ 481,223	\$ 11,236	\$ 535

Connecticut State Universities had \$54.0 million as U.S. Government Securities, these securities have no credit risk therefore, these securities are not included in the above table.

### Custodial Credit Risk-Bank Deposits

The State maintains its deposits at qualified financial institutions located in the State to reduce its exposure to this risk. These institutions are required to maintain, segregated from its other assets, eligible collateral in an amount equal to a percentage of its public deposits. The collateral is held in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank. As of June 30, 2025, \$471.9 million of the bank balance of the Primary Government of \$548.7 million was exposed to custodial credit risk as follows (amounts in thousands):

Uninsured and uncollateralized	\$ 94,055
Uninsured and collateral held by trust department of either the pledging bank or another bank not in the name of the State	377,932
Total	\$ 471,987

**Component Units**

The Connecticut Housing Finance Authority (CHFA) and the Connecticut Lottery Corporation (CLC) reported the following investments and maturities as of December 31, 2024 and June 30, 2025, respectively (amounts in thousands):

Investment Type	Major Component Units					
	Fair Value	Investment Maturities (in years)				
		Less Than 1	1-5	6-10	5	More Than 10
Collateralized Mortgage Obligations	\$ 504	\$ -	\$ -	\$ -	\$ -	\$ 499
GNMA & FNMA Program Assets	3,173,712	-	1,872	31,999	3,139,841	-
Money Market	8,645	8,645	-	-	-	-
Municipal Bonds	29,272	4,946	2,061	2,712	19,553	-
STIF	1,100,732	1,100,732	-	-	-	-
MBS's	50	-	50	-	-	-
Structured Securities	385	-	385	-	-	-
U.S. Government Agency Securities	677	-	677	-	-	-
Total Debt Investments	4,313,977	\$ 1,114,323	\$ 5,045	\$ 34,716	\$ 3,159,893	-
Annuity Contracts	112,206	-	-	-	-	-
Total Investments	\$ 4,426,183	-	-	-	-	-

The CHFA and the CLC own 97.5 percent and 2.5 percent of the above investments, respectively. The Government National Mortgage Association (GNMA) Program Assets represent securitized home mortgage loans of CHFA which are guaranteed by GNMA. Annuity contracts are the only investment held by the CLC, which are not subject to investment risks discussed next.

**Interest Rate Risk****CHFA**

Exposure to declines in fair value is substantially limited to GNMA Program Assets. The Authority's investment policy requires diversification of its investment portfolio to eliminate the risk of loss resulting from, among other things, an over-concentration of assets in a specific maturity. This policy also requires the Authority to attempt to match its investments with anticipated cash flows requirements and to seek diversification by staggering maturities in such a way that avoid undue concentration of assets in a specific maturity sector.

**Credit Risk****CHFA**

The Authority's investments are limited by State statutes to United States Government obligations, including its agencies or instrumentalities, investments guaranteed by the State, investments in the State's STIF, and other obligations which are legal investments for savings banks in the State. The Fidelity Funds are fully collateralized by obligations issued by the United States Government or its agencies. Mortgage Backed Securities are fully collateralized by the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association, and Collateralized Mortgage Obligations are fully collateralized by the United States Department of Housing and Urban Development mortgage pools.

CHFA's investments were rated as of December 31, 2024 as follows (amounts in thousands):

Investment Type	Component Units					
	Fair Value	Quality Ratings				
		AAA	AA	Aaa	C	Unrated
Collateralized Mortgage Obligations	\$ 504	\$ -	\$ -	\$ 498	\$ -	\$ 6
GNMA & FNMA Program Assets	3,173,712	-	3,173,712	-	-	-
Money Market	8,645	-	-	7,372	-	1,273
Municipal Bonds	29,272	-	4,590	-	-	24,682
STIF	1,100,732	1,100,732	-	-	-	-
MBS's	50	-	50	-	-	-
Structured Securities	385	-	-	-	385	-
U.S. Government Agency Securities	677	-	677	-	-	-
Total	\$ 4,313,977	\$ 1,100,732	\$ 3,179,029	\$ 7,870	\$ 385	\$ 25,961

**Concentration of Credit Risk****CHFA**

The Authority's investment policy requires diversification of its investment portfolio to eliminate the risk of loss resulting from, among other things, an over-concentration of assets with a specific issuer. As of December 31, 2024, the Authority had no investments in any one issuer that represents 5.0 percent or more of total investments, other than investments guaranteed by the U.S. Government (GNMA and FNMA Program Assets), and investments in the State's STIF.

**Security Lending Transactions**

Certain of the CIFS are permitted by State statute to engage in security lending transactions to provide incremental returns to the funds. The CIFS' Agent is authorized to lend available securities to authorized broker-dealers and banks subject to a formal loan agreement.

During the year, the Agent lent certain securities and received cash or other collateral as indicated on the Securities Lending Authorization

Agreement. The Agent did not have the ability to pledge or sell collateral securities received absent a borrower default. Borrowers were required to deliver collateral for each loan equal to at least 102.0 percent of the fair value of the domestic loaned securities or 105.0 percent of the fair value of foreign loaned securities.

According to the Agreement, the Agent has an obligation to indemnify the funds in the event any borrower failed to return the loaned securities or pay distributions thereon. There were no such failures during the fiscal year that resulted in a declaration or notice of default of the borrower. During the fiscal year, the funds and the borrowers maintained the right to terminate all securities lending transactions upon notice. The cash collateral received on each loan was invested in an individual account known as the State of Connecticut Collateral Investment Trust. At year end, the funds had no credit risk exposure to borrowers because the fair value of the collateral held and the fair value of securities on loan were \$5.5 billion and \$5.4 billion, respectively.

Under normal circumstances, the average duration of collateral investments is managed so that it will not exceed 60 days. At year end, the average duration of the collateral investments was 1.9 days and an average weighted maturity of 60.3 days.

## Note 4 Receivables-Current

As of June 30, 2025, current receivables consisted of the following (amounts in thousands):

	Primary Government		Component Units
	Governmental Activities	Business-Type Activities	
Taxes	\$ 4,083,639	\$ -	\$ -
Accounts	1,625,010	676,787	85,376
Loans, Current Portion	-	210,406	5,257
Other Governments	813,267	35,789	55,142
Interest	7,267	3,667	3,558
Other	6	317	535
Total Receivables	6,529,189	926,966	149,868
Allowance for Uncollectibles	(758,644)	(142,867)	(10,353)
Receivables, Net	\$ 5,770,545	\$ 784,099	\$ 139,515

## Note 5 Taxes Receivable

Taxes receivable consisted of the following as of June 30, 2025 (amounts in thousands):

	Governmental Activities		Total
	General Fund	Transportation Fund	
Sales and Use	\$ 936,795	\$ -	\$ 936,795
Income Taxes Corporations	1,813,174	-	1,813,174
Gasoline and Special Fuel	227,544	-	227,544
Various Other	-	277,051	277,051
	747,023	-	747,023
Total Taxes Receivable	3,724,536	277,051	4,001,587
Allowance for Uncollectibles	(215,493)	(22)	(215,515)
Taxes Receivable, Net	\$ 3,509,043	\$ 277,029	\$ 3,786,072

**Note 6****Receivables-Noncurrent**

Noncurrent receivables for the primary government and its component units, as of June 30, 2025, consisted of the following (amounts in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Accounts	\$ -	\$ -	\$ 103,975
Loans	1,038,645	1,043,522	311,737
Leases	-	15,864	183,225
Total Receivables	1,038,645	1,059,386	598,937
Allowance for Uncollectibles	(75,849)	(671)	(19,335)
Receivables, Net	<u>\$ 962,796</u>	<u>\$ 1,058,715</u>	<u>\$ 579,602</u>

The Grants and Loans fund (governmental activities) makes loans through the Department of Economic and Community Development to provide financial support to businesses, municipalities, nonprofits, economic development agencies and other partners for a wide range of activities that create and retain jobs; strengthen the competitiveness of the workforce; promote tourism, the arts and historic preservation; and help investigate and redevelop brownfields. The department's investments are helping build stronger neighborhoods and communities and improving the quality of life for state residents. These loans are payable over a ten-year period with rates ranging from 2.0 percent to 4.0 percent.

Clean Water fund (business-type activities) loans funds to qualified municipalities for planning, design, and construction of water quality projects. These loans are payable over a 20-year period at an annual interest rate of 2.0 percent and are secured by the full faith and credit or revenue pledges of the municipalities, or both. At year end, the noncurrent portion of loans receivable was \$843.4 million.

The Connecticut Health and Educational Facilities Authority (a component unit) makes loans to individuals from the proceeds of bonds issued by the Authority. The loans bear interest rates ranging from 3.0 percent to 7.7 percent. At year end, the noncurrent portion of loans receivable was \$168.7 million.

**Note 7****Restricted Assets**

Restricted assets are defined as resources that are restricted by legal or contractual requirements. As of June 30, 2025, restricted assets were comprised of the following (amounts in thousands):

	Cash & Cash Equivalents	Investments	Loans, Net of Allowances	Other	Total Restricted Assets
<b>Governmental Activities:</b>					
Debt Service	\$ 1,336,925	\$ -	\$ -	\$ -	\$ 1,336,925
Environmental	-	-	-	-	-
Total Governmental Activities	<u>\$ 1,336,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,336,925</u>
<b>Business-Type Activities:</b>					
UConn/Health Center	\$ 188,810	\$ -	\$ -	\$ -	\$ 188,810
Clean Water	191,473	17,144	-	-	208,617
Other Proprietary	51,710	225	-	-	51,935
Total Business-Type Activities	<u>\$ 431,993</u>	<u>\$ 17,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 449,362</u>
<b>Component Units:</b>					
CHFA	\$ 1,293	\$ 4,313,976	\$ 2,545,381	\$ 179,222	\$ 7,039,872
CAA	79,690	13,578	-	2,631	95,899
CHEFA	-	845,087	181,139	5,263	1,031,489
Other Component Units	288,282	1	-	-	288,283
Total Component Units	<u>\$ 369,265</u>	<u>\$ 5,172,642</u>	<u>\$ 2,726,520</u>	<u>\$ 187,116</u>	<u>\$ 8,455,543</u>

## Note 8

## Current Liabilities

As of June 30, 2025, accounts payable and accrued liabilities consisted of the following (amounts in thousands):

	Vendors	Salaries and Benefits	Interest	Other	Total Payables & Accrued Liabilities
<b>Governmental Activities:</b>					
General	\$ 256,765	\$ 215,500	\$ -	\$ -	\$ 472,265
Transportation	36,358	13,285	-	-	49,643
Restricted Accounts	269,750	14,522	-	-	284,272
Grants and Loans	16,174	105	-	3,480	19,759
Other Governmental	100,942	7,024	-	-	107,966
Internal Service	1,142	443	-	-	1,585
Reconciling amount from fund financial statements to government-wide financial statements	-	-	341,424	1,487,457	1,828,881
Total-Governmental Activities	\$ 681,131	\$ 250,879	\$ 341,424	\$ 1,490,937	\$ 2,764,371
<b>Business-Type Activities:</b>					
UConn/Health Center	\$ 95,900	\$ 109,373	\$ -	\$ 58,268	\$ 263,541
Board of Regents	33,405	74,342	1,218	-	108,965
Other Proprietary	3,994	-	8,559	688	13,241
Total-Business-Type Activities	\$ 133,299	\$ 183,715	\$ 9,777	\$ 58,956	\$ 385,747
<b>Component Units:</b>					
CHEFA	\$ 6,586	\$ -	\$ 25,379	\$ 225,118	\$ 257,083
Connecticut Lottery Corporation	5,711	-	948	-	6,659
Connecticut Airport Authority	48,396	6,992	3,500	21,214	80,102
CHEFA	-	-	1,140	1,286	2,426
Other Component Units	11,521	1,960	72	200,006	213,559
Total-Component Units	\$ 72,214	\$ 8,952	\$ 31,039	\$ 447,624	\$ 559,829

## Note 9

## Capital Assets

Capital asset activity for the year was as follows (amounts in thousands):

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Land	\$ 2,019,718	\$ 31,075	\$ 423	\$ 2,050,370
Construction in Progress	7,541,948	1,479,781	908,592	8,113,137
Art & Historical Collections	224,768	54	191	224,631
Total Capital Assets not being Depreciated	9,786,434	1,510,910	909,206	10,388,138
Capital Assets being Depreciated/Amortized:				
Buildings	4,892,096	43,150	16,084	4,919,162
Improvements other than Buildings	374,208	5,464	1,523	378,149
Equipment	2,542,575	427,206	271,786	2,697,995
Intangible Assets	366,774	6,978	2,330	371,422
Right-to-use Assets - Leases	98,076	7,092	4,815	100,353
Right-to-use Assets - Subscriptions	52,685	7,116	-	59,801
Infrastructure	19,950,550	916,008	-	20,866,558
Total Capital Assets Being Depreciated/Amortized	28,276,964	1,413,014	296,538	29,393,440
Less Accumulated Depreciation/Amortization for:				
Buildings	3,409,206	69,432	16,084	3,462,554
Improvements other than Buildings	206,602	13,365	1,523	218,444
Equipment	1,692,298	140,728	271,786	1,561,240
Intangible Assets	337,747	5,469	2,330	340,886
Right-to-use Assets - Leases	40,194	16,252	4,815	51,631
Right-to-use Assets - Subscriptions	23,516	14,333	-	37,849
Infrastructure	13,806,001	502,934	-	14,308,935
Total Accumulated Depreciation/Amortization	19,515,564	762,513	296,538	19,981,539
Total Capital Assets being Depreciated/Amortized, Net	8,761,400	650,501	-	9,411,901
Governmental Activities Capital Assets, Net	\$ 18,547,834	\$ 2,161,411	\$ 909,206	\$ 19,800,039

Depreciation and amortization expenses were charged to functions as follows:

Governmental activities:

Legislative	\$ 6,951
General Government	58,002
Regulation & Protection	25,921
Conservation & Development	4,243
Health & Hospitals	6,278
Transportation	618,731
Human Services	4,388
Education, Libraries & Museums	787
Corrections	21,835
Judicial	15,377
<b>Total</b>	<b>\$ 762,513</b>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital Assets not being Depreciated:				
Land	\$ 78,213	\$ 40	\$ -	\$ 78,253
Construction in Progress	415,948	118,510	311,157	223,301
Art & Historical Collections	71,018	959	36	71,941
Total Capital Assets not being Depreciated	565,179	119,509	311,193	373,495
Capital Assets being Depreciated/Amortized:				
Buildings	7,658,901	410,716	2,519	8,067,098
Improvements other than Buildings	757,514	5,040	9,305	753,249
Equipment	928,669	51,931	41,311	939,289
Intangible Assets	123,478	6,552	1,973	128,057
Right-to-use Assets - Leases	259,822	15,637	1,889	273,570
Right-to-use Assets - Subscriptions	116,146	26,742	21,041	121,847
Total Capital Assets being Depreciated	9,844,530	516,618	78,038	10,283,110
Less: Accumulated Depreciation/Amortization For:				
Buildings	3,612,127	242,454	3,513	3,851,068
Improvements other than Buildings	338,264	19,222	8,534	348,952
Equipment	714,283	53,303	39,128	728,458
Intangible Assets	86,983	11,480	1,972	96,491
Right-to-use Assets - Leases	53,561	20,400	1,960	72,001
Right-to-use Assets - Subscriptions	61,240	27,009	19,965	68,284
Total Accumulated Depreciation/Amortization	4,866,458	373,868	75,072	5,165,254
Total Capital Assets being Depreciated/Amortized, Net	4,978,072	142,750	2,966	5,117,856
Business-Type Activities, Capital Assets, Net	<u>\$ 5,543,251</u>	<u>\$ 262,259</u>	<u>\$ 314,159</u>	<u>\$ 5,491,351</u>

#### **Component Units and Fiduciary Component Unit**

Capital assets of the component units and the fiduciary component unit consisted of the following as of June 30, 2025 (amounts in thousands):

Land	\$ 490,784
Buildings	1,291,157
Improvements other than Buildings	319,178
Machinery and Equipment	384,312
Intangible Assets	9,897
Right-to-use Assets - Leases	27,297
Right-to-use Assets - Subscriptions	1,941
Construction in Progress	252,865
Total Capital Assets	<u>2,777,431</u>
Accumulated Depreciation/Amortization	<u>1,302,676</u>
Capital Assets, Net	<u>\$ 1,474,755</u>

## Note 10

### State Retirement Systems

The State sponsors three major public employee retirement systems: The State Employees' Retirement System (SERS), which consisting of Tier I, Tier II, Tier IIA, Tier III, and Tier IV; the Teachers' Retirement System (TRS); and the Judicial Retirement System (JRS). The three plans in this note do not issue separate financial statements, nor are they reported as a part of other entities. The financial statements and other required information are presented in Note 12 and in the Required Supplementary Information (RSI) section of these financial statements.

The State Comptroller's Retirement Division, under the direction of the Connecticut State Employees' Retirement Commission (SERC), administers SERS and JRS. SERC consists of sixteen members, and the makeup is as follows: The State Treasurer or a designee who serves as a non-voting ex-officio member, six trustees representing employees are appointed by the bargaining agents in accordance with the provisions of applicable collective bargaining agreements, one "neutral" Chairman, two actuarial trustees and six management trustees appointed by the Governor. The Teachers' Retirement Board (TRB) administers TRS. TRB consists of fourteen members, and the makeup is as follows: The State Treasurer, the Secretary of the Office of Policy and Management, the Commissioner of Education, or their designees, who serve as ex-officio voting members. Six members are elected by teacher membership and five public members are appointed by the Governor.

#### *Special Funding Situation*

The employer contributions for TRS are funded by the State on behalf of the participating municipal employers. Therefore, these employers are in a special funding situation and the State is treated as a non-employer contributing entity as defined by GASB 68. As a result, the State reports a liability, deferred outflows of resources and deferred inflows of resources, and expenses. Additionally, the autonomous Component Units that benefit from the services provided by employees of the State are considered, as defined by GASB 68, to be non-employer contributing entities. As such they report a liability, deferred outflows of resources and deferred inflows of resources, and expenses because of being statutorily required to contribute to SERS.

#### *a. Plan Descriptions and Funding Policy*

Membership of each plan consisted of the following at the date of the latest actuarial evaluation:

	SERS	TRS	JRS
Inactive Members or their Beneficiaries receiving benefits	57,628	40,034	330
Inactive Members Entitled to but not yet Receiving Benefits	3,638	2,457	3
Inactive Members Entitled to a Refund of Member Contributions	0	8,901	0
Active Members	49,023	53,373	208

#### *State Employees' Retirement System*

##### *Plan Description*

SERS is a single-employer defined-benefit pension plan covering substantially all the State full-time employees who are not eligible for another State sponsored retirement plan. Plan benefits, cost-of-living allowances, contribution requirements of plan members and the State, and other plan provisions are described in Sections 5-152 to 5-192 of the General Statutes. The plan provides retirement, disability, and death benefits, and annual cost-of-living allowances to plan members and their beneficiaries.

##### *Funding Policy*

The contribution requirements of plan members and the State are established and may be amended by the State legislature subject to the contractual rights established by collective bargaining. Tier I Plan B regular and Hazardous Duty members are required to contribute 4.0 percent and 6.0 percent of their earnings, respectively, up to the Social Security Taxable Wage Base plus 7.0 percent above that level; Tier I Plan C members are required to contribute 7.0 percent of their earnings; Tier II Plan regular and Hazardous Duty members are required to contribute 2 percent and 6.0 percent of their earnings, respectively; Tier IIA and Tier III Plans regular and Hazardous Duty members are required to contribute 4.0 percent and 7.0 percent of their earnings, respectively; Tier IV Hybrid Plan regular and Hazardous Duty members are required to contribute 5.0 percent and 8.0 percent of their earnings, respectively. In years where asset losses require further increases in contributions, Tier IV member contributions may increase by half the necessary increase in rates, up to 2.0 percent. Individuals hired on or after July 1, 2011 otherwise eligible for the Alternative Retirement Plan (ARP) are eligible to become members of the Hybrid Plan in addition to their other existing choices. The Hybrid Plan has defined benefits identical to Tier II/IIA and Tier III for individuals hired on or after July 1, 2011 but requires employee contributions 3.0 percent higher than the contribution required from the applicable Tier II/IIA/III plans. Employees in Tier IV Hybrid Plan will be required to contribute 1.0 percent to the Defined Contributions (DC) portion of the Hybrid Plan and may elect additional contribution of up to 3.0 percent of salary to the DC portion. The State is required to contribute at an actuarially determined rate. Administrative costs of the plan are funded by the State.

**Teachers' Retirement System****Plan Description**

TRS is a cost-sharing multiple-employer defined-benefit pension plan covering any teacher, principal, superintendent, or supervisor engaged in service of public schools in the State. Plan benefits, cost-of-living allowances, required contributions of plan members and the State, and other plan provisions are described in Sections 10-183b to 10-183ss of the General Statutes. The plan provides retirement, disability, and death benefits, and annual cost-of-living allowances to plan members and their beneficiaries.

**Funding Policy**

The contribution requirements of plan members and the State are established and may be amended by the State legislature. Plan members are required to contribute 7.0 percent of their annual salary. The State's contribution requirement is determined in accordance with Section 10-183z. Administrative costs of the plan are funded by the State.

**Judicial Retirement System****Plan Description**

JRS is a single-employer defined-benefit pension plan covering any appointed judge or compensation commissioner in the State. Plan benefits, cost-of-living allowances, required contributions of plan members and the State, and other plan provisions are described in Sections 51-49 to 51-51 of the General Statutes. The plan provides retirement, disability, and death benefits, and annual cost-of-living allowances to plan members and their beneficiaries.

**Funding Policy**

The contribution requirements of plan members and the State are established and may be amended by the State legislature. Plan members hired before January 1, 2018 are required to contribute 5.0 percent of their annual salary, and those hired after that date are required to contribute 6.0 percent. The State is required to contribute at an actuarially determined rate that cannot be less than the employer normal cost. Administrative costs of the plan are funded by the State.

**b. Investments**

The State Treasurer employs several outside consulting firms as external money and investment managers, to assist the Chief Investment Officer, as they manage the investment programs of the pension plans. Plan assets are managed primarily through asset allocation decisions with the main objective being to maximize investment returns over the long term at an acceptable level of risk. There is no concentration of investments in any one organization that represents 5.0 percent or more of plan net position available for benefits. The following is the asset allocation policy as of June 30, 2024.

Asset Class	SERS		TRS		JRS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity Fund	20.0%	5.4%	0.0%	0.0%	20.0%	5.4%
Developed Market Intl. Stock Fund	11.0%	6.4%	0.0%	0.0%	11.0%	6.4%
Emerging Markets Intl. Stock Fund	9.0%	8.6%	0.0%	0.0%	9.0%	8.6%
Core Fixed Income Fund	13.0%	0.8%	13.0%	0.4%	13.0%	0.8%
Emerging Market Debt Fund	5.0%	3.8%	0.0%	0.0%	5.0%	3.8%
Global Equity Fund	0.0%	0.0%	37.0%	6.8%	0.0%	0.0%
High Yield Bonds	3.0%	3.4%	0.0%	0.0%	3.0%	3.4%
Real Estate Fund	19.0%	5.2%	10.0%	6.2%	19.0%	5.2%
Private Equity	10.0%	9.4%	15.0%	11.2%	10.0%	9.4%
Private Credit	5.0%	6.5%	10.0%	6.1%	5.0%	6.5%
Public Credit	0.0%	0.0%	2.0%	2.9%	0.0%	0.0%
Risk Mitigation	0.0%	0.0%	5.0%	0.1%	0.0%	0.0%
Alternative Investments	3.0%	3.1%	0.0%	0.0%	3.0%	3.1%
Infrastructure and Natural Resources	0.0%	0.0%	7.0%	7.7%	0.0%	0.0%
Liquidity Fund	2.0%	-0.4%	1.0%	-0.4%	2.0%	-0.4%

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Rate of Return:**

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 10.1 percent, 10.2 percent, and 10.1 percent for SERS, TRS, and JRS, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

**Net Pension Liability**

The components of the net pension liability as of the measurement date June 30, 2024 were as follows (amounts in thousands):

	<b>SERS</b>	<b>TRS</b>	<b>JRS</b>
Total Pension Liability	\$ 42,869,799	\$ 42,259,956	\$ 567,245
Fiduciary Net Position	23,901,093	26,488,743	333,134
Net Pension Liability	<u>\$ 18,968,706</u>	<u>\$ 15,771,213</u>	<u>\$ 234,111</u>
Ratio of Fiduciary Net Position to Total Pension Liability	55.75%	62.68%	58.73%

**Discount Rate**

The discount rate used to measure the total pension liability was 6.9, 6.9, and 6.9 percent for SERS, TRS, and JRS respectively. The projection of cash flows used to determine the SERS, TRS, and JRS discount rates assumed employee contributions will be made at the current contribution rate and that contributions from the State will be made equal to the difference between the projected actuarially determined contribution and member contributions. Projected future benefit payments for current plan members of SERS and JRS were projected through the year 2127 and 2112, respectively.

Based on those assumptions, SERS, TRS, and JRS pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability of the State, calculated using the discount rates of 6.9, 6.9, and 6.9 percent for SERS, TRS, and JRS, as well as what the State's net pension liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate (amounts in thousands):

	<b>1% Decrease in Rate</b>	<b>Current Discount Rate</b>	<b>1% Increase in Rate</b>
SERS Net Pension Liability	\$ 23,804,233	\$ 18,780,912	\$ 14,589,116
TRS Net Pension Liability	\$ 21,158,748	\$ 15,771,213	\$ 11,298,563
JRS Net Pension Liability	\$ 291,790	\$ 234,111	\$ 184,688
Component Units	\$ 238,023	\$ 187,794	\$ 145,880

**c. GASB Statement 68 Employer Reporting  
Employer Contributions**

The following table presents the primary government's and component units' contributions recognized by the pension plans at the reporting date June 30, 2025 (amounts in thousands):

	<b>SERS</b>	<b>TRS</b>	<b>JRS</b>	<b>Total</b>
Primary Government	\$ 2,920,623	\$ 2,194,180	\$ 30,460	\$ 5,145,263
Component Units	20,950	-	-	20,950
Total Employer Contributions	<u>\$ 2,941,573</u>	<u>\$ 2,194,180</u>	<u>\$ 30,460</u>	<u>\$ 5,166,213</u>

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

As of the measurement date June 30, 2024, the primary government and component units reported net pension liabilities for the following plans administered by the State as follows (amounts in thousands):

	<b>Primary Government</b>	<b>Component Units</b>
Proportionate Share of the Net Pension Liability		
State Employees' Retirement System	\$ 18,780,912	\$ 187,794
Teachers' Retirement System	15,771,213	-
Judicial Retirement System	234,111	-
Total Net Pension Liability	<u>\$ 34,786,236</u>	<u>\$ 187,794</u>

The primary government's and component units' proportions of the collective net pension liability for the State Employees' Retirement System as of the measurement date June 30, 2024 as follows:

	<b>Primary Government</b>	<b>Component Units</b>
State Employees' Retirement System		
Proportion-June 30, 2024	99.0%	1.0%

For the measurement date June 30, 2024, the primary government and component units recognized pension expense for the following pension plans administered by the State as follows (amounts in thousands):

	<b>Primary Government</b>	<b>Component Units</b>
Pension Expense		
State Employees' Retirement System	\$ 2,280,020	\$ 13,305
Teachers' Retirement System	1,808,992	-
Judicial Retirement System	38,206	-
	<u>\$ 4,127,218</u>	<u>\$ 13,305</u>

### ***Deferred Outflows and Inflows of Resources***

As of the reporting date June 30, 2025, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (amounts in thousands):

	<b>Primary Government</b>		<b>Component Units</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>State Employees' Retirement System</b>				
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	\$ -	\$ 473,486	\$ -	\$ 4,734
Difference Between Expected and Actual Experience	1,558,829	-	15,587	-
Changes in Proportion & Differences Between Employer Contributions & Proportionate Share of Contributions	6,632	-	34,261	40,144
Change in Assumptions	-	11,918	-	119
Employer Contributions Subsequent to Measurement Date	2,920,623	-	20,950	-
Total	<u>\$ 4,486,084</u>	<u>\$ 485,404</u>	<u>\$ 70,798</u>	<u>\$ 44,997</u>
<b>Teachers' Retirement System</b>				
Differences Between Expected and Actual Experience	\$ 793,923	\$ 67,400		
Change in Assumptions	472,753	-		
Net Difference Between Projected and Actual Earnings on Plan Investments	-	292,653		
Employer Contributions Subsequent to Measurement Date	2,194,180	-		
Total	<u>\$ 3,460,856</u>	<u>\$ 360,053</u>		
<b>Judicial Retirement System</b>				
Net Difference Between Projected and Actual Earnings on Plan Investments	\$ -	\$ 2,817		
Differences Between Expected and Actual Experience	17,177	222		
Change in Assumptions	-	-		
Employer Contributions Subsequent to Measurement Date	30,460	-		
Total	<u>\$ 47,637</u>	<u>\$ 3,039</u>		

State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability reported in the following fiscal year. The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in Pension Expense as follows (amounts in thousands):

<u>State Employees' Retirement System</u>		<u>Primary</u>	<u>Component</u>
<u>Year</u>	<u>Government</u>	<u>Units</u>	
1	\$ 444,291	\$ (4,459)	
2	807,152	672	
3	(55,907)	1,211	
4	(126,132)	5,315	
5	9,905	2,111	
	<u>\$ 1,079,309</u>	<u>\$ 4,850</u>	

<u>Teachers' Retirement System</u>		<u>Primary</u>
<u>Year</u>	<u>Government</u>	
1	\$ 330,796	
2	674,559	
3	(92,099)	
4	(93,248)	
5	64,584	
6	22,031	
	<u>\$ 906,623</u>	

<u>Judges' Retirement System</u>		<u>Primary</u>
<u>Year</u>	<u>Government</u>	
1	\$ 11,184	
2	9,309	
3	(3,631)	
4	(2,724)	
5	-	
	<u>\$ 14,138</u>	

#### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>
Valuation Date	6/30/2024	6/30/2024	6/30/2024
Inflation	2.5%	2.5%	2.5%
Salary Increases	3.0% to 11.5%	3.0% to 6.5%	4.0%
Investment Rate of Return	6.9%	6.9%	6.9%

The actuarial assumptions used in the June 30, 2024 SERS reported mortality rates based on Pub-2010 mortality tables projected generationally with scale MP-2020. For non-hazardous duty service retirees – General, Above-Median, Healthy Retiree; disabled retirees – General, Disabled Retiree; beneficiaries – General, Above-Median Contingent Annuitant; active employees – General, Above-Median, Employee. For Hazardous duty service retirees – Public Safety, Above-Median, Healthy Retiree; disabled retirees – Public Safety, Disabled Retiree; beneficiaries – Public Safety, Above-Median Contingent Annuitant; active employees – Public Safety, Above-Median, Employee.

The actuarial assumptions used in the June 30, 2024 TRS actuarial report were based on the Pub T-2010 Healthy Retiree Table (adjusted 105.0% for males and 103.0% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement. The Pub T-2010 Disabled Retiree Table projected generationally with MP-2019 was used for the period after disability retirement. The Pub T-2010 Contingent Survivor Table projected generationally with MP-2019 and set forward 1 year for both males and females was used for survivors and beneficiaries. The Pub T-2010 Employee Table projected generationally with MP-2019 was used for active members.

The actuarial assumptions used in the June 30, 2024 JRS reported mortality rates based on Pub-2010 mortality tables projected generationally with scale MP-2020. For service retirees – General, Above-Median, Healthy Retiree; disabled retirees – General, Disabled Retiree; beneficiaries – General, Above-Median Contingent Annuitant; active employee – General, Above-Median, Employee.

**Changes in Net Pension Liability**

The following schedule presents changes in the State's pension liability and fiduciary net position for each plan for the measurement date June 30, 2024 (amounts in thousands):

<b>Total Pension Liability</b>	<b>SERS</b>	<b>TRS</b>	<b>JRS</b>
Service Cost	\$ 496,558	\$ 662,011	\$ 10,533
Interest	2,805,347	2,737,514	37,170
Benefit Changes	-	-	-
Difference between expected and actual experience	234,546	389,231	(311)
Changes of assumptions	-	-	-
Benefit payments	(2,636,075)	(2,405,827)	(37,990)
Refunds of Contributions	(11,644)	-	-
<b>Net change in total pension liability</b>	888,732	1,382,929	9,702
<b>Total pension liability - beginning (a)</b>	41,981,067	40,877,027	557,543
<b>Total pension liability - ending (c)</b>	<b>\$ 42,869,799</b>	<b>\$ 42,259,956</b>	<b>\$ 567,245</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 2,611,118	\$ 1,554,542	\$ 35,252
Contributions - member	257,862	368,299	2,297
Net investment income	2,440,048	2,672,900	34,252
Benefit payments	(2,636,075)	(2,405,827)	(37,990)
Administrative Expense	(21,247)	-	-
Refunds of Contributions	(11,644)	-	-
Other	24,490	429,097	-
<b>Net change in plan fiduciary net position</b>	2,664,552	2,619,011	34,111
<b>Plan net position - beginning (b)</b>	21,236,541	23,869,732	299,023
<b>Plan net position - ending (d)</b>	<b>\$ 23,901,093</b>	<b>\$ 26,488,743</b>	<b>\$ 333,134</b>
<b>Net pension liability - beginning (a)-(b)</b>	<b>\$ 20,744,526</b>	<b>\$ 17,007,295</b>	<b>\$ 258,520</b>
<b>Net pension liability - ending (c)-(d)</b>	<b>\$ 18,968,706</b>	<b>\$ 15,771,213</b>	<b>\$ 234,111</b>

**d. Defined Contribution Plan**

The State also sponsors the Connecticut Alternate Retirement Program (ARP), a defined contribution plan. ARP is administered by the State Comptroller's Retirement Office under the direction of the Connecticut State Employees' Retirement Division. Plan provisions, including contribution requirements of plan members and the State, are described in Section 5-156 of the General Statutes.

Unclassified employees at any of the units of the Connecticut State System of Higher Education are eligible to participate in the plan. Plan members are required to contribute 5.0 percent of their annual salaries. The State is required to contribute 8.0 percent of covered salary. During the year, plan members and the State contributed \$19.4 million and \$40.7 million, respectively.

**Note 11****Other Retirement Systems Administered by the State of Connecticut**

The State acts solely as the administrator and custodian of the assets of the Connecticut Municipal Employees' Retirement System (MERS) and the Connecticut Probate Judges and Employees Retirement System (CPJERS). The State makes no contribution to and has only a fiduciary responsibility for these funds. None of the above-mentioned systems issue stand-alone financial reports. However, financial statements for MERS and CPJERS are presented in Note 12.

**a. Plan Descriptions and Funding Policy**

Membership of each plan consisted of the following to date of the latest actuarial information:

	<b>MERS</b>	<b>CPJERS</b>
Retirees and beneficiaries receiving benefits	9,218	398
Terminated plan members entitled to but not receiving benefits	1,832	32
Inactive Members Entitled to Refund of Member Contributions	4,626	139
Active plan members	10,361	318
Total	26,037	887
Number of participating employers	187	1

**Connecticut Municipal Employees' Retirement System****Plan Description**

MERS is a cost-sharing multiple-employer defined benefit pension plan that covers fire, police, and other personnel (except teachers) of participating municipalities in the State. Pension plan assets are pooled, and the plan assets can be used to pay the pensions of the retirees of any participating employer. Plan benefits, cost-of-living adjustments, contribution requirements of plan members and participating municipalities, and other plan provisions are described in Chapters 7-425 to 7-451 of the General Statutes. The plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries.

**Funding Policy**

Plan members are required to contribute 5.25 percent to 8.0 percent of their annual salary, per Public Act 19-124. Participating municipalities are required to contribute at an actuarially determined rate. The participating municipalities fund administrative costs of the plan.

**b. Investments**

The State Treasurer employs several outside consulting firms as external money and investment managers, to assist the Chief Investment Officer as they manage the investment programs of the pension plans. Plan assets are managed primarily through asset allocation decisions with the main objective being to maximize investment returns over the long term at an acceptable level of risk. There is no concentration of investments in any one organization that represents 5.0 percent or more of plan net position available for benefits.

<b>Asset Class</b>	<b>MERS</b>	
	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	37.0%	6.8%
Public Credit	2.0%	2.9%
Core Fixed Income	13.0%	0.4%
Liquidity Fund	1.0%	-0.4%
Risk Mitigation	5.0%	0.1%
Private Equity	15.0%	11.2%
Private Credit	10.0%	6.1%
Real Estate	10.0%	6.3%
Infrastructure and Natural Resources	7.0%	7.7%

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**c. GASB Statement 68 Employer Reporting****Net Pension Liability of Participating Employers**

The components of the net pension liability for MERS as of June 30, 2024 were as follows (amounts in thousands):

	<b>MERS</b>
Total Pension Liability	\$ 4,832,811
Fiduciary Net Position	3,520,545
Net Pension Liability	\$ 1,312,266
Ratio of Fiduciary Net Position to Total Pension Liability	72.8%

**Deferred Retirement Option Program (DROP)**

Connecticut House Bill 6930 allows a MERS retiree who returns to work for a municipality that does not participate in MERS to participate in and receive credit in that municipality's retirement system. Upon entering the DROP, the member contribution rate is reduced by half. After 24 months of DROP participation, the member contribution rate is reduced to 0.0 percent. The DROP is capped at five years of participation, and will be offered to eligible members beginning July 1, 2025.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.0 percent for MERS. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability of MERS, calculated using the discount rate of 7.0 percent as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage-point higher than the current rate (amounts in thousands):

	1% Decrease in Rate	Current Discount Rate	1% Increase in Rate
Net Pension Liability	\$ 1,897,901	\$ 1,312,266	\$ 823,479

**Deferred outflows and deferred inflows of resources**

The cumulative net amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future pension expense as follows (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Municipal Employees Retirement System</b>		
Difference Between Expected and Actual Experience	\$ 117,529	\$ -
Changes in actuarial assumptions	106,307	-
Net Difference Between Projected and Actual Investment Earnings on Plan Investments	-	22,967
Employer Contributions Subsequent to Measurement Date	165,988	-
	<u>\$ 389,824</u>	<u>\$ 22,967</u>

State contributions subsequent to the measurement date will be recognized by a reduction of the net pension liability reported in the following year (amounts in thousands):

Year	MERS
1	\$ 59,880
2	140,964
3	8,590
4	(10,032)
5	1,467

**Changes in Net Pension Liability**

The following schedule presents changes in the State's pension liability and fiduciary net position for each plan for the measurement date June 30, 2024 (amounts in thousands):

<b>Total Pension Liability MERS</b>	
Service Cost	\$ 98,294
Interest on the total pension liability	315,933
Benefit changes	-
Difference between expected and actual	36,422
Changes of assumptions	-
Benefit payments	(259,326)
Refunds of contributions	(3,012)
<b>Net change in total pension</b>	<u>188,311</u>
<b>Total pension liability - beginning</b>	<u>4,644,500</u>
<b>Total pension liability - ending (a)</b>	<u><b>\$ 4,832,811</b></u>
<b>Plan net position</b>	
Contributions - employer	\$ 145,612
Contributions - member	46,010
Net investment income	358,397
Benefit payments	(259,326)
Refunds of contributions	(3,012)
Other	3,061
<b>Net change in plan net position</b>	<u>290,742</u>
<b>Plan net position - beginning</b>	<u><b>\$ 3,229,803</b></u>
<b>Plan net position - ending (b)</b>	<u><b>\$ 3,520,545</b></u>
<b>Net pension liability - ending (a) -(b)</b>	<u><u><b>\$ 1,312,266</b></u></u>

**Actuarial Assumptions**

The total pension liability was determined by the most recent actuarial information available, using the following actuarial assumptions, applied to all periods included in the measurement date:

Inflation	2.5%
Salary increase	3.0 to 9.5 percent, including inflation
Long-Term investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Mortality Tables set-forward one year (except Active employees) and projected generationally with Scale MP-2021.

**d. Connecticut Probate Judges and Employees' Retirement System****Plan Description**

CPJERS is an agent multi-employer defined benefit pension plan that covers judges and employees of probate courts. Plan benefits, cost-of-living adjustments, required contributions of plan members and the probate court system, and other plan provisions are described in Chapters 45a-34 to 45a-56 of General Statutes. The plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries.

Pension plan assets are pooled for investment purposes, but separate accounts are maintained for each individual court so that each court's share of the pooled assets is legally available to pay the benefits of only its employees. The plan is administered by the State Employee's Retirement Commission.

**Funding**

Plan members are required to contribute 1.0 percent to 3.8 percent of their annual salary. The probate court system is required to contribute at an actuarially determined rate. Administrative costs of the plan are funded by the probate court system.

**Pension Liability**

Information concerning the CPJERS total pension liability and significant assumptions used to measure the plans total pension liability, such as inflation, salary changes, discount rates and mortality are available by contacting the State Comptroller's Retirement Division.

## Note 12

### Pension Trust Funds Financial Statements

The financial statements of the pension trust funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. State contributions are recognized in the period in which the contributions are appropriated. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investment income and related expenses of the Combined Investment Funds are allocated ratably to the pension trust funds based on each fund's equity in the Combined Investment Funds. As of June 30, 2025, the Fiduciary Fund financial statements were as follows (amounts in thousands):

	Statement of Fiduciary Net Position						
	State Employees'	State Teachers'	Judicial	Connecticut Municipal Employees'	Probate Judges	Other	Total
<b>Assets</b>							
Current:							
Cash and Cash Equivalents	\$ 10,934	\$ 7,000	\$ 168	\$ 10,770	\$ 203	\$ 587	\$ 29,662
Receivables:							
Accounts, Net of Allowances	10,933	15,764	142	16,239	-	-	43,078
From Other Governments	-	12	-	-	-	-	12
From Other Funds	894,706	592,750	-	-	-	-	1,487,456
Interest	1,693	1,406	21	254	8	-	3,382
Investments	25,916,084	28,691,138	360,988	3,780,484	153,176	3,436	58,905,306
Securities Lending Collateral	2,250,386	2,508,918	31,362	327,240	13,332	296	5,131,534
Noncurrent:							
Due From Employers	-	-	-	8,626	-	-	8,626
Total Assets	\$ 29,084,736	\$ 31,816,988	\$ 392,681	\$ 4,143,613	\$ 166,719	\$ 4,319	\$ 65,609,056
<b>Liabilities</b>							
Accounts Payable and Accrued Liabilities	\$ 21	\$ 3,042	\$ 17	\$ -	\$ -	\$ -	\$ 3,080
Securities Lending Obligation	2,250,386	2,508,918	31,362	327,240	13,332	296	5,131,534
Due to Other Funds	-	2,388	-	-	-	-	2,388
Total Liabilities	\$ 2,250,407	\$ 2,514,348	\$ 31,379	\$ 327,240	\$ 13,332	\$ 296	\$ 5,137,002
<b>Net Position</b>							
Held in Trust For Employee							
Pension and Other Benefits	\$ 26,834,329	\$ 29,302,640	\$ 361,302	\$ 3,816,373	\$ 153,387	\$ 4,023	\$ 60,472,054
Total Net Position	\$ 26,834,329	\$ 29,302,640	\$ 361,302	\$ 3,816,373	\$ 153,387	\$ 4,023	\$ 60,472,054

## Statement of Changes in Fiduciary Net Position

	State		Connecticut				Total
	Employees'	Teachers'	Judicial	Municipal Employees'	Probate Judges'	Other	
<b>Additions</b>							
Contributions:							
Plan Members	\$ 246,400	\$ 362,308	\$ 2,460	\$ 47,066	\$ 268	\$ 35	\$ 658,537
State	2,941,573	2,194,180	30,460	-	-	-	5,166,213
Municipalities	-	-	-	165,988	-	-	165,988
Total Contributions	3,187,973	2,556,488	32,920	213,054	268	35	5,990,738
Investment Income (loss)	2,609,246	2,918,300	36,664	382,750	15,704	343	5,963,007
Less: Investment Expenses	(188,942)	(211,322)	(2,655)	(27,716)	(1,137)	(25)	(431,797)
Net Investment Income	2,420,304	2,706,978	34,009	355,034	14,567	318	5,531,210
Other	22,286	19,484	240	2,715	3,477	42	48,244
Total Additions	5,630,563	5,282,950	67,169	570,803	18,312	395	11,570,192
<b>Deductions</b>							
Benefit Payments and Refunds	2,697,326	2,469,052	38,997	274,974	7,646	-	5,487,995
Other	-	-	5	-	-	-	5
Total Deductions	2,697,326	2,469,052	39,002	274,974	7,646	-	5,488,000
Changes in Net Position	2,933,237	2,813,898	28,167	295,829	10,666	395	6,082,192
<b>Net Position Held in Trust For</b>							
<b>Pension and Other Employee Benefits</b>							
Beginning of Year	23,901,092	26,488,742	333,135	3,520,544	142,721	3,628	54,389,862
End of Year	\$ 26,834,329	\$ 29,302,640	\$ 361,302	\$ 3,816,373	\$ 153,387	\$ 4,023	\$ 60,472,054

## Note 13

## Other Postemployment Benefits (OPEB)

The State sponsors two defined benefit OPEB plans: The State Employee OPEB Plan (SEOPEBP) and the Retired Teacher Healthcare Plan (RTHP).

The State Comptroller's Healthcare Policy and Benefits Division under the direction of the Connecticut State Employees' Retirement Commission administers the State Employee OPEB Plan. The membership of the commission is composed of the State Treasurer or designee, who is a nonvoting ex-officio member; fifteen trustees, including six trustees representing state employees; six trustees representing state management; two trustees who are professional actuaries and one neutral trustee who serves as chairman. Also, the State Comptroller, ex officio, serves as the nonvoting secretary. The Governor makes all appointments except the employee trustees who are selected by employee bargaining agents. Management and employee trustees make the appointments of the chairman and the actuarial trustee positions. The Teachers' Retirement Board administers the Retired Teachers' Healthcare Plan. None of these plans issue stand-alone statements, however, financial statements for these plans are presented in Note 14.

*a. Plan Descriptions and Funding Policy*

Membership of each plan consisted of the following to date of the latest actuarial information:

	SEOPEBP	RTHP
Inactive Members or their Beneficiaries receiving benefits	85,696	29,514
Inactive Members Entitled to but not yet Receiving Benefits	470	12,262
Active Members	50,078	53,373

*State Employee OPEB Plan**Plan Description*

SEOPEBP is a single-employer defined benefit OPEB plan that covers retired employees of the State who are receiving benefits from any State-sponsored retirement system, except the Teachers' Retirement System and the Municipal Employees' Retirement System. The plan provides healthcare and life insurance benefits to eligible retirees and their spouses. Plan benefits, required contributions of plan participants and the State, and other plan provisions are described in Sections 5-257 and 5-259 of the General Statutes.

**Funding Policy**

The contribution requirements of the plan members and the State are established and may be amended by the State legislature, or by agreement between the State and employees' unions, upon approval by the State legislature. The cost of providing plan benefits is financed by the State on a pay-as-you-go basis for non-contributory members and 100 percent for contributory members through an annual appropriation in the General fund. Administrative costs of the plan are financed by the State.

**Retired Teacher Healthcare Plan****Plan Description**

RTHP is a single employer defined benefit OPEB plan that covers retired teachers and administrators of public schools in the State who are receiving benefits from the Teachers' Retirement System. The plan provides healthcare insurance benefits to eligible retirees and their spouses. Plan benefits, required contributions of plan participants and the State, and other plan provisions are described in Section 10-183t of the General Statutes.

**Funding Policy**

The contribution requirements of plan members and the State are established and may be amended by the State legislature. The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one third of plan costs through a contribution of 1.25 percent of their annual salaries, retired teachers pay for one third of plan costs through monthly premiums, and the State pays for one third of plan costs through an annual appropriation in the General Fund. The administrative costs of the plan are financed by the State.

**b. Investments**

The State Treasurer employs several outside consulting firms as external money and investment managers, to assist the Chief Investment Officer, as they manage the investment programs of the State Employee OPEB Plan. Plan assets are managed primarily through asset allocation decisions with the main objective being to maximize investment returns over the long term at an acceptable level of risk. There is no concentration of investments in any one organization that represents 5.0 percent or more of plan net position available for benefits. The following is the asset allocation policy as of June 30, 2024, the measurement date.

<u>Asset Class</u>	<u>SEOPEBP</u>		<u>RTHP</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Expected 20 year Geometric Real Rate of Return</u>
Global Equity	37.0%	6.8%	0.0%	0.0%
Public Credit	2.0%	2.9%	0.0%	0.0%
Core Fixed Income	13.0%	0.4%	0.0%	0.0%
Liquidity Fund	1.0%	-0.4%	0.0%	0.0%
Risk Mitigation	5.0%	0.1%	0.0%	0.0%
Private Equity	15.0%	11.2%	0.0%	0.0%
Private Credit	10.0%	6.1%	0.0%	0.0%
Real Estate	10.0%	6.2%	0.0%	0.0%
Infrastructure and Natural Resources	7.0%	7.7%	0.0%	0.0%
U. S. Treasuries (Cash Equivalents)	0.0%	0.0%	100.0%	3.8%

The long-term expected rate of return on RTHP OPEB plan assets was determined by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The assumption is not expected to change absent a significant change in asset allocation, a change in inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**Net OPEB Liability**

The components of the net OPEB liability as of June 30, 2024, the measurement date, were as follows (amounts in thousands):

	<u>Total Primary Government</u>	
	<u>SEOPEBP</u>	<u>RTHP</u>
Total OPEB Liability	\$ 19,277,639	\$ 3,493,571
Fiduciary Net Position	3,126,113	258,353
Net OPEB Liability	<u>\$ 16,151,526</u>	<u>\$ 3,235,218</u>
Ratio of Fiduciary Net Position to Total OPEB Liability	16.2%	7.4%

**Actuarial Assumptions**

The total OPEB liability was determined by the most recent actuarial information available, using the following actuarial assumptions, applied to all periods included in the measurement:

	<b>SEOPEBP</b>	<b>RTHP</b>
Inflation	2.5%	2.5%
Payroll Growth Rate	3.0%	3.0%
Salary Increase	3.0% to 11.5%, varies by service and retirement system, including inflation	3.0% to 6.5%
Discount Rate	6.9% contributory 3.7% non-contributory as of June 30, 2023 and 3.9% as of June 30, 2024	3.9%
Investment Rate of Return	6.9%	3.0%, net of OPEB plan investment expense including price inflation.
Healthcare Cost Trend Rates	(0.4%), then 5.8% decreasing 0.3% yearly until 4.5% for medical (non-Medicare) 2.3%, then 6.5% decreasing 0.3% yearly until 4.5% for drugs (non-Medicare) 43.0%, 60.5%, 24.4%, then 5.8% decreasing by 0.3% yearly until 4.5% for drugs (Medicare) 2.6%, 4.5%, then 3.0% yearly for dental 4.5% yearly for Part B 1.9%, 3.3%, then 3.0% yearly for administrative expense	6.3%, decreasing to ultimate rate of 4.5% by 2031 Medicare rates known for 2025, 4.5% increase for all subsequent years

Mortality rates for healthy State Employees' OPEB Plan were based on the Pub-2010 General, above-median, employee, retiree, and contingent annuitant headcount-weighted mortality table projected generationally using Scale MP-2020. The Pub-2010 General, disabled retiree headcount-weighted mortality table projected generationally using Scale MP-2020.

Mortality rates for the State Teachers' Retirement System were based on the Pub-T-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above) projected generationally with MP-2019 for the period after service retirement. The Pub-T-2010 Disabled Retiree Table projected generationally with MP-2019 was used for the period after disability retirement. The Pub-T-2010 Contingent Survivor Table projected generationally with MP-2019 and set forward 1 year for both males and females was used for survivors and beneficiaries. The Pub-T-2010 Employee Table projected generationally with MP-2019 was used for active members.

**Discount Rate**

The discount rate used to measure the total OPEB liability for SEOPEBP and RTHP respectively, was 6.9 and 3.9 percent. The projection of cash flows used to determine the discount was performed in accordance with GASB 74.

**Sensitivity of the net OPEB liability to changes in the discount rate**

The following presents the net OPEB liability of the State, as well as what the State's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (amounts in thousands):

	<b>SEOPEBP</b>		
	1% Decrease in Rate	Current Discount Rate	1% Increase in Rate
SEOPEBP:			
Primary Government Net OPEB Liability	\$ 18,533,367	\$ 15,931,933	\$ 13,798,689
Component Units Net OPEB Liability	255,449	219,593	190,190
	<b>RTHP</b>		
	1% Decrease in Rate	Current Discount Rate	1% Increase in Rate
RTHP Net OPEB Liability	\$ 3,940,259	\$ 3,235,218	\$ 2,684,501

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates**

The following presents the net OPEB liability of the State, as well as what the State's net OPEB liability would be if it were calculated using healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate (amounts in thousands):

	<b>SEOPEBP</b>		
	<b>1% Decrease in Health Care Cost Trend Rates</b>	<b>Current Health Care Cost Trend Rate</b>	<b>1% Increase in Health Care Cost Trend Rates</b>
	SEOPEBP:		
Primary Government Net OPEB Liability	\$ 13,620,894	\$ 15,931,933	\$ 18,779,607
Component Units Net OPEB Liability	187,740	219,593	258,843
	<b>RTHP</b>		
	<b>1% Decrease in Trend Rates</b>	<b>Current Trend Rates</b>	<b>1% Increase in Trend Rates</b>
	RTHP Net OPEB Liability	\$ 2,655,482	\$ 3,235,218

**c. GASB Statement 75 Employer Reporting  
Employer Contributions**

The following table presents the primary government's and component units' contributions recognized by the OPEB plans at the reporting date June 30, 2025 (amounts in thousands):

	<b>SEOPEBP</b>	<b>RTHP</b>	<b>Total</b>
Primary Government	\$ 759,406	\$ 21,765	\$ 781,171
Component Units	10,467	-	10,467
Total Employer Contributions	<u>\$ 769,873</u>	<u>\$ 21,765</u>	<u>\$ 791,638</u>

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post  
Employees Benefits**

As of the measurement date June 30, 2024, the primary government and component units reported net OPEB liabilities for the following plans administered by the State as follows (amounts in thousands):

	<b>Primary Government</b>	<b>Component Units</b>
Proportionate Share of the Net OPEB Liability		
State Employees' OPEB Plan	\$ 15,931,933	\$ 219,593
Net OPEB Liability		
Retired Teachers' Health Plan	3,235,218	-
Total Net OPEB Liability	<u>\$ 19,167,151</u>	<u>\$ 219,593</u>

The primary government's and component units' proportions of the collective net OPEB liability for the State Employees' OPEB Plan as of the measurement date June 30, 2024 as follows (amounts in thousands):

	<b>Primary Government</b>	<b>Component Units</b>
State Employees' OPEB Plan		
Proportion-June 30,2024	98.6%	1.4%

For the measurement date June 30, 2024, the primary government and component units recognized OPEB expense (income) for the following OPEB plan administered by the State as follows (amounts in thousands):

	<b>Primary Government</b>	<b>Component Units</b>
OPEB Expense (Income)		
State Employees' OPEB Plan	\$ 28,566	\$ (5,229)
Retired Teachers' Health Plan	44,826	-
	<u>\$ 73,392</u>	<u>\$ (5,229)</u>

**Deferred Outflows and Inflows of Resources**

As of the reporting date June 30, 2025, the State reported deferred outflows of resources and deferred inflows of resources related to the OPEB plans from the following sources:

	Primary			
	Government		Component Units	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>State Employees' OPEB Plan</b>				
Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investments	\$ -	\$ 7,316	\$ -	\$ 101
Net Difference Between Expected and Actual Experience in the Total OPEB Liability	86,321	927,594	1,190	12,785
Change in Assumptions	854,917	2,937,279	11,783	40,485
Change in Proportion	21,534	28,235	26,035	19,335
Employer Contributions Subsequent to Measurement Date	834,688	-	7,136	-
Total	<u>\$ 1,797,460</u>	<u>\$ 3,900,424</u>	<u>\$ 46,144</u>	<u>\$ 72,706</u>
<b>Retired Teachers' Health Plan</b>				
Difference Between Expected and Actual Experience	\$ 1,540,685	\$ 744,140		
Change in Assumptions	238,054	304,310		
Differences between projected and actual earnings on plan investments	-	40,619		
Employer Contributions Subsequent to Measurement Date	33,501	-		
Total	<u>\$ 1,812,240</u>	<u>\$ 1,089,069</u>		

The amount reported as deferred outflows of resources related to OPEB resulting from the State contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability reported in the following fiscal year. The amount reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows (amounts in thousands):

<u>State Employees' OPEB Plan</u>	<u>Year</u>	Primary	Component
		<u>Government</u>	<u>Units</u>
	1	\$ (1,720,977)	\$ (23,993)
	2	(1,027,422)	(8,743)
	3	(190,408)	846
	4	(8,148)	(1,057)
	5	9,303	(750)
		<u>\$ (2,937,652)</u>	<u>\$ (33,697)</u>
<u>Retired Teachers' Health Plan</u>		Primary	
	<u>Year</u>	<u>Government</u>	
	1	\$ 29,239	
	2	42,312	
	3	16,036	
	4	165,361	
	5	228,932	
	Thereafter	207,790	
		<u>\$ 689,670</u>	

**Changes in Net OPEB Liability**

The following schedule presents changes in the State's OPEB liability and fiduciary net position for each plan for the measurement date June 30, 2024 (amounts in thousands):

Total OPEB Liability	SEOPEBP	RTHP
Service Cost	\$ 459,204	\$ 59,801
Interest	1,041,345	67,106
Difference between expected and actual experience	(232,032)	1,754,214
Changes of assumptions	322,822	(145,568)
Benefit payments	(579,767)	(51,065)
<b>Net change in total OPEB liability</b>	<b>1,011,572</b>	<b>1,684,488</b>
<b>Total OPEB liability - beginning</b>	<b>18,266,067</b>	<b>1,809,083</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 19,277,639</b>	<b>\$ 3,493,571</b>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 769,873	\$ 21,765
Contributions - member	113,712	59,113
Contributions - nonmember	-	-
Net investment income	291,600	12,911
Benefit payments	(579,767)	(51,065)
Administrative expense	-	(132)
Other	(136,748)	28
<b>Net change in plan fiduciary net position</b>	<b>458,670</b>	<b>42,620</b>
<b>Plan fiduciary net position - beginning</b>	<b>\$ 2,667,443</b>	<b>\$ 215,733</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 3,126,113</b>	<b>\$ 258,353</b>
<b>Net OPEB liability - ending (a)-(b)</b>	<b>\$ 16,151,526</b>	<b>\$ 3,235,218</b>

**d. Other OPEB Plan**

The State acts solely as the administrator and custodian of the assets of the Policemen and Firemen Survivors' Benefit Fund (PFSBF). The State makes no contribution to and has only a fiduciary responsibility for this fund. The fund does not issue stand-alone financial statements. However, financial statements for this fund are presented in Note 14.

**Plan Description**

PFSBF is a cost-sharing multiple-employer defined benefit OPEB plan that covers policemen and firemen of participating municipalities in the State. As of the most recent actuarial report there were nine municipalities participating in the plan with a total membership of 710 active members. The plan provides survivor benefits upon the death of an active or retired member of the fund to his spouse and dependent children. Plan benefits, contribution requirements of plan members and participant municipalities, and other plan provisions are described in Sections 7-323a to 7-323i of the General Statutes.

**Contributions**

Plan members are required to contribute one percent of their annual salary. Participating municipalities are required to contribute at an actuarially determined rate. Administrative costs of the plan are financed by participating municipalities.

## Note 14

## OPEB Trust Funds Financial Statements

The financial statements of the OPEB trust funds are prepared using the accrual basis of accounting. Plan member and municipality contributions are recognized in the period in which they are due. State contributions are recognized in the period they are appropriated. Benefits are recognized when due and payable in accordance with the terms of each plan. Investment income and related investment expense of the Combined Investment Funds are allocated ratably to the PFSBF trust fund based on the fund's equity in the Combined Investment Funds (amounts are in thousands):

	Statement of Fiduciary Net Position			
	Retired Teacher Healthcare Plan	Policemen, Firemen, and Survivors' Benefits	State Employee OPEB Plan	Total
<b>Assets</b>				
Current:				
Cash and Cash Equivalents	\$ 290,344	\$ 52	\$ 197,094	\$ 487,490
Receivables:				
From Other Funds	2,388	-	-	2,388
Interest	-	6	-	6
Investments	-	58,913	3,376,093	3,435,006
Securities Lending Collateral	-	5,092	291,865	296,957
Total Assets	\$ 292,732	\$ 64,063	\$ 3,865,052	\$ 4,221,847
<b>Liabilities</b>				
Accounts Payable and Accrued Liabilities	\$ 660	\$ -	\$ 24,769	\$ 25,429
Securities Lending Obligation	-	5,092	291,865	296,957
Total Liabilities	\$ 660	\$ 5,092	\$ 316,634	\$ 322,386
<b>Net Position</b>				
Held in Trust For Employee				
Pension and Other Benefits	\$ 292,072	\$ 58,971	\$ 3,548,418	\$ 3,899,461
Total Net Position	\$ 292,072	\$ 58,971	\$ 3,548,418	\$ 3,899,461

	Statement of Changes in Fiduciary Net Position			
	Retired Teachers' Healthcare Plan	Policemen, Firemen, and Survivors' Benefits	State Employees' OPEB Plan	Total
<b>Additions</b>				
Contributions:				
Plan Members	\$ 119,812	\$ 833	\$ 114,648	\$ 235,293
State	33,501	-	841,824	875,325
Municipalities	-	334	-	334
Total Contributions	153,313	1,167	956,472	1,110,952
Investment Income (loss)	13,153	5,938	332,338	351,429
Less: Investment Expenses	-	(430)	(24,065)	(24,495)
Net Investment Income	13,153	5,508	308,273	326,934
Other	3,797	40	12,072	15,909
Total Additions	170,263	6,715	1,276,817	1,453,795
<b>Deductions</b>				
Administrative Expense	1,034	-	-	1,034
Benefit Payments and Refunds	135,510	1,484	698,225	835,219
Other	-	-	143,378	143,378
Total Deductions	136,544	1,484	841,603	979,631
Changes in Net Position	33,719	5,231	435,214	474,164
<b>Net Position Held in Trust For Pension and Other Employee Benefits</b>				
Beginning of Year	258,353	53,740	3,139,021	3,451,114
Correction of Prior Year Posting Error	-	-	(25,817)	(25,817)
Net Position - Beginning (Restated)	258,353	53,740	3,113,204	3,425,297
End of Year	\$ 292,072	\$ 58,971	\$ 3,548,418	\$ 3,899,461

## Note 15

## Leases, Subscription-Based Information Technology Agreements, and Private-Public Partnerships

*State as Lessor*

The State leases buildings, space, land, and equipment to private individuals. The State reported leases receivable and related deferred inflows of resources, lease revenues, and interest revenues related to leases as of June 30, 2025 is as follows (amounts in thousands):

<b>Classification</b>	<b>Lease Receivable</b>	<b>Deferred Inflows of Resources</b>	<b>Lease Revenue</b>	<b>Lease Interest</b>
Business-Type Activities	\$ 17,420	\$ 17,926	\$ 2,627	\$ 238
Component Units	\$ 195,122	\$ 180,032	\$ 10,564	\$ 7,145

Future principal and interest payment requirements in relation to the State's lease receivable as of June 30, 2025 were as follows (amounts in thousands):

<b>Fiscal Year(s)</b>	<b>Business-Type Activities</b>		<b>Component Units</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2026	\$ 1,556	\$ 988	\$ 11,897	\$ 7,436
2027	1,615	902	11,883	7,065
2028	1,584	813	12,189	6,679
2029	1,534	723	12,491	6,277
2030	1,535	630	21,000	5,862
2031 to 2035	9,042	1,553	54,597	22,658
2036 to 2040	399	54	39,829	12,249
2041 to 2045	153	18	24,678	3,620
2046 to 2050	2	-	1,684	1,454
2051 to 2055	-	-	2,280	970
2056 to 2060	-	-	2,594	328
Total	\$ 17,420	\$ 5,681	\$ 195,122	\$ 74,598

There are no significant leases with options for the lessee to terminate the lease or abate payments if the State issues debt for which the principal and interest payments are secured by the lease payments. There are no significant leases of assets that are held as investments; no significant regulated leases; and no leasing of assets to other entities considered to be a principal and ongoing operation of the State.

*State as Lessee*

The State leases office space, buildings, land, and equipment. Lease assets and accumulated amortization as of June 30, 2025 are as follows (amounts in thousands):

<b>Classification</b>	<b>Net Asset Balance</b>	<b>Accumulated Amortization</b>	<b>Gross Asset Balance</b>
Governmental Activities	\$ 48,722	\$ 51,631	\$ 100,353
Business-Type Activities	\$ 201,569	\$ 72,001	\$ 273,570
Component Units	\$ 20,964	\$ 6,333	\$ 27,297

For the purposes of the present value calculation, the State uses the incremental discount rate based on the interest rate it would pay to borrow lease payments during the lease term. The discount rates applicable to the lease agreements ranged from 1.1 to 5.9 percent.

The following table presents lease principal and interest payments to maturity (amounts in thousands):

Fiscal Year(s)	Governmental Activities		Business-Type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 12,788	\$ 173	\$ 14,881	\$ 7,906	\$ 813	\$ 1,215
2027	9,906	130	13,409	6,751	1,252	1,173
2028	7,834	97	11,366	6,228	1,280	1,151
2029	6,635	68	9,151	5,802	1,302	1,128
2030	5,598	44	7,956	5,454	1,392	1,100
2031 to 2035	5,856	55	31,661	23,086	15,793	12,246
2036 to 2040	780	5	19,459	18,276	-	-
2041 to 2045	43	-	18,828	14,187	-	-
2046 to 2050	-	-	19,024	11,073	-	-
2051 to 2055	-	-	24,859	7,520	-	-
2056 to 2060	-	-	25,891	3,650	-	-
2061 to 2065	-	-	12,366	385	-	-
Total	\$ 49,440	\$ 572	\$ 208,851	\$ 110,318	\$ 21,832	\$ 18,013

There are no significant residual payments excluded from the measurement of the lease liabilities. There are no significant outflows of resources recognized in fiscal year 2025 for residual payments, including residual value guarantees or termination penalties. There were no significant commitments under leases that existed before the commencement of the lease term; no significant losses associated with impairments; no significant sublease or sale-leaseback/lease-leaseback transactions; and no significant collateral as security.

### Subscription-Based Information Technology Agreements (SBITAs)

The State entered into various SBITAs that convey control of the right to use vendor-provided software, alone or in combination with an underlying tangible IT capital asset. SBITAs entered into, or in place, during the fiscal year include various desktop and server software subscriptions; budgeting, accounting, and information system software; and document management software. SBITA right-to-use assets and accumulated amortization as of June 30, 2025, are as follows (amounts in thousands):

Classification	Net Asset Balance	Accumulated Amortization	Gross Asset
Governmental Activities	\$ 21,952	\$ 37,849	\$ 59,801
Business-Type Activities	\$ 53,563	\$ 68,284	\$ 121,847
Component Units	\$ 323	\$ 1,617	\$ 1,940

Future principal and interest payment requirements in relation to the State of Connecticut's SBITAs as of June 30, 2025 are as follows (amounts in thousands):

Fiscal Year(s)	Governmental Activities		Business-Type Activities		Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 16,589	\$ 755	\$ 19,404	\$ 2,325	\$ 323	\$ -
2027	3,066	224	13,499	1,425	-	-
2028	1,853	125	7,081	778	-	-
2029	281	81	3,894	509	-	-
2030	94	72	3,418	314	-	-
2031 to 2035	223	336	2,914	192	-	-
2036 to 2040	286	259	-	-	-	-
2041 to 2045	367	178	-	-	-	-
2046 to 2050	470	75	-	-	-	-
2051 to 2055	54	1	-	-	-	-
Total	\$ 23,283	\$ 2,106	\$ 50,210	\$ 5,543	\$ 323	\$ -

### Public-Private Partnerships (PPPs)

#### Connecticut Department of Transportation

The State, acting by and through the Connecticut Department of Transportation (DOT), entered into a concession agreement with Project Service LLC to operate the 23 Service Areas along roadways of Connecticut to meet the needs of the travel public. The contract commenced in 2009 and runs through December 2044. The contract requires Minimum Annual Guaranteed Payments and Participation Payments on Gross Receipts and Gallons of Fuel Sold. DOT maintains title of all real property at each service area together with all fuel service equipment. The agreement granted Project Service LLC the exclusive right to use, operate, manage and maintain the facilities for the permitted use.

Utilizing an incremental borrowing interest rate of 4.5 percent, the State reported net present value receivables and related deferred inflows of resources, lease revenue, and interest revenues related to public-private partnership receivables as of June 30, 2025 as follows (amounts in thousands):

Classification	PPP Installment Receivable	Deferred Inflow of Resources	PPP Revenue	PPP Interest Revenue
Transportation and Governmental Activities	\$ 44,964	\$ 41,891	\$ 2,005	\$ 2,271

Future principal and interest payments requirements in relation to the State's public-private partnerships receivables as of June 30, 2025 are as

follows (amounts in thousands):

Fiscal Year(s)	Principal	Interest
2026	\$ 765	\$ 2,235
2027	803	2,197
2028	843	2,157
2029	885	2,115
2030	1,429	2,071
2031 to 2035	11,221	9,215
2036 to 2040	15,150	6,543
2041 to 2045	13,868	2,451
Total	\$ 44,964	\$ 28,984

## Note 16 Long-Term Liabilities

The following is a summary of changes in long-term debt of the primary government for the year ended June 30, 2025 (amounts in thousands):

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts due within one year
<b>Bonds:</b>					
General Obligation	\$ 16,931,681	\$ 2,549,461	\$ 2,765,577	\$ 16,715,565	\$ 1,729,330
Direct Borrowings and Direct Placements	231,055	-	15,790	215,265	15,790
Transportation	7,860,010	1,375,270	1,450,860	7,784,420	413,365
	25,022,746	3,924,731	4,232,227	24,715,250	2,158,485
Plus (Less) Premiums	2,497,067	355,493	269,729	2,582,831	249,256
<b>Total Bonds</b>	27,519,813	4,280,224	4,501,956	27,298,081	2,407,741
<b>Other Long-Term Liabilities:<sup>1</sup></b>					
Net Pension Liability (Note 10)	37,849,287	7,417,955	10,481,006	34,786,236	-
Net OPEB Liability (Note 13)	16,972,678	3,864,693	1,670,220	19,167,151	-
Compensated Absences*	791,826	427,107	-	1,218,933	790
Workers' Compensation	806,619	26,133	19,362	813,390	24,205
Lease Liabilities	58,471	7,092	16,123	49,440	12,788
Subscription Liabilities	30,691	6,643	14,051	23,283	16,589
Claims and Judgments	32,319	8,050	3,432	36,937	7,434
Landfill Post Closure Care	22,303	-	2,442	19,861	2,442
Contracts Payable & Other	705	-	-	705	-
Non-exchange Financial Guarantees	337,380	-	36,680	300,700	34,040
<b>Total Other Liabilities</b>	56,902,279	11,757,673	12,243,316	56,416,636	98,288
<b>Governmental Activities Long-Term Liabilities</b>	\$ 84,422,092	\$ 16,037,897	\$ 16,745,272	\$ 83,714,717	\$ 2,506,029
<sup>1</sup> In prior years, the General and Transportation funds have been used to liquidate other liabilities.					
<b>Business-Type Activities</b>					
Revenue Bonds	\$ 1,197,625	\$ -	\$ 83,405	\$ 1,114,220	\$ 89,500
Plus/(Less) Premiums and Discounts	121,899	-	11,409	110,490	1,132
<b>Total Revenue Bonds</b>	1,319,524	-	94,814	1,224,710	90,632
Compensated Absences*	260,205	60,803	47,023	273,985	100,994
Federal Loan	3,630	688	723	3,595	468
Lease Liabilities	207,486	16,264	14,899	208,851	14,881
Subscription Liabilities	52,939	26,012	28,741	50,210	19,404
Other	225,031	14,337	35,980	203,388	20,384
<b>Total Other Liabilities</b>	749,291	118,104	127,366	740,029	156,131
<b>Business-Type Long-Term Liabilities</b>	\$ 2,068,815	\$ 118,104	\$ 222,180	\$ 1,964,739	\$ 246,763
<b>Primary Government Long-Term Liabilities</b>	\$ 86,490,907	\$ 16,156,001	\$ 16,967,452	\$ 85,679,456	\$ 2,752,792
* Beginning balance restated for implementation of GASB 101.					

The liability for claims and judgments (Governmental Activities) includes a pollution remediation liability of approximately \$22.3 million. This liability represents the State's share of the cost of cleaning up certain polluted sites in the state under federal and state superfund regulations.

The liability was estimated using the cash flow technique and could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation effort. In addition, there are other polluted sites in the state that require remedial action by the State that will result in additional cleanup costs. The State did not recognize a liability for these costs at year end because it could not be reasonably estimated.

As of June 30, 2025, long-term debt of component units consisted of the following (amounts in thousands):

<b>Long-Term Debt</b>	<b>Balance June 30, 2025</b>	<b>Amounts Due within Year</b>
Bonds Payable (includes premiums/ discounts)	\$ 6,017,793	\$ 356,599
Escrow Deposits	296,049	120,548
Annuities Payable	112,973	4,662
Net Pension Liability	187,794	-
Net Post Employment Liability	219,593	-
Lease Liability	21,832	813
Subscription Liability	323	323
Other	43,316	1,021
<b>Total</b>	<b>\$ 6,899,673</b>	<b>\$ 483,966</b>

Some component units report OPEB liabilities with adjustments from what the State reports; therefore, the notes show a higher liability for OPEB of \$6.5 million than the financial statements.

#### ***Landfill Closure and Postclosure Care***

Public Act 13-247 and section 99 of Public Act 13-184 required the Materials Innovation and Recycling Authority to transfer all legally required reserves and obligations resulting from the closure of the authority's landfills located in Hartford, Ellington, Waterbury, Wallingford and Shelton to the State Department of Energy and Environmental Protection (DEEP). During the year ended June 30, 2014, the legal transfer of \$35.8 million in post closure care obligations and the concurrent transfer of \$31.0 million of Authority reserve funds to the State resulting from the closure of landfills was addressed by a memorandum of understanding ("MOU") between the Authority and DEEP.

By the end of the year ended June 30, 2015, all work associated with the closure of the five landfills was completed. Going forward DEEP is required to reimburse the authority for all postclosure care obligations as the five landfills are now certified as closed. All landfill expense reimbursements paid by DEEP totaled \$2.4 million in fiscal year 2025.

GASB Statement No.18 *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Cost* applies to closure and postclosure care costs that are paid near or after the date a landfill stops accepting waste. The State recognizes landfill expenditures and related General Fund liabilities using the modified accrual basis of accounting. DEEP estimates the State's landfill liability for closure and postclosure costs based on landfill capacity. Increases or decreases in such estimates are reported as additions or reductions in this line item of the State's long-term liabilities. The liability for these estimated costs is reduced when the costs are actually paid. Actual costs may be higher than estimated due to inflation or changes in permitted capacity, technology or regulation. As of June 30, 2013, all five of the landfills had no capacity available.

## **Note 17**

### **Long-Term Notes and Bonded Debt**

#### ***a. Primary Government – Governmental Activities***

##### ***General Obligation Bonds***

General Obligation bonds are those bonds that are paid out of the revenues of the General Fund and are supported by the full faith and credit of the State. General Obligation bonds outstanding and bonds authorized but unissued as June 30, 2025, were as follows (amounts in thousands):

Purpose of Bonds	Final Dates	Original Rates	Outstanding	Authorized But Unissued
Capital & Infrastructure				
Improvements	2026-2043	0.45-5.63%	\$ 3,621,553	\$ 1,429,590
School Construction	2026-2043	2.00-5.63%	4,407,835	174,000
Municipal & Other				
Grants & Loans	2026-2036	.31-5.63%	2,875,702	1,954,905
Housing Assistance	2026-2035	1.89-5.35%	750,703	911,594
Elimination of Water Pollution	2026-2038	3.00-5.09%	299,725	34
General Obligation				
Refunding	2026-2038	1.50-5.00%	2,965,280	-
Pension Obligation	2026-2032	5.69-6.27%	1,773,030	-
Miscellaneous	2026-2034	3.50-5.00%	21,737	12,440
			<u>16,715,565</u>	<u>\$ 4,482,563</u>
Accretion-Variou s Capital Appreciation Bonds			-	
		Total	<u>\$ 16,715,565</u>	

Future amounts needed to pay principal and interest on as General Obligation bonds outstanding as June 30, 2025, were as follows (amounts in thousands):

Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,729,330	\$ 761,794	\$ 2,491,124
2027	1,685,460	685,883	2,371,343
2028	1,604,680	606,371	2,211,051
2029	1,577,520	530,112	2,107,632
2030	1,506,475	454,934	1,961,409
2031 to 2035	5,435,375	1,311,798	6,747,173
2036 to 2040	2,343,605	436,293	2,779,898
2041 to 2045	833,120	79,255	912,375
Total	<u>\$ 16,715,565</u>	<u>\$ 4,866,440</u>	<u>\$ 21,582,005</u>

#### Direct Borrowing and Direct Placements

On June 28, 2017, the State issued direct placement debt raising cash from a non-public offering based on a contractual agreement. The State entered into the agreement to take advantage of various favorable terms and at a substantially lower cost than if the State used a traditional public offering. Direct placement debt outstanding as of June 30, 2025 is as follows (amounts in thousands):

Type of debt	Final Maturity Dates	Original Interest Rates	Amount Outstanding
Direct Placements	2037	2.45%	\$ 215,265

Future amounts required to pay principal and interest on direct borrowings and direct placements outstanding as June 30, 2025 were as follows (amounts in thousands):

Year Ending June 30,	Principal	Interest	Total
2026	\$ 15,790	\$ 7,658	\$ 23,448
2027	15,790	7,211	23,001
2028	42,500	6,649	49,149
2029	15,790	5,097	20,887
2030	42,500	4,533	47,033
2031 to 2035	64,735	11,331	76,066
2036 to 2040	18,160	985	19,145
Total	<u>\$ 215,265</u>	<u>\$ 43,464</u>	<u>\$ 258,729</u>

#### GO Demand Bonds

The State enters into standby bond purchase and remarketing agreements with brokerage firms and/or banks upon the issuance of demand bonds. The State issued demand bonds as General Obligation Tax Exempt 2016 Series C bonds maturing in 2034.

Under the Standby Bond Purchase Agreement, the Bank would purchase the put bonds and hold them until they were remarketed. The Bank Bonds would bear a base rate for a period up to 270 days and base rate plus 1.0 percent thereafter. The State is required to pay the standby bond purchase provider a quarterly fee of 0.28 percent of the principal and interest commitment.

The State's remarketing agent is responsible for using its best efforts to remarket bonds properly tendered for purchase by bondholders. The State is required to pay the remarketing agent a quarterly fee of 0.06 percent per annum on the amount of outstanding demand bond principal.

Term out funding would commence on the 271st day following the bank purchase date. The outstanding bank bonds would be amortized on a quarterly basis for a three-year period as shown below. The interest on the bonds would be calculated at a rate determined per the Standby Bond Purchase Agreement (base rate plus 1.0 percent). For example, at the end of fiscal year 2025, the calculated rate was 9.5 percent, based on the terms of the agreement. The standby bond purchase agreement expired on June 12, 2025. The agreement could be terminated at an earlier date if certain termination events described in the agreement were to occur. As of June 30, 2025, the amount of demand bonds outstanding was \$201.5 million. The table below shows the debt service requirements should the bond holders exercise their option in the full amount of the outstanding demand bonds.

<b>Fiscal Year</b>	<b>Beginning Banked Bonds Outstanding</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Ending Bank Bonds Outstanding</b>
First	\$ 201,530,000	\$ 67,176,667	\$ 16,752,181	\$ 83,928,848	\$ 134,353,333
Second	134,353,333	67,176,667	10,370,398	77,547,065	67,176,667
Third	67,176,667	67,176,667	3,988,615	71,165,281	-

### **Transportation Related Bonds**

Transportation Related bonds include special tax obligation bonds that are paid out of revenues pledged or earned in the Transportation Fund. The revenue pledged or earned in the Transportation Fund to pay special tax obligation bonds is transferred to the Debt Service Fund for retirement of principal and interest.

Transportation Related bonds outstanding and bonds authorized but unissued as June 30, 2025, were as follows (amounts in thousands):

<b>Purpose of Bonds</b>	<b>Final Maturity Dates</b>	<b>Original Interest Rates</b>	<b>Amount Outstanding</b>	<b>Authorized But Unissued</b>
Infrastructure Improvements	2030-2046	1.75-5.25%	\$ 6,645,040	\$ 6,300,000
STO Refunding	2027-2035	2.00-5.00%	1,139,380	-
			<u>7,784,420</u>	<u>\$ 6,300,000</u>
Accretion-Various Capital Appreciation Bonds			-	
		Total	<u>\$ 7,784,420</u>	

Future amounts required to pay principal and interest on transportation related bonds outstanding at June 30, 2025, were as follows (amounts in thousands):

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 413,365	\$ 377,376	\$ 790,741
2027	473,065	353,086	826,151
2028	491,900	329,120	821,020
2029	506,025	304,330	810,355
2030	501,515	279,312	780,827
2031 to 2035	2,411,780	1,030,038	3,441,818
2036 to 2040	2,010,070	483,488	2,493,558
2041 to 2045	944,935	108,659	1,053,594
2046 to 2050	31,765	794	32,559
	<u>\$ 7,784,420</u>	<u>\$ 3,266,203</u>	<u>\$ 11,050,623</u>

Funds	Final Maturity Dates	Original Interest Rates	Amount Outstanding
UConn	2026-2054	3.0-5.5%	\$ 260,455
Board of Regents	2026-2040	0.35-5.0%	236,585
Clean Water	2026-2039	1.0-5.0%	512,260
Drinking Water	2026-2039	1.0-5.0%	104,920
Total Revenue Bonds			1,114,220
Plus/(Less) premiums and discounts:			
UConn			18,187
Board of Regents			7,648
Clean Water			67,991
Drinking Water			16,664
Revenue Bonds, net			\$ 1,224,710

The University of Connecticut has issued student fee revenue bonds to finance the costs of buildings, improvements, and renovations to certain revenue-generating capital projects. Revenues used for payments on the bonds are derived from various fees charged to students.

The Connecticut State University System has issued revenue bonds that finance the costs of auxiliary enterprise buildings, improvements, and renovations to certain student housing related facilities. Revenues used for payments on the bonds are derived from various fees charged to students.

In 1994, the State of Connecticut began issuing Clean Water Fund revenue bonds. The proceeds of these bonds are to be used to provide funds to make loans to Connecticut municipalities for use in connection with the financing or refinancing of wastewater treatment projects. Details on these agreements are disclosed under the separately issued audited financial statements of the fund. Future amounts needed to pay principal and interest on revenue bonds outstanding as June 30, 2025, were as follows (amounts in thousands):

Year Ending June 30,	Principal	Interest	Total
2026	\$ 89,500	\$ 49,028	\$ 138,528
2027	82,915	44,935	127,850
2028	76,910	41,226	118,136
2029	89,005	37,756	126,761
2030	88,475	33,669	122,144
2031 to 2035	365,010	119,283	484,293
2036 to 2040	199,275	51,907	251,182
2041 to 2045	51,980	25,916	77,896
2046 to 2050	48,045	11,556	59,601
2051 to 2055	23,105	2,629	25,734
Total	\$ 1,114,220	\$ 417,905	\$ 1,532,125

### c. Component Units

Component Units' revenue bonds and notes outstanding as June 30, 2025, were as follows (amounts in thousands):

Component Unit	Final Maturity Date	Interest Rates	Amount Outstanding
CT Housing Finance Authority	2026-2066	0.4-6.3%	\$ 5,409,532
CT Health and Educational Facilities Authority	2035-2046	0.01-5.3%	244,085
CT Airport Authority	2026-2054	2.8-5.0%	203,665
CT Regional Development Authority	2026-2034	2.0-5.0%	50,080
CT Green Bank	2026-2039	0.2-7.0%	57,003
Total Revenue Bonds			5,964,365
Plus/(Less) premiums and discounts:			
CHFA			43,814
CHEFA			5,971
CAA			2,642
CRDA			1,041
CT Green Bank			(40)
Revenue Bonds, net			\$ 6,017,793

Revenue bonds and notes issued by the Component Units do not constitute a liability or debt of the State. The State is only contingently liable for those bonds and notes as discussed below.

The Connecticut Housing Finance Authority's revenue bonds are issued to finance the purchase, development, and construction of housing for low and moderate-income families and persons throughout the State. The Authority has issued bonds under a bond resolution dated September 27, 1972; a special needs indenture dated September 25, 1995, and other bond resolutions dated October 2009. As of December 31, 2024, bonds outstanding under the bond resolution, the indenture, and other bond resolutions were \$5,301.4 million, \$55.9 million, and \$52.3 million, respectively. According to the bond resolution, the following assets of the Authority are pledged for the payment of the bond principal and interest (1) the proceeds from the sale of bonds, (2) all mortgage repayments with respect to long-term mortgage and construction loans financed from the Authority's General fund, and (3) all monies and securities of the Authority's General and Capital Reserve funds. The resolution and indenture Capital Reserve funds are required to be maintained at an amount at least equal to the amount of principal, sinking fund installments, and interest maturing and becoming due in any succeeding calendar year on all outstanding bonds. As of December 31, 2024, the Authority has entered into interest rate swap agreements for \$867.7 million of its outstanding variable rate bonds. Details on these agreements are disclosed under the separately issued audited financial statements of the Authority.

The Connecticut Higher Education Supplemental Loan Authority's revenue bonds are issued to provide loans to students, their parents, and institutions of higher education to assist in the financing of the cost of higher education. These loans are issued through the Authority's Bond fund. According to the bond resolutions, the Authority internally accounts for each bond issue in separate funds, and additionally, the Bond fund includes individual funds and accounts as defined by each bond resolution. Details on these bonds are disclosed under the separately issued audited financial statements of the Authority.

The Connecticut Airport Authority's revenue bonds are issued to fund maintenance/upgrades of the facilities and finance a portion of the costs to develop and construct a ground transportation center. These bonds are secured by and payable from facility charges, facility payments, net revenue, and PFC revenue generated by the operation of Bradley International Airport. Bond covenants require that certain accounts be established and maintained in the custody of the trustee into which bond proceeds, operating revenue, and investment earnings are deposited. Amounts on deposit at year-end are recognized as restricted assets in the accompanying statement of net position. Details on these bonds are disclosed under the separately issued audited financial statements of the Authority.

#### ***Lines of Credit***

The Connecticut Housing Finance Authority has a Standby Letter of Credit and Reimbursement Agreement (SBLOC) which provides for CHFA to withdraw funds to directly purchase its own bonds. Upon the successful remarketing of the bonds, the funds are to be reimbursed back to the SBLOC provider. As of December 31, 2024, the amount available under the SBLOC is \$125.3 million. No drawings have been made as of December 31, 2024.

The Connecticut Housing Finance Authority has a revolving line of credit agreement with Wells Fargo Bank National Association, proceeds of which were used to acquire single family loan prepayments and redeem the corresponding bonds. The agreement has a maximum line of credit of \$75.0 million with an expiration date of July 29, 2026. As of December 31, 2024, the outstanding balance was approximately \$75.0 million.

The Connecticut Housing Finance Authority has a revolving line of credit agreement with Bank of America, N.A., proceeds of which were used as a single-family loan warehouse facility. The agreement has a maximum line of credit of \$75.0 million with an expiration date of April 30, 2026. As of December 31, 2024, the outstanding balance was \$75.0 million.

#### ***Capital Reserves***

Each Authority has established special capital reserve funds that secure all the outstanding bonds of the Authority at year-end. These funds are usually maintained at an amount equal to next year's bond debt service requirements. The State may be contingently liable to restore any deficiencies that may exist in the funds in any one year if the Authority is unable to do so.

The Capital Region Development Authority revenue bonds are issued to provide sufficient funds for carrying out its purposes. The bonds are not debt of the State of Connecticut. However, the Authority and the State have entered a contract for financial assistance, pursuant to which the State will be obligated to pay principal and interest on the bonds in an amount not to exceed \$9.0 million in any calendar year. The bonds are secured by energy fees from the central utility plant and by parking fees.

Future amounts needed to pay principal and interest on Component Unit revenue bonds outstanding as June 30, 2025, were as follows (amounts in thousands):

Year Ending June 30,	Principal	Interest	Total
2026	\$ 213,789	\$ 222,579	\$ 436,368
2027	249,665	219,944	469,609
2028	212,279	211,895	424,174
2029	220,143	204,465	424,608
2030	225,762	196,813	422,575
2031 to 2035	1,235,512	852,490	2,088,002
2036 to 2040	1,025,277	645,067	1,670,344
2041 to 2045	881,949	465,281	1,347,230
2046 to 2050	994,772	272,282	1,267,054
2051 to 2055	571,012	100,984	671,996
2056 to 2060	76,545	21,018	97,563
2061 to 2065	52,440	6,954	59,394
2066 to 2070	5,220	227	5,447
	<u>\$ 5,964,365</u>	<u>\$ 3,419,999</u>	<u>\$ 9,384,364</u>

**Conduit Debt**

As of June 30, 2025, the Connecticut Health and Educational Facilities Authority had total outstanding principal balances of special obligation bonds of \$9,433.0 million. The bonds are issued on behalf of institution to finance the construction of various health and education facilities. These bonds are conduit debt obligations of CHEFA and do not constitute obligations of CHEFA. Therefore, these bonds are not reported with CHEFA's statement of net position. The significant loan programs that comprise the total outstanding bonds are as follows (amounts in thousands):

Program	Principal Balance
Childcare	\$ 31,140
Connecticut State University System	236,585
Higher Education	5,159,308
Hospitals	1,694,247
Social and Other	1,116,638
Independent Schools	745,819
Senior Living	449,294
Total	<u>\$ 9,433,031</u>

Under terms of the agreement between CHEFA and its borrowers, any costs associated with litigation related to bond issuance are the obligations of the borrowers. CHEFA is indemnified under the terms of the bond agreements.

As of December 31, 2024, the Connecticut Housing and Finance Authority had total outstanding principal balances of conduit debt obligations of million. The programs that comprise the total outstanding conduit debt are as follows (amounts in thousands):

Program	Principal Balance
Multifamily Housing Revenue Bonds	\$ 22,630
Multifamily Housing Revenue Notes	2,743
State-Supported Special Obligation Bonds	45,755
Total	<u>\$ 71,128</u>

**No-commitment Debt**

Under the Self-Sustaining Bond program, acquired from its combination with the Connecticut Development Authority, Connecticut Innovations, Inc., issues revenue bonds to finance such projects as described previously in the Component Unit section of this note. These bonds are paid solely from payments received from participating companies (or from proceeds of the sale of the specific projects in the event

of default) and do not constitute a debt or liability of the Authority or the State. Thus, the balances are not included in the Authority's financial statements. Total bonds outstanding for the year ended June 30, 2025 were \$225.4 million.

The Connecticut Health and Educational Facilities Authority has issued Special Obligation bonds for which the principal and interest are payable solely from the revenues of the institutions. Starting in 1999, the Authority elected to remove these bonds and related restricted assets from its financial statements, except for restricted assets for which the Authority has a fiduciary responsibility. Total Special Obligation bonds outstanding as of June 30, 2025, were \$9,433.0 million, of which \$236.6 million was secured by special capital reserve funds.

**d. Debt Refundings**

During the fiscal year, the State issued a total of \$949.5 million of refunding bonds for the General Obligation program and \$375.3 million of refunding bonds for the Special Tax Obligation (Transportation) program that will provide aggregate debt service savings of \$78.0 million and \$46.2 million, respectively, over the remaining life of the bonds. The State also issued \$116.6 million of refunding bonds for the City of Hartford Special Obligation program that will provide aggregate debt service savings of \$7.2 million over the remaining life of the bonds.

Upon the issuance of the refunding bonds, the State entered into escrow agreements with escrow holders, to provide for the redemption of the refunded bonds. The refunding proceeds were deposited in an escrow holder's account and used to purchase U.S. Treasury Obligations and the State's Short-Term Investment Fund until needed for redemption of the refunded bonds. Thus, the refunded bonds were removed from the State's financial statements as they are considered defeased.

**e. Nonexchange Financial Guarantee**

In March 2018, the State entered a Contract for Financial Assistance with the City of Hartford, according to Section 376 of Public Act 17-2 of the June Special Session guaranteeing \$540,080,000 of outstanding general obligation bonds of the City of Hartford, with maturity dates ranging from July 1, 2028 through July 15, 2035, and semiannual interest payments. The contract assistance is limited to an amount equal to (1) the annual debt service on the outstanding amount of (A) refunding bonds to be issued by the City of Hartford pursuant to section 7-370c of the general statutes, or (B) any other bonds or notes issued by the City of Hartford, provided such refunding bonds or other bonds or notes are for payment, funding, refunding, redemption, replacement or substitutions of bonds, notes or other obligations previously issued by the City of Hartford, and (2) cost of issuance on any such refunding bonds and any other expenses that result directly from the refunding of debt. The Act also establishes that the City of Hartford must be under the supervision of the Municipal Accountability Review Board of the State and that the City may not issue any new debt without the board's approval. The State Representatives, defined by the contract as the Secretary of the Office of Policy and Management and the State Treasurer, may agree to provide credit support to the City of Hartford, including, but not limited to, assuming all or part of any bonds, notes, or other obligations of the City or issuance of new State obligations in replacement of such bonds, notes, or other obligations, provided such credit support does not exceed the amount of contract assistance that could otherwise be provided by the State to the City.

In April 2018, because of the possibility that the City of Hartford would declare bankruptcy, the State began making contract assistance payments for the City of Hartford's then outstanding \$540.0 million general obligation debt. During fiscal year 2025, the State of Connecticut has paid \$36.7 million in principal on the guarantee.

The liability recognized for nonexchange financial guarantees by the State at June 30, 2025 is as follows (amounts in thousands):

Beginning of Year	Increases	Decreases	End of Year
\$ 337,380	\$ -	\$ 36,680	\$ 300,700

## Note 18 Risk Management

The risk financing and insurance program of the State is managed by the State Insurance and Risk Management Board. The Board is responsible mainly for determining the method by which the State shall insure itself against losses by the purchase of insurance to obtain the broadest coverage at the most reasonable cost, determining whether deductible provisions should be included in the insurance contract, and whenever appropriate determining whether the State shall act as self-insurer. The schedule lists the risks of loss to which the State is exposed and the ways in which the State finances those risks.

Risk of Loss	Risk Financed by	
	Purchase of Commercial Insurance	Self-Insurance
Liability (Torts):		
-General (State buildings, parks, or grounds)		X
-Other	X	
Theft of, damage to, or destruction of assets	X	
Business interruptions	X	
Errors or omissions:		
-Professional liability	X	
-Medical malpractice (John Dempsey Hospital)		X
Injuries to employees		X
Natural disasters	X	

For the general liability risk, the State is self-insured because it has sovereign immunity. This means that the State cannot be sued for liability without its permission. For other liability risks, the State purchases commercial insurance only if the State can be held liable under a statute (e.g., per Statute the State can be held liable for injuries suffered by a person on a defective State highway), or if it is required by a contract.

For the risk of theft, of damage to, or destruction of assets (particularly in the automobile fleet), the State insures only leased cars and vehicles valued at more than \$100,000. When purchasing commercial insurance, the State may retain some of the risk by assuming a deductible or self-insured retention amount in the insurance policy. This amount varies greatly because the State carries many insurance policies covering various risks. The highest deductible or self-insured retention amount assumed by the State is \$25.0 million, which is carried in a railroad liability policy.

The State records its risk management activities related to the medical malpractice risk in the University of Connecticut and Health Center fund, an Enterprise fund. At year-end, liabilities for unpaid claims are recorded in the statement of net position (government-wide and proprietary fund statements) when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The liabilities are determined based on the ultimate cost of settling the claims, including an amount for claims that have been incurred but not reported and claim adjustment expenses. The liabilities are identified under UConn Health's incident reporting system and an estimate of incurred but not reported claims are accrued based on actuarially determined estimates that incorporate UConn Health's past experience as well as other considerations, including the nature of each claim or incident and relevant trend factors. In the General Fund, the liability for unpaid claims is only recorded if the liability is due for payment at year-end. Settlements have not exceeded coverages for each of the past three fiscal years.

Changes in the claim's liabilities during the last two fiscal years were as follows (amounts in thousands):

	Governmental Activities	Business-Type Activities
	Workers' Compensation	Medical Malpractice
Balance 6-30-23	\$ 816,521	\$ 49,707
Incurred claims	9,738	10,000
Paid claims	(19,640)	(49,509)
Balance 6-30-24	806,619	10,198
Incurred claims	26,133	13,508
Paid claims	(19,362)	(10,961)
Balance 6-30-25	\$ 813,390	\$ 12,745

Note 19

Interfund Receivables and Payables

Interfund receivable and payable balances as June 30, 2025, were as follows (amounts in thousands):

	Balance due to fund(s)											
	General	Transportation	Restricted Grants & Accounts	Grant & Loan Programs	Other Governmental	UConn/ UConn Health	Board of Regents	Employment Security	Internal Services	Fiduciary	Component Units	Total
<b>Balance due from fund(s)</b>												
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 734	\$ 26,134	\$ 2,251	\$ 6,843	\$ 1,487,457	\$ 14	\$ 1,523,433
Debt Service	-	5,868	-	-	-	-	-	-	-	-	-	5,868
Restricted Grants and Accounts	4,219	39,605	-	-	-	-	-	-	-	-	5,729	49,553
Grant and Loan Programs	29	-	-	-	-	-	-	-	-	-	-	29
Other Governmental	2,164	-	1,131	-	8,909	62	20,708	-	-	-	-	32,974
UConn/UConn Health	25,655	-	-	-	-	-	-	-	-	-	-	25,655
Board of Regents	287	-	-	-	-	-	-	-	-	-	-	287
Employment Security	-	-	-	-	280	-	-	-	-	-	-	280
Clean Water	-	-	-	-	3,082	-	-	-	-	-	-	3,082
Other Proprietary	-	-	-	-	19,199	-	-	-	-	-	-	19,199
Internal Services	55,892	-	-	-	-	-	-	-	-	-	-	55,892
Fiduciary	-	-	-	-	-	-	-	-	-	2,388	-	2,388
Component Units	76,840	-	-	-	1,069	-	-	-	-	-	-	77,909
<b>Total</b>	<b>\$ 165,086</b>	<b>\$ 45,473</b>	<b>\$ 1,131</b>	<b>\$ -</b>	<b>\$ 32,539</b>	<b>\$ 796</b>	<b>\$ 46,842</b>	<b>\$ 2,251</b>	<b>\$ 6,843</b>	<b>\$ 1,489,845</b>	<b>\$ 5,743</b>	<b>\$ 1,796,549</b>

Interfund receivables and payables arose because of interfund loans and other interfund balances outstanding at year end.

Note 20

Interfund Transfers

Interfund transfers for the fiscal year ended June 30, 2025, consisted of the following (amounts in thousands):

	Amount transferred to fund(s)											
	General	Debt Service	Transportation	Restricted Grants and Accounts	Grants and Loans	Other Governmental	UConn/ UConn Health	Board of Regents	Clean Water and Drinking Water	Component Units	Fiduciary Funds	Total
<b>Amount transferred from fund(s)</b>												
General	\$ 2,379,731	\$ -	\$ -	\$ 43,884	\$ -	\$ 169,086	\$ 384,218	\$ 449,914	\$ -	\$ 400	\$ 300,000	\$ 3,727,233
Debt Service	-	-	56,998	(502)	-	-	-	-	-	-	-	56,496
Transportation	-	1,385,566	-	-	-	5,321	-	-	-	-	-	1,390,887
Restricted Grants & Accounts	245,396	-	-	598,082	-	34,659	-	-	-	-	-	878,137
Grants and Loans	790	-	-	77,744	-	311	-	-	-	-	-	78,845
Other Governmental	106,087	-	-	37,823	-	542	13,000	56,134	6,572	-	-	220,158
UConn/UConn Health	-	-	-	-	-	-	-	-	-	-	-	-
Board of Regents	-	-	-	-	-	-	-	-	-	-	-	-
Clean Water and Drinking Water	-	-	-	-	-	-	-	-	-	-	-	-
Employment Security	-	-	-	-	-	8,837	-	-	-	-	-	8,837
Component Units	-	-	-	-	-	-	-	-	-	-	-	-
Fiduciary Funds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,732,004</b>	<b>\$ 1,385,566</b>	<b>\$ 56,998</b>	<b>\$ 757,031</b>	<b>\$ -</b>	<b>\$ 218,756</b>	<b>\$ 397,218</b>	<b>\$ 506,048</b>	<b>\$ 6,572</b>	<b>\$ 400</b>	<b>\$ 300,000</b>	<b>\$ 6,360,593</b>

Transfers were made to (1) move revenues from the fund that budget or statute requires to collect them to the fund that budget or statute requires to expend them and (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.

Note 21

Fund Balance Classifications, Restricted Net Position, and Restatement of Fund Balance

Fund Balance – Restricted and Assigned

As of June 30, 2025, restricted and assigned fund balances of nonmajor governmental funds were comprised as follows (amounts in thousands):

	Restricted Purposes	Assigned Purposes
Capital Projects	\$ 221,319	\$ -
Environmental Programs	70,283	-
Housing Programs	798,549	-
Employment Security Administration	80,610	-
Banking	69,176	-
Other	250,814	66,774
<b>Total</b>	<b>\$ 1,490,751</b>	<b>\$ 66,774</b>

**Restricted Net Position**

As of June 30, 2025, the government-wide statement of net position reported \$6,873.1 million of restricted net position, of which \$894.1 million was restricted by enabling legislation.

**Restatement of Net Position/Fund Balance***Government-wide Financial Statements*

The State of Connecticut implemented GASB 101, *Compensated Absences*, during the reporting period. The implementation increased liability for compensated absences, resulting in a decrease in beginning net position of \$214.2 million in governmental activities.

Beginning net position for business-type activities and component units were also restated as a result of the implementation of GASB 101 and error corrections. Details of these changes are discussed in the applicable sections below.

*Major Enterprise Fund Financial Statements*

The University of Connecticut and Health Center implemented GASB 101, *Compensated Absences*, during the reporting period. The implementation increased liability for compensated absences, resulting in a decrease in beginning net position of \$59.7 million. In addition, there was \$123 thousand in incorrectly recorded activity posted in the prior fiscal year. The correction of these errors resulted in an increase in net position of \$123 thousand. These changes will also impact beginning net position reported for business-type activity on the government-wide financial statements.

The Board of Regents made a correction for capital assets relating to magnet schools that were previously recorded as discreetly presented component units in the prior fiscal year. The correction resulted in an increase in net position of \$35.1 million. In addition, there was \$1.9 million in incorrectly recorded activity posted in the prior fiscal year. The correction of these errors resulted in an increase in net position of \$1.9 million. These changes will also impact beginning net position reported for business-type activity on the government-wide financial statements.

*Aggregate Discreetly Presented Component Unit Fund Financial Statements*

The Connecticut Higher Education Supplemental Loan Authority (CHESLA) and the Connecticut Student Loan Foundation (CSLF) are component units of the Connecticut Health and Educational Facilities Authority (CHEFA). These entities have been combined for reporting purposes and reclassified as a major fund. In effect, the beginning net position of CHESLA, CSLF, and CHEFA, totaling \$45.9, \$20.9, and \$17.3 million, respectively, have been removed from the nonmajor component unit combining statement of activities. These balances were combined and reported as one entity, CHEFA, in the major component unit statement of activities with a beginning net position of \$84.1 million. The "Other Component Units" column of the Statement of Activities for Component Units also reflects a decrease of \$84.1 million from the reclassification. This change in classification will not have an impact on beginning net position on the government-wide financial statements.

The Capital Region Development Authority (CRDA) changed how it treated the liability for participating in the State of Connecticut's OPEB plan, indicating that it determined that it should treat its participation in the plan as a special funding situation. As a result, it removed the OPEB liability reported on its financial statements in the prior year, reducing beginning net position by \$7.2 million. This correction gets carried to the "Other Component Units" column of the Statement of Activities for Component Units, impacting beginning net position. This change will also impact beginning net position reported for component units on the government-wide financial statements.

CRDA also implemented GASB 101, *Compensated Absences*, during the reporting period. The implementation resulted in the additional recognition of accrued leave, resulting in an increase in beginning net position of \$249 thousand. This correction gets carried to the "Other Component Units" column of the Statement of Activities for Component Units, impacting beginning net position. This change will also impact beginning net position reported for component units on the government-wide financial statements.

*Aggregate Remaining Fund Financial Statements*

The Private-Purpose Trust Fund Baby Bond Fund's beginning net position was restated by an increase of \$41.7 million due to the correction of a prior year accounting error. During the prior fiscal year, \$41.7 million in investment income should have been allocated to this fund for reporting, but was not.

The State Employees' OPEB Plan Fiduciary Fund's beginning net position was restated by a decrease of \$25.8 million due to the correction of a prior year accounting error. During the prior fiscal year, \$25.8 million in expenditures for benefit payments should have been posted to this fund, but were posted to an incorrect fund in error.

The Receipts Pending Distribution Custodial Fund's beginning net position was restated by an increase of \$25.8 million due to the correction of a prior year accounting error. During the prior fiscal year, \$25.8 million in expenditures for benefit payments was posted to this fund in error.

The Other Custodial Fund's beginning net position was restated by a decrease of \$81.6 million due to the correction of a prior year accounting error. During the prior fiscal year \$81.6 million in investment income revenue was posted to this fund in error.

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## Note 22

### Tax Abatements

For financial purposes, a tax abatement is defined as an agreement between the government and an individual or entity through which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to the economic development or otherwise benefit the government or its citizens.

#### *Film, Television, and Digital Media Tax Program*

This program assists film, television, and digital media companies with direct financial assistance programs. Including but not limited to loans, grants, and job expansion tax credits structured to incentivize relocation to Connecticut and the growth and development of current Connecticut-based companies.

Beginning after January 1, 2010, (a) an eligible production company that incurs production expenses of not less than \$100,000, but not more than \$500,000, will be eligible for a credit against the tax imposed equal to ten percent of such production expenses, (b) a production company incurring expenses of more than \$500,000, but not more than \$1.0 million, will be eligible for a credit against the tax imposed equal to fifteen percent of production expenses, and (c) a production company incurring expenses of more than \$1.0 million will be eligible for a credit against the tax imposed (chapter 207, section 12-217j) equal to thirty percent of production expenses.

No eligible company incurring an amount of production expenses that qualifies for a tax credit shall be eligible unless on or after January 1, 2010, the company conducts (1) not less than 50.0 percent of principal filming days within the state, or (2) expends not less than 50.0 percent of postproduction costs within the state, or (3) expends not less than \$1.0 million of postproduction costs within the State.

An eligible production company shall apply to the Department of Economic and Community Development (DECD) for a tax credit voucher on an annual basis, but not later than 90 days after the first production expenses are incurred in the production of a qualified production and will provide with the application information that DECD may require to determine if the company is eligible to claim a credit.

#### *Urban and Industrial Sites Reinvestment Tax Program*

This tax program is designed to encourage development and redevelopment activities in eligible communities and to encourage private investment in contaminated properties.

In accordance with Chapter 578 section 32-9t of the General Statutes taxpayers who make investments in eligible urban reinvestment projects or eligible industrial site investment projects may be allowed a tax credit against the tax imposed under chapter 207 and 212a or section 38a-743 in the General Statutes, an amount equal to the following percentage of approved investments made by or on behalf of a taxpayer with respect to the following income years of the taxpayer: (a) the income year in which the investment in the project was made and the next two succeeding income years, 0.0 percent; (b) in the third full income year succeeding the year in which the investment was made and the three succeeding years, 10 percent; (c) in the seventh full income year succeeding the year in which the investment in the eligible project was made and the next two succeeding years, 20 percent. The sum of all tax credits shall not exceed \$100.0 million to a single eligible urban reinvestment project, or a single eligible industrial site investment project approved by the commissioner at DECD. The sum of all tax credits under the provisions of this section should not exceed \$950.0 million.

Tax credits allowed may be claimed by a taxpayer who has made an investment (1) directly only if the investment has a total asset value, either alone or combined with other investors in an eligible project, of not less than \$5.0 million or, in the case of an investment in an eligible project for the preservation of a historic facility and redevelopment of the facility for combined uses which includes at least four housing units, the total asset value should not be less than \$2.0 million; (2) an investment managed through a fund manager only if such fund: (a) has a total asset value of not less than \$60.0 million for the income year for which the initial credit is taken; and (b) has not less than three investors who are not related persons with respect to each other or to any person in which any investment is made other than through the fund at the date the investment is made; or (3) through a community development entity or a contractually bound community development entity. A tax credit made through a fund should only be available for investments in funds that are not open to additional investments beyond the amount set forth at the formation of the fund.

#### *Insurance Reinvestment Fund Program*

The purpose of the Insurance Reinvestment Fund Program is to capitalize on the base of local insurance expertise and help people laid off

after the massive restructuring of the insurance industry. The program was also intended to encourage small insurance startups and speciality insurance businesses in Connecticut companies engaged in the insurance business or providing services to insurance companies.

In accordance with Chapter 698 section 38a-88 a tax credit is allowed against the tax imposed under chapter 207, 208, or 229 or section 38a-343 an amount equal to the following percentage of the moneys the taxpayer invested through a fund manager in an insurance business with respect to the following income years of the taxpayer: (a) in the initial income year in which the investment in the insurance business was made and two succeeding income years, 0.0 percent; (b) with respect to the third full income year in which the investment in the insurance business was made and the next three succeeding income years, 10.0 percent; (c) in the seventh full income year succeeding the year in which the investment in the insurance business was made and the next two succeeding income years, 20.0 percent. The sum of all tax credits shall not exceed \$15.0 million with respect to investment made by a fund or funds in any single insurance business, and with respect to all investments made by a fund shall not exceed the total amount originally invested in the fund. A fund manager may apply to the Commissioner of DECD for a credit that is greater than the limitations established by law.

The tax credit allowed may be claimed by a taxpayer who has invested in an insurance business through a fund (a) which has total assets of not less than \$30.0 million for the income year for which the initial credit is taken; (b) has not less than three investors who are not related persons with respect to each other or to any insurance business in which any investment is made other than through the fund at the date the investment is made; and (c) which invests only in insurance businesses that are not related persons to each other.

The credit allowed may only be claimed with respect to an insurance business which (a) occupies the new facility for which an eligibility certificate has been issued by the Commissioner of DECD, or the certificate has been issued as its home office, and (b) employs not less than 25.0 percent of its total work force in new jobs. The maximum allowed credit shall be \$350.0 million in total and \$40.0 million per year.

#### ***The Connecticut Neighborhood Assistance Act Credit Program (Conn. Gen. Stat. §§12-631 through 12-638)***

The Neighborhood Assistance Act tax credit may be earned by businesses that make cash investments of at least \$250 to certain community programs. The cash investments must be made in a community program that is proposed and conducted by a tax exempt or municipal agency and must be approved both by the municipality in which the program is conducted and the Department of Revenue Services. This tax credit may be applied against the taxes imposed under Chapters 207, 208, 209, 210, 211, and 212 of the Connecticut General Statutes.

A tax credit equal to 100.0 percent of the cash invested is available to businesses that invest in energy conservation projects and comprehensive college access loan forgiveness programs. A tax credit equal to 60.0 percent of the cash invested is available to businesses that invest in programs that provide: community-based alcoholism prevention or treatment programs; neighborhood assistance; job training; education; community services; crime prevention; construction or rehabilitation of dwelling units for families of low and moderate income in the state; funding for open space acquisitions; investment in child day care facilities; child care services; and any other program which serves persons at least 75.0 percent of whom are at an income level not exceeding 150.0 percent of the poverty level for the preceding year.

Under the Connecticut Neighborhood Assistance Act there are several statutory limits which must be observed, including the following: (1) the total tax credits under the Neighborhood Assistance Act tax credit program are limited to \$150,000 annually for each business. The tax credit for investments in child day care facilities may not exceed \$50,000 per income year for each business; (2) the minimum contribution on which a tax credit can be granted is \$250; (3) any organization conducting a program or programs eligible to receive contributions under the Neighborhood Assistance Act tax credit program is limited to receiving a total of \$150,000 of funding for any program or programs for any fiscal year; (4) the cap on the total amount of credits that may be allowed annually is \$5.0 million. If the proposals submitted to the Department of Revenue Services claim credits in excess of the cap, such credits will be prorated among the approved organizations; (5) no business shall receive both the Neighborhood Assistance tax credit and the Housing Program Contribution tax credit for the same cash contribution; (6) no business can claim the tax credit for investments in child care facilities in an income year that the business claims the Human Capital Investment tax credit; (7) carryforward and carryback limitations, no carryforward is allowed any tax credit that is not taken in the income year in which the investment was made may be carried back to the two immediately preceding income years.

#### ***Housing Program Contributions***

A tax credit administered by the Connecticut Housing Finance Authority is available for business firms making cash contributions to housing programs developed, sponsored, or managed by a nonprofit corporation, which benefit low and moderate income persons or families. No credit may be claimed before the Connecticut Housing Finance Authority issues a tax credit voucher.

The tax credit may be applied against the taxes imposed under Chapters 207, 208, 209, 210, 211, and 212 of the Connecticut General Statutes.

This tax credit is equal to the amount specified by the Connecticut Housing Finance Authority in the tax credit voucher. No tax credit shall be granted to any business firm for any individual amount contributed of less than \$250. The tax credit may be carried forward or backward for the five immediately succeeding or preceding income years until the full credit has been allowed.

#### ***Historic Structures Rehabilitation (Conn. Gen. Stat. §10-416a)***

Beginning July 1, 2014, no applications have been accepted for this program, no credits will be reserved under this program. Projects that previously would have been eligible for a credit under this program may be eligible for a credit under the Historic Rehabilitation Tax Credit

program.

A tax credit administered by the Connecticut Department of Economic and Community Development is available to an owner rehabilitating a certified historic structure for residential use or to a taxpayer named by the owner as contributing to the rehabilitation. No credit may be claimed before the Department of Economic and Community Development issues a tax credit voucher. The tax credit may be applied against the taxes imposed under Chapters 207, 208, 209, 210, 211, and 212 of the Connecticut General Statutes.

This tax credit is equal to the lesser of the tax credit reserved upon certification of the rehabilitation plan or 25.0 percent of the actual qualified rehabilitation expenditures not exceeding \$2.7 million. The amount of the tax credit that may be claimed will be entered on the tax credit voucher issued by the Department of Economic and Community Development. The tax credit may be carried forward for five years following the year in which the rehabilitated structure was placed in service. No carryback is allowed.

***Historic Preservation (Conn. Gen. Stat. §10-416b)***

Beginning July 1, 2014, no applications have been accepted for this program, no credits will be reserved under this program. Projects that previously would have been eligible for a credit under this program may be eligible for a credit under the Historic Rehabilitation Tax Credit program.

A tax credit administered by the Connecticut Department of Economic and Community Development is available to an owner rehabilitating a qualified historic structure for nonresidential use or mixed residential and nonresidential use or a taxpayer named by the owner as contributing to the rehabilitation. No credit may be claimed before the Department of Economic and Community Development issues a tax credit voucher. This tax credit may be applied against the taxes imposed under Chapters 207, 208, 209, 210, 211, and 212 of the Connecticut General Statutes.

This tax credit is equal to the lesser of 25.0 percent of the projected certified rehabilitation expenditures or 25.0 percent of the actual certified rehabilitation expenditures. If the project creates affordable housing units and the owner provides the Department of Economic and Community Development and the Department of Housing information to show that the owner is compliant with the affordable housing certificate, then the tax credit is equal to the lesser of 30.0 percent of the projected certified rehabilitation expenditures or 30.0 percent of the actual qualified rehabilitation expenditures. The maximum tax credit allowed for any project shall not exceed \$5.0 million for any fiscal three-year period.

***Historic Rehabilitation (Conn. Gen. Stat. §10-416c)***

A tax credit administered by the Connecticut Department of Economic and Community Development is available for the qualified rehabilitation expenditures associated with the certified rehabilitation of a certified historic structure. No credit may be claimed until the Department of Economic and Community Development issues a tax credit voucher. This tax credit can be used to offset the taxes imposed under Chapters 207, 208, 209, 210, 211, or 212 of the Connecticut General Statutes.

The tax credit is equal to 25.0 percent of the total qualified rehabilitation expenditures. The tax credit increases to 30.0 percent of the total qualified rehabilitation expenditures if the project includes a component with at least 20.0 percent of the rental units or ten percent of for-sale units qualify as affordable housing under Conn. Gen. Stat. §8-39a. The tax credit allowed for any project shall not exceed \$4.5 million. The tax credit may be carried forward for five succeeding income years following the year in which the substantially rehabilitated structure was placed in service. No carryback is allowed.

***Research and Development Expenditures***

This credit is based on the incremental increase in expenditures for research and experiments conducted in Connecticut. "Research and development expenses" refers to research or experimental expenditures deductible under Section 174 of the Internal Revenue Code of 1986, as of May 28, 1993, determined without regard to Section 280C(c) elections made by a taxpayer to amortize such expenses on its federal income tax return that were otherwise deductible, and basic research payments as defined under Section 41 of the Internal Revenue Code to the extent not deducted under said Section 174, provided: such expenditures and payments are paid or incurred for such research and experimentation and basic research conducted in the State of Connecticut; and such expenditures and payments are not funded, within the meaning of Section 41(d)(4)(H) of the Internal Revenue Code, by any grant, contract, or otherwise by a person or governmental entity other than the taxpayer unless such other person is included in a combined return with the person paying or incurring such expenses.

In accordance with Sec. 12-217n a tax credit may be applied against the Corporation Business Tax for research and development expenses conducted in Connecticut. A small business qualifies for the credit if it has gross income for the previous income year that does not exceed \$100.0 million, and has not, in the determination of the Commissioner of Economic and Community Development, met the gross income test through transactions with a related person. The amount of the credit increases ratably from 1.0 percent of the annual research and development expenses paid or incurred, where these expenses equal \$50.0 million or less, to 6.0 percent when expense exceed \$200.0 million.

Qualified small business may exchange unused amounts of this credit with the state for a cash payment of 65.0 percent of the value of the credit or carry forward the full value until fully taken. Credits are limited to \$1.5 million in any one income year.

**Manufacturing Facility Credit**

Beginning January 1, 2018, no applications have been accepted for this program, no credits will be reserved under this program. Only those companies that first claimed the credit on a return for an income year beginning before 2018 may continue to claim the credit.

A tax credit administered by the Department of Economic and Community Development is available to businesses for qualified expenditures relating to operating a manufacturing facility, which meets certain employment criteria and is located within a designated enterprise zone or other area designated as having enterprise zone level benefits. No credit may be claimed without certification from the Department of Economic and Community Development. Corporations may claim this credit for ten years beginning with the first year following the year of certification. This tax credit can be used to offset the taxes imposed under Chapter 208 of the Connecticut General Statutes.

The tax credit is equal to the 15.0 percent of the tax imposed under Chapter 208 if there are between 300 and 599 new employees working at such facility; 20.0 percent if there are between 600 and 899 new employees working at such facility; 25.0 percent if there are between 900 and 1199 new employees working at such facility; 30.0 percent if there are between 1,200 and 1,499 new employees working at such facility; 40.0 percent if there are between 1,500 and 1,999 new employees working at such facility; or 50.0% if there are 2,000 or more new employees working at such facility. No credit shall be allowed without an eligibility certificate with respect to the manufacturing facility, service facility or eligible facility being occupied issued by the Department of Economic and Community Development.

Information relevant to the disclosure of these programs is as follows:

<b>Tax Abatement Program</b>	<b>Amount of Taxes Abated</b>
<b>The Film, Television, and Digital Media Tax Program</b>	
<i>Corporate Income Tax (as of 6/30/2025)</i>	\$ 74,275,623
<i>Insurance Companies (as of 6/30/2025)</i>	\$ 50,878,716
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 10,666,578
<b>The Urban and Industrial Sites Reinvestment Tax Program</b>	
<i>Corporate Income Tax (as of 6/30/2025)</i>	\$ 5,525,111
<i>Insurance Companies (as of 6/30/2025)</i>	\$ 412,112
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 8,400,000
<b>The Insurance Reinvestment Fund Program</b>	
<i>Insurance Companies (as of 6/30/2025)</i>	\$ 21,334,470
<b>The Connecticut Neighborhood Assistance Act Credit Program</b>	
<i>Corporate Income Tax (as of 6/30/2025)</i>	\$ 1,774,622
<i>Insurance Companies (as of 6/30/2025)</i>	\$ 847,352
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 1,239,066
<b>Historic Structures Rehabilitation</b>	
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 1,945,406
<b>Housing Program Contribution</b>	
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 10,000,000
<b>Historic Rehabilitation</b>	
<i>Insurance Companies Tax (as of 6/30/2025)</i>	\$ 4,723,832
<i>Public Service Tax (as of 6/30/2025)</i>	\$ 5,662,836
<b>Research and Development Expenditures</b>	
<i>Corporate Income Tax (as of 6/30/2025)</i>	\$ 53,247,243
<b>Manufacturing Facility Credit</b>	
<i>Corporate Income Tax (as of 6/30/2025)</i>	\$ 324,184

In addition, the State has other various tax credit incentives that are not defined as tax abatements under generally accepted accounting principles and therefore are not described and included here.

**Note 23****Asset Retirement Obligations**

Asset retirement obligations generally apply to legal obligations associated with the retirement of a tangible long-lived asset that result from the acquisition, construction, or development and the normal operation of a long-lived asset. The State assesses asset retirement obligations on an annual basis. If a reasonable estimate of fair value can be made, the fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred or a change in estimate occurs.

During the year, the Department of Veterans Affairs reported that when their power plant is retired there will be a cost associated with the mitigation of hazardous materials. The State cannot estimate the cost associated with the removal of the hazardous materials, therefore, has not recorded an asset retirement obligation for this matter.

Additionally, the University of Connecticut reported a \$144,000 liability related to the University's 90-day storage facility for hazardous waste. The University paid this amount to close a similar facility in the past, and considers this to be a reasonable estimate to close this facility, which has an estimated useful life of 40 years beginning January 1, 2017.

The University of Connecticut also has an asset retirement obligation related to the closure of its Wastewater Treatment Facility that is not yet recognized because it cannot be reasonably estimated.

## Note 24 Commitments and Contingencies

### *a. Commitments*

#### *Primary Government*

Commitments are defined as "existing arrangements to enter into future transactions or events, such as long-term contractual obligations with suppliers for future purchases at specified prices and sometimes at specified quantities."

As of June 30, 2025, the State had contractual commitments as follows (amounts in millions):

Infrastructure & Other Transportation Programs	\$	2,660
Construction Programs	\$	142
School Construction and Alteration Grant Program	\$	4,500
Clean and Drinking Water Loan Programs	\$	467
Various Programs and Services	\$	7,264

All commitments are expected to be funded by federal grants, bond proceeds, and other resources.

#### *Component Units*

As of December 31, 2024, the Connecticut Housing Finance Authority had mortgage loan commitments of approximately \$361.1 million.

### *b. Contingent Liabilities*

The State entered into a contractual agreement with H.N.S. Management Company, Inc. to manage and operate the bus transportation system for the State. The State shall pay all expenses of the system including all past, present, and future pension plan liabilities of the personnel employed by the system and any other fees as agreed upon. When the agreement is terminated the State shall assume or plan for the assumption of all the existing obligations of the management companies including but not limited to all past, present, and future pension plan liabilities and obligations.

As of June 30, 2025, the State reported an escheat liability of \$638.4 million in the General Fund. This liability represents an estimate of the amount of escheat property likely to be refunded to claimants in the future. However, there is a reasonable possibility that the State could be liable for an additional amount of escheat refunds of \$214.3 million in the future.

Grant amounts received or receivable by the State from federal agencies are subject to audit and adjustment by these agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the federal government cannot be determined at this time, although the State expects such amounts, if any, to be immaterial.

### *c. Litigation*

The State and its officers and employees are parties to numerous legal proceedings, many of which normally occur in government operations. The final outcomes of most of these legal proceedings are not, in the opinion of the Attorney General, either individually or in the aggregate likely to have a material adverse impact on the State's financial position.

There are, however, several legal proceedings which, if decided adversely against the State, either individually or in the aggregate may require the State to make material future expenditures or may impair revenue sources. It is not possible to determine the impact that the outcomes of these proceedings, either individually or in the aggregate, could have on the State's financial position. Among these proceedings, an adverse judgment in the matters described below, in the opinion of the Attorney General, individually could have a fiscal impact on the State of \$50 million or more.

***American Indian Tribes.*** It is possible that land claims could be brought by American Indian groups who have petitioned or do petition the Federal Government for federal acknowledgement. In any of the land claims matters, irrespective of whether federal acknowledgement is

granted, denied or upheld, a particular group could institute or renew land claims against the State or others, or press the claims it has already asserted. The federal Bureau of Indian Affairs (“BIA”) has adopted new regulations for the federal acknowledgement of tribes under relaxed standards. In addition, the BIA announced a Final Rule effective March 21, 2025 that lifted the prior ban against re-petitioning and created a conditional time-limited opportunity for previously denied petitioners to re-petition for federal acknowledgment. On December 23, 2025, the Attorney General was notified that the Office of Federal Acknowledgment has docketed a request for authorization to re-petition by the Schaghticoke Tribal Nation (“STN”). The State is preparing comments for the April 29, 2026 deadline. These regulatory changes could also result in re-petitions by other previously denied petitioners such as the Golden Hill Paugussett Tribe and the Eastern Pequot Tribal Nation.

In and around March 2022, the Schaghticoke Indian Tribe (“SIT”) filed a petition for acknowledgement with the BIA. The State opposed that petition in July 2022 on the grounds that, inter alia, SIT does not meet the requirements for a continuous tribal nation and, moreover, SIT is not a standalone tribe but is instead a splinter offshoot of STN and therefore is not entitled to recognition on its own. That petition and the State’s and other entities opposition remain pending and the process will have several additional phases before any decision is reached.

*D.J. v. Conn. State Board of Education* is a federal court case brought by a special education student and a purported class of similarly situated special education students seeking compensatory education for the class. The class is made up of all special education students deprived of special education services after reaching the age of 21 for the two years before the action was filed and during the pendency of the case. The parties are trying to reach a final settlement with the expectation that the settlement will be less than \$2.5 million.

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## Note 25

### Opioid Settlements

The State of Connecticut has participated and continues to participate in opioids litigation and negotiation in matters brought by states and local political subdivisions against multiple companies to resolve legal claims related to opioids.

In fiscal year 2025, Connecticut received \$11.8 million of approximately \$240 million total as part of a nationwide settlement with the three largest pharmaceutical companies: McKesson, Cardinal Health and Cencora (formerly AmerisourceBergen). Connecticut will receive the remainder in subsequent fiscal years.

Additionally, the State received \$12.8 million of Connecticut’s total share of approximately \$249 million settlement as part of a nationwide settlement with pharmacies (CVS, Walgreens, and Walmart) as well as Teva and Allergan.

Finally, the State received \$4.1 million and \$321,000 as part of nationwide settlements with Endo Pharmaceuticals and McKinsey, respectively.

Pending and future opioid negotiations and litigation will likely result in additional settlements, and each agreement or judgement will likely have unique terms governing payment amounts, timing, and duration.

These payments must be used to support any of a wide variety of strategies to fight the opioid crisis. Fifteen percent of each settlement payment amount allocated to Connecticut (as described above) is paid directly to cities and towns by the settlement administrator, with the remaining 85 percent paid to the State by the administrator. Actual amounts paid will be dependent on a number of factors, including participation by states and municipalities and companies’ continuing ability to pay.

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## Note 26

### Subsequent Events

In preparing the financial statements, the State has evaluated events and transactions for potential recognition or disclosure in its financial statement footnotes. The effect of this evaluation led the State to report the following events which took place after the date of the State’s fiscal year end through to the date these financial statements were issued. The subsequent information regarding the Connecticut Housing Finance Authority includes events which took place after their fiscal year end of December 31, 2024.

In November 2025, Connecticut H.B. 8003 was passed during Special Session allowing an additional \$500.0 million above the 18.0 percent threshold to stay in the Budget Reserve Fund (BRF). These funds were set aside to help stabilize the State’s budget and address shortfalls in federal funding due to action, or inaction, of the federal government. As of February 4, 2026, \$169.2 million of these funds had been approved for disbursement to support social service programs that saw a reduction in federal funding and the remaining \$330.8 million were returned to

the BRF. On February 6, 2025, Connecticut S.B. 83 was passed establishing a fund, known as the “Federal Cuts Response Fund,” and required the Treasurer to transfer the \$330.8 million from the BRF into that fund.

In November of 2025, the State made a transfer of \$1.4 billion from the BRF to the State Employee Retirement Fund (SERF) and the Teachers’ Retirement Fund (TRF). This transfer was the result of the Budget Reserve Fund exceeding the statutory cap of 18.0 percent of General Fund appropriations (excluding the \$500.0 million set aside by Connecticut H.B. 8003). According to CGS Section 4-30a(c)(1)(A), no further transfers will be made to the Budget Reserve Fund. Instead, the State Treasurer decides what is in the best interest of the state, whether to transfer the balance above the 18.0 percent threshold as an additional contribution to SERF or to TRF. The State Treasurer determined this year to transfer \$834.5 to SERF and \$542.7 to TRF.

In January of 2026, The State defeased \$57.5 million in outstanding special tax obligation indebtedness. This was done using the Special Transportation Fund’s (STF) surplus balance exceeding 18.0 percent of the Funds net appropriations for the next fiscal year in accordance with Public Act. No. 25-168.

In January of 2026, the State defeased \$199.1 million in outstanding special tax obligation indebtedness using available funds from its Debt Service Fund.

Effective July 1, 2025, the State enacted legislation authorizing the transfer of ownership related to the South Meadows site, along with associated personal property, money, and non-lapsing account, from the Materials Innovation and Recycling Authority (MIRA) and the MIRA Dissolution Authority (MDA) to the Capital Region Development Authority (CRDA) as of the close of business on June 30, 2025. The legislation required \$5.0 million of MDA’s resources transferred to the Office of Policy and Management and its remaining funds along with any tangible or intangible personal property associated with it from MDA to CRDA. CRDA received approximately \$46.4 million in MDA funds for the South Meadows project. The legislation also requires that any State tax revenue generated by a completed project within the South Meadows site be retained by CRDA to reinvest in the site.

Effective July 1, 2025, the State enacted legislation (Public Act 25-93) establishing and funding the Early Childhood Education Endowment. The endowment was initially funded in July with \$300.0 million of the General Fund’s surplus for the 2025 fiscal year.

In October 2025, the State issued \$1.8 billion of General Obligation Bonds; \$800.0 million Series C, \$300.0 million Series B (Taxable Bonds), and \$715.8 million Series D refunding bonds. The Series C bonds were issued for various projects in the State, the Series B bonds were issued for various projects and purposes, and the Series D refunding bonds were issued for the purpose of refunding the principal amount of all or a portion of outstanding General Obligation Bonds. The bonds mature between 2035 and 2045, and bear interest rates between 3.8 and 5.0 percent.

In December 2025, the State issued \$1.5 billion of Special Tax Obligation Bonds. The bonds were issued for various transportation infrastructure projects. Of the 2025 Bonds originally issued, \$1.3 billion represents new money issuance. The remaining \$251.4 million portion of the principal amount of the 2025 bonds is being used to refund the Refunded Bonds and does not constitute Additional Bonds. The bonds mature in 2046 and bear an interest rate of 5.0 percent.

The Connecticut Health and Educational Facilities Authority (CHEFA), whose financial statements are published as of June 30, 2025, had numerous financial events between July 1, 2025 and the publication of this report including the following:

On September 18, 2025, CHEFA remarkeded \$129.1 million Quinnipiac University Issue Series O Revenue Bonds. The bonds were issued to refund a portion of Series L. The bonds mature in 2036 and bear an interest rate of 5.0 percent

On November 25, 2025, CHEFA issued \$82.4 million Revenue Refunding Bonds LiveWell Alliance Issue, Series 2025. The bonds were issued to refund and redeem LiveWell Alliance Issue Series 2022 and fund debt service reserve fund for series 2025 bonds. The bonds mature in 2031 and bear an interest rate of 6.0 percent.

On February 2, 2026, CHEFA remarkeded \$167.2 million Yale University Issue Series V Revenue Bonds. The remarkeded bonds mature in 2036 and bear an interest rate of 5.0 percent.

On February 3, 2026, CHEFA remarkeded \$260.1 million Yale University Issue Revenue Bonds, consisting of \$130.1 million Series 2017C-3 and \$130.0 million Series 2017C-4. The remarkeded bonds mature in 2057.

On February 5, 2026, CHEFA issued \$150.0 million Hartford HealthCare Issue Revenue Bonds, consisting of \$75.0 million Series 2026B and \$75.0 million Series 2026C. The bonds mature in 2056.

On February 11, 2026, CHEFA issued \$700.0 million Hartford HealthCare Issue Series 2026A (Fixed Rate) Revenue Bonds. The bonds will be used to finance and/or refinance the costs of certain acquisition, construction, renovations, improvements, routine capital expenditures,

furnishing and equipment acquisitions and installations at the integrated hospital, health care and ambulatory care facilities of Hartford Hospital. The bonds mature in 2046 and bear an interest rate of 5.0 percent.

The Connecticut Housing Finance Authority (CHFA), whose financial statements are published as of December 31<sup>st</sup> of the calendar year prior to the State's fiscal year-end, had numerous financial events between January 1 and the publication of this report including the following:

On February 6, 2025, CHFA issued \$300.0 million Series A Housing Mortgage Finance Program Bonds (Social Bonds), consisting of \$100.0 million Subseries A-1 and \$200.0 million Subseries A-2 (Federally Taxable). The bond proceeds, along with other available monies, are expected to be used within 90 days of the date of issuance to refund and/or replace certain current and future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, to provide new monies for financing of Home Mortgage Loans and Agency Securities, make a deposit to the Housing Mortgage Capital Reserve Fund, and to pay certain costs of issuance.

On February 25, 2025, CHFA issued \$121.0 million Series B Housing Mortgage Finance Program Bonds (Sustainability Bonds), consisting of \$33.6 million Subseries B-1, \$13.5 million Subseries B-2 (Term Rate), \$42.1 million Subseries B-3 (Federally Taxable), and \$31.8 million Subseries B-4 (Federally Taxable). The bond proceeds, along with other available monies, are expected to be used to provide new monies for the financing of Multifamily Mortgage Loans, and pay certain costs of issuance.

On June 12, 2025, CHFA issued \$350.0 million Series C Housing Mortgage Finance Program Bonds (Social Bonds), consisting of \$20.0 million Subseries C-1, \$250.0 million Subseries C-2 (Federally Taxable), and \$80.0 million Subseries C-3 (Variable Rate). The bond proceeds, along with other available monies, are expected to be used within 90 days of the date of issuance to refund and/or replace certain current and future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, to provide new monies for financing of Home Mortgage Loans and Agency Securities, make a deposit to the Housing Mortgage Capital Reserve Fund, and to pay certain costs of issuance.

On October 28, 2025, CHFA issued \$120.8 million Series D Housing Mortgage Finance Program (Sustainability Bonds), consisting of \$18.3 million Subseries D-1, \$56.2 million Subseries D-2 (Term Rate), and \$46.3 million Subseries D-3 (Federally Taxable). The bond proceeds, along with other available monies, are expected to be used to provide new monies for the financing of Multifamily Mortgage Loans, and pay certain costs of issuance.

On November 13, 2025, CHFA issued \$370.0 million Series E Housing Mortgage Finance Program (Social Bonds), consisting of \$20.0 million Subseries E-1, \$270.0 million Subseries E-2 (Federally Taxable), and \$80.0 million Subseries E-3 (Variable Rate). The bond proceeds, along with other available monies, are expected to be used within 90 days of the date of issuance to refund and/or replace certain current and future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, to provide new monies for financing of Home Mortgage Loans and Agency Securities, make a deposit to the Housing Mortgage Capital Reserve Fund, and to pay certain costs of issuance.

On February 12, 2026, CHFA issued \$370.0 million Series A Housing Mortgage Finance Program (Social Bonds), consisting of \$20.0 million Subseries A-1, \$270.0 million Subseries A-2 (Federally Taxable), and \$80 million Subseries A-3 (Variable Rate). The bond proceeds, along with other available monies, are expected to be used within 90 days of the date of issuance to refund and/or replace certain current and future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, to provide new monies for financing of Home Mortgage Loans and Agency Securities, make a deposit to the Housing Mortgage Capital Reserve Fund, and to pay certain costs of issuance.

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***REQUIRED  
SUPPLEMENTARY  
INFORMATION***



## REQUIRED SUPPLEMENTARY INFORMATION BUDGET

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***Required supplementary information for budget provides information on budget versus actual revenues, expenditures and changes in fund balance and related note disclosure for statutory reporting.***

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The following schedules are included in the Required Supplementary Information for Budget:

Schedule of Revenues, Expenditures and Changes in Fund Balance: Budget and Actual (Budgetary Basis—Non-GAAP):

General Fund and Transportation Fund  
Notes to Required Supplementary Information

## State of Connecticut

**REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (STATUTORY/BUDGETARY BASIS — NON-GAAP)  
GENERAL AND TRANSPORTATION FUNDS**

For the Fiscal Year Ended June 30, 2025

(Expressed in Thousands)

	General Fund				Transportation Fund			
	Budget		Actual	Variance with Final Budget positive (negative)	Budget		Actual	Variance with Final Budget positive (negative)
	Original	Final			Original	Final		
<b>Revenues</b>								
Budgeted:								
Taxes, Net of Refunds	\$ 20,326,300	\$ 22,033,100	\$ 22,137,841	\$ 104,741	\$ 1,931,100	\$ 1,859,000	\$ 1,855,886	\$ (3,114)
Indian Gaming Payments	286,000	332,700	332,729	29	-	-	-	-
Licenses, Permits, and Fees	330,700	333,200	332,013	(1,187)	126,100	136,400	139,707	3,307
Other	552,700	1,079,100	1,180,905	101,805	306,400	343,100	346,228	3,128
Federal Grants	1,886,500	1,942,000	1,935,142	(6,858)	8,100	5,200	5,187	(13)
Refunds of Payments	(67,100)	(124,500)	(124,546)	(46)	(3,700)	(12,900)	(12,881)	19
Operating Transfers In	411,900	459,200	105,477	(353,723)	-	-	-	-
Operating Transfers Out	(70,400)	-	-	-	(13,500)	(145,500)	(113,109)	32,391
Transfer to BRF - Volatility Adjustment	(659,600)	(2,088,500)	(2,098,709)	(10,209)	-	-	-	-
Transfer to/from the Resources of the General Fund	106,700	(152,300)	90,395	242,695	-	-	-	-
Total Revenues	<u>23,103,700</u>	<u>23,814,000</u>	<u>23,891,247</u>	<u>77,247</u>	<u>2,354,500</u>	<u>2,185,300</u>	<u>2,221,018</u>	<u>35,718</u>
<b>Expenditures</b>								
Budgeted:								
Legislative	111,595	106,384	98,600	7,784	-	-	-	-
General Government	831,431	929,561	511,148	418,413	-	-	-	-
Regulation and Protection	378,007	386,868	361,391	25,477	-	-	-	-
Conservation and Development	248,710	269,324	245,780	23,544	-	-	-	-
Health and Hospitals	2,429,891	2,474,873	2,416,348	58,525	-	-	-	-
Transportation	-	-	-	-	2,448,403	2,449,766	2,269,702	180,064
Human Services	4,653,667	4,943,493	4,925,367	18,126	-	-	-	-
Education, Libraries, and Museums	6,468,938	6,525,397	6,454,608	70,789	-	-	-	-
Corrections	1,530,645	1,284,029	1,564,002	(279,973)	-	-	-	-
Judicial	699,309	724,781	717,261	7,520	-	-	-	-
Non Functional	6,075,307	6,308,683	6,222,986	85,697	-	-	-	-
Total Expenditures	<u>23,427,500</u>	<u>23,953,393</u>	<u>23,517,491</u>	<u>435,902</u>	<u>2,448,403</u>	<u>2,449,766</u>	<u>2,269,702</u>	<u>180,064</u>
Appropriations Lapsed	182,700	80,314	-	(80,314)	12,000	107,076	-	(107,076)
Excess (Deficiency) of Revenues Over Expenditures	(141,100)	(59,079)	373,756	(438,969)	(81,903)	(157,390)	(48,684)	108,706
<b>Other Financing Sources (Uses)</b>								
Prior Year Appropriations Carried Forward	438,900	438,900	438,495	(405)	150,000	150,000	149,932	(68)
Appropriations Continued	-	-	(401,925)	(401,925)	-	-	(76,405)	(76,405)
Miscellaneous Adjustment	-	-	(84)	(84)	-	-	-	-
Total Other Financing Sources (Uses)	<u>438,900</u>	<u>438,900</u>	<u>36,486</u>	<u>(402,414)</u>	<u>150,000</u>	<u>150,000</u>	<u>73,527</u>	<u>(76,473)</u>
Net Change in Fund Balance	<u>\$ 297,800</u>	<u>\$ 379,821</u>	<u>410,242</u>	<u>\$ (841,383)</u>	<u>\$ 68,097</u>	<u>\$ (7,390)</u>	<u>24,843</u>	<u>\$ 32,233</u>
Budgetary Fund Balances - July 1			1,240,697				1,121,327	
Changes in Reserves			(792,569)				(599,882)	
Budgetary Fund Balances - June 30			<u>\$ 858,370</u>				<u>\$ 546,288</u>	

The information about budgetary reporting is an integral part of this schedule.

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

### STATUTORY REPORTING

#### A. Budgeting Process

By statute, the Governor must submit the State budget to the General Assembly in February of every other year. Prior to June 30, the General Assembly enacts the budget through the passage of appropriation acts for the next two fiscal years and sets forth revenue estimates for the same period for the following funds: the General Fund, the Transportation Fund, the Mashantucket Pequot Fund, the Workers' Compensation Administration Fund, the Banking Fund, the Consumer Counsel and Public Utility Control Fund, the Insurance Fund, the Criminal Injuries Fund, the Soldiers, Sailors, and Marines Fund, and the Regional Market Operations Fund, and the Tourism Fund. Under the State Constitution, the Governor has the power to veto any part of the itemized appropriations bill and to accept the remainder of the bill. However, the General Assembly may separately reconsider and repass the disapproved items by a two-thirds majority vote of both the Senate and the House.

Budgetary control is maintained at the individual appropriation account level by agency as established in authorized appropriation bills and is reported in the Annual Report of the State Comptroller. Before an agency can utilize funds appropriated for a particular purpose, such funds must be allotted for the specific purpose by the Governor and encumbered by the Comptroller upon request by the agency. Such funds can then be expended by the Treasurer only upon a warrant, draft or order of the Comptroller drawn at the request of the responsible agency. The allotment process maintains expenditure control over special revenue, enterprise, and internal service funds that are not budgeted as part of the annual appropriation act.

The Governor has the power under Connecticut statute to modify budgetary allotment requests for the administration, operation and maintenance of a budgeted agency. However, the modification cannot exceed 3.0 percent of the fund or 5.0 percent of the appropriation amount. Modifications beyond those limits, but not in excess of 5.0 percent of the total funds require the approval of the Finance Advisory Committee. The Finance Advisory Committee is comprised of the Governor, the Lieutenant Governor, the Treasurer, the Comptroller, two senate members, not of the same political party, and three house members, not more than two of the same political party. Additional reductions of appropriations of more than 5.0 percent of the total appropriated fund can be made only with the approval of the General Assembly.

All funds, except fiduciary funds, use encumbrance accounting. Under this method of accounting, purchase orders, contracts, and other commitments for the expenditures of the fund are recorded in order to reserve that portion of the applicable appropriation. All encumbrances lapse at year-end and, generally, all appropriations lapse at year-end except for certain continuing appropriations (continuing appropriations are defined as carryforwards of spending authority from one fiscal budget into a subsequent budget). The continuing appropriations include: appropriations continued for a one-month period after year-end which are part of a program that was not renewed the succeeding year; appropriations continued the entire succeeding year, as in the case of highway and other capital construction projects; and appropriations continued for specified amounts for certain special programs. Carryforward appropriations are reported as reservations of the fund balance in the financial statements.

The budget is prepared on a "statutory" basis of accounting that utilizes the accounting standards that were applied in the budget act and related legislation. Commencing in Fiscal Year 2014, appropriations were made to legislatively budgeted funds to account for expense accruals. Beginning in Fiscal Year 2016, based on changes enacted in the biennial budget (Public Act 15-244) the GAAP expense accrual appropriations were consolidated into a single appropriation at the fund-level for the General Fund, Transportation Fund and all other budgeted special revenue funds. The actual expense accruals were posted using the same methodology described above for the governmental fund financial statements. Revenues were recognized when received except in the General Fund and Transportation Fund. In those two funds certain taxes and Indian gaming payments are recognized within a statutory accrual period as approved by the State Comptroller. The State's three major tax categories (the personal income tax, the sales and use tax, and the corporation tax), among other taxes, are subject to statutory accrual.

#### ***B. Reconciliation of Budget/GAAP Reporting Differences***

The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis – Non-GAAP) – General Fund and Transportation Fund, presents comparisons of the legally adopted budget (which is more fully described in section A, above) with actual data on a budgetary basis. Accounting principles applied to develop data on a budgetary basis differ significantly from those principles used to present financial statements in conformity with generally accepted accounting principles (GAAP). The following describes the major differences between statutory financial data and GAAP financial data:

- Revenues are recorded when received in cash except for certain year-end accruals (statutory basis) as opposed to revenues being recorded when they are susceptible to accrual (GAAP basis).
- Certain expenditures are not subject to accrual for budgeting purposes and are recorded when paid in cash (statutory basis) as opposed to expenditures being recorded when the related fund liability is incurred (GAAP basis).
- For statutory reporting purposes, continuing appropriations are reported with other financing sources and uses in the determination of the budgetary surplus or deficit to more fully demonstrate compliance with authorized spending for the year. For GAAP purposes, continuing appropriations are excluded from operations and reported as committed fund balance.

## State of Connecticut

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

The following table presents a reconciliation of differences between the statutory change in fund balance and the GAAP change in fund balance at June 30, 2025 (amounts in thousands):

	General Fund	Transportation Fund
Net change in fund balances (statutory basis)	\$ 410,243	\$ 24,844
Volatility Deposit Budget Reserve Fund	2,100,000	-
Increase (Decrease) Statutory Surplus Reserve	\$245,000	-
Prior Year Transfer to SERS & TRS	(933,200)	-
Adjustments:		
Increases (decreases) in revenue accruals:		
Receivables and Other Assets	(512,890)	(9,014)
(Increases) decreases in expenditure accruals:		
Accounts Payable and Other Liabilities	(1,281,424)	383,264
Salaries and Fringe Benefits Payable	14,999	(898,039)
Increase (Decrease) in Continuing Appropriations	(36,570)	\$66,473
Fund Redassification-Bus Operations	-	1,306
Net change in fund balances (GAAP basis)	<u>\$ 6,158</u>	<u>\$ (431,166)</u>

#### ***C. Budget Reserve Fund (“Rainy Day Fund”)***

In accordance with Section 4-30a of the Connecticut State Statutes, the State maintains a Budget Reserve (“Rainy Day”) Fund. Moneys shall be expended only when in any fiscal year the Comptroller has determined the amount of a deficit applicable with respect to the immediately preceding fiscal year, to the extent necessary. Historically, resources from the Budget Reserve Fund have only been expended during recessionary periods to cover overall budget shortfalls after other budgetary measures have been exhausted.

Progress in building and maintaining the balance of the Budget Reserve Fund continued this fiscal year. This was primarily due to the revenue volatility cap, first implemented in fiscal year 2018. This statutory provision requires revenues above a certain threshold to be transferred to the Budget Reserve Fund. For fiscal year 2025, the cap was just over \$4.7 billion for estimated and final income tax payments and revenue from the Pass-through Entity tax. At year-end, a volatility transfer of \$2.1 billion was made to the Budget Reserve Fund.

Prior to the close of fiscal year 2025, the balance of the Budget Reserve Fund was just over \$4.1 billion. Adding the \$2.1 billion volatility transfer brought the Budget Reserve Fund total to \$6.2 billion (or 25.8 percent) of net General Fund appropriations for fiscal year 2026. As a result, the Budget Reserve Fund was roughly \$1.5 billion above the statutory 18.0 percent cap. According to CGS Section 4-30a (c)(1)(C), the State Treasurer must transfer the balance above the 18.0 percent threshold as additional contributions to the State Employee Retirement Fund (SERF) and the Teachers’ Retirement System (TRS). Connecticut H.B. 8003, which was passed during the November 2025 Special Session, allows an additional \$500.0 million above the 18.0 percent threshold to help stabilize the State’s budget in response to any reduction or loss of federal funding caused by action or inaction of the federal government. At fiscal year-end \$1.37 billion was transferred to reduce the unfunded pension liability of SERF and TRS.



## REQUIRED SUPPLEMENTARY INFORMATION PENSION PLANS

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*Required supplementary information for pension plans provides information on the sources of changes in net pension liabilities, information about the components of net pension liabilities, employer contributions, and investment returns.*

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The Required Supplementary Information for Pension Plans includes the following schedules:

- Schedule of Changes in the Net Pension Liability and Related Ratios
- Schedule of Employer Contributions
- Schedule of Investment Returns

## State of Connecticut

### REQUIRED SUPPLEMENTAL INFORMATION PENSION PLANS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years

(Expressed in Thousands)

<b>SERS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Total Pension Liability</b>										
Service Cost	\$ 496,558	\$ 463,636	\$ 434,436	\$ 396,602	\$ 388,671	\$ 391,941	\$ 429,321	\$ 480,350	\$ 322,114	\$ 310,472
Interest	2,805,347	2,715,450	2,563,570	2,474,161	2,416,577	2,290,633	2,212,890	2,255,533	2,105,947	2,052,651
Benefit Changes	-	-	-	-	-	-	-	(1,444,220)	-	-
Difference between expected and actual experience	234,546	750,238	1,697,023	778,249	208,138	1,224,344	482,904	-	772,762	-
Changes of assumptions	-	-	-	(48,241)	-	-	-	-	4,959,705	-
Benefit payments	(2,636,075)	(2,593,589)	(2,369,853)	(2,217,508)	(2,120,811)	(2,026,793)	(1,955,985)	(1,847,715)	(1,729,181)	(1,650,465)
Refunds of contributions	(11,644)	(11,632)	(12,656)	(9,955)	(9,377)	(6,350)	(7,659)	(7,972)	(7,098)	(7,124)
Net change in total pension liability	888,732	1,324,103	2,312,520	1,373,308	883,198	1,873,775	1,161,471	(564,024)	6,424,249	705,534
Total pension liability - beginning	41,981,067	40,656,964	38,344,444	36,971,136	36,087,938	34,214,163	33,052,692	33,616,716	27,192,467	26,486,933
<b>Total pension liability - ending (a)</b>	<b>\$ 42,869,799</b>	<b>\$ 41,981,067</b>	<b>\$ 40,656,964</b>	<b>\$ 38,344,444</b>	<b>\$ 36,971,136</b>	<b>\$ 36,087,938</b>	<b>\$ 34,214,163</b>	<b>\$ 33,052,692</b>	<b>\$ 33,616,716</b>	<b>\$ 27,192,467</b>
<b>Plan net position</b>										
Contributions - employer	\$ 2,611,118	\$ 3,261,874	\$ 2,849,181	\$ 2,563,189	\$ 1,616,312	\$ 1,578,323	\$ 1,443,053	\$ 1,542,298	\$ 1,501,805	\$ 1,371,651
Contributions - member	257,862	223,062	202,270	194,775	192,716	489,099	193,942	132,557	135,029	187,339
Net investment income	2,440,048	1,754,898	(1,513,318)	3,301,219	295,737	710,861	875,944	1,509,862	(100)	294,412
Benefit payments	(2,636,075)	(2,593,589)	(2,369,853)	(2,217,508)	(2,120,811)	(2,026,793)	(1,955,985)	(1,847,715)	(1,729,181)	(1,650,465)
Administrative expense	(21,247)	-	-	(568)	(782)	(693)	(391)	(674)	(651)	-
Refunds of contributions	(11,644)	(11,632)	(12,656)	(9,955)	(9,377)	(6,350)	(7,659)	(7,972)	(7,098)	(7,124)
Other	24,490	(1,797)	2,367,461	-	-	3,704	(3,139)	(371)	85,608	-
Net change in plan net position	2,664,552	2,632,816	1,523,085	3,831,152	(26,205)	748,151	545,765	1,327,985	(14,588)	195,813
Plan net position - beginning	21,236,541	18,603,725	17,080,640	13,249,488	13,275,693	12,527,542	11,981,777	10,653,792	10,668,380	10,472,567
<b>Plan net position - ending (b)</b>	<b>\$ 23,901,093</b>	<b>\$ 21,236,541</b>	<b>\$ 18,603,725</b>	<b>\$ 17,080,640</b>	<b>\$ 13,249,488</b>	<b>\$ 13,275,693</b>	<b>\$ 12,527,542</b>	<b>\$ 11,981,777</b>	<b>\$ 10,653,792</b>	<b>\$ 10,668,380</b>
Ratio of plan net position to total pension liability	55.75%	50.59%	45.76%	44.55%	35.84%	36.79%	36.62%	36.25%	31.69%	39.23%
<b>Net pension liability - ending (a) -(b)</b>	<b>\$ 18,968,706</b>	<b>\$ 20,744,526</b>	<b>\$ 22,053,239</b>	<b>\$ 21,263,804</b>	<b>\$ 23,721,648</b>	<b>\$ 22,812,245</b>	<b>\$ 21,686,621</b>	<b>\$ 21,070,915</b>	<b>\$ 22,962,924</b>	<b>\$ 16,524,087</b>
Covered payroll	\$ 4,460,207	\$ 4,168,950	\$ 3,787,016	\$ 3,847,146	\$ 3,672,443	\$ 3,686,365	\$ 3,428,068	\$ 3,850,978	\$ 3,720,751	\$ 3,618,361
Net pension liability as a percentage of covered payroll	425.29%	497.60%	582.34%	552.72%	645.94%	618.83%	632.62%	547.16%	617.16%	456.67%

## State of Connecticut

### REQUIRED SUPPLEMENTAL INFORMATION PENSION PLANS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (Continued)

Last Ten Fiscal Years

(Expressed in Thousands)

TRS	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service Cost	\$ 662,011	\$ 634,409	\$ 617,468	\$ 599,484	\$ 616,370	\$ 463,997	\$ 465,207	\$ 450,563	\$ 419,616	\$ 404,449
Interest	2,737,514	2,668,940	2,548,157	2,486,930	2,379,886	2,406,206	2,371,168	2,308,693	2,228,958	2,162,174
Benefit Changes	-	-	89,017	-	-	(224,281)	28,036	-	-	-
Difference between expected and actual experience	389,231	73,374	789,366	-	(306,400)	-	(396,067)	-	(375,805)	-
Changes of assumptions	-	-	-	-	1,022,137	3,875,996	-	-	2,213,190	-
Benefit payments	(2,405,827)	(2,359,976)	(2,227,079)	(2,171,063)	(2,150,168)	(2,066,641)	(1,994,092)	(1,962,533)	(1,738,131)	(1,773,408)
Refunds of contributions	-	-	-	-	-	-	-	-	-	(50,329)
Net change in total pension liability	1,382,929	1,016,747	1,816,929	915,351	1,561,825	4,455,277	474,252	796,723	2,747,828	742,886
Total pension liability - beginning	40,877,027	39,860,280	38,043,351	37,128,000	35,566,175	31,110,898	30,636,646	29,839,923	27,092,095	26,349,209
<b>Total pension liability - ending (a)</b>	<b>\$ 42,259,956</b>	<b>\$ 40,877,027</b>	<b>\$ 39,860,280</b>	<b>\$ 38,043,351</b>	<b>\$ 37,128,000</b>	<b>\$ 35,566,175</b>	<b>\$ 31,110,898</b>	<b>\$ 30,636,646</b>	<b>\$ 29,839,923</b>	<b>\$ 27,092,095</b>
<b>Plan net position</b>										
Contributions - employer	\$ 1,554,542	\$ 1,578,038	\$ 1,443,656	\$ 1,249,835	\$ 1,209,573	\$ 1,292,672	\$ 1,272,277	\$ 1,012,162	\$ 975,578	\$ 984,110
Contributions - member	368,299	397,818	392,913	323,306	318,217	309,333	312,150	288,251	293,493	228,100
Net investment income	2,672,900	1,878,740	(2,024,736)	4,528,666	410,311	1,012,089	1,224,931	2,199,895	(18,473)	452,942
Benefit payments	(2,405,827)	(2,359,976)	(2,227,079)	(2,171,063)	(2,150,168)	(2,066,641)	(1,994,092)	(1,962,533)	(1,738,131)	(1,773,408)
Refunds of contributions	-	-	-	-	-	-	-	-	-	(50,329)
Other	429,097	825,391	847,879	904,434	522	(837)	(2,753)	1,679	(37,648)	57,749
Net change in plan net position	2,619,011	2,320,011	(1,567,367)	4,835,178	(211,545)	546,616	812,513	1,539,454	(525,181)	(100,836)
Plan net position - beginning	23,869,732	21,549,721	23,117,088	18,281,910	18,493,455	17,946,839	17,134,326	15,594,872	16,120,053	16,220,889
<b>Plan net position - ending (b)</b>	<b>\$ 26,488,743</b>	<b>\$ 23,869,732</b>	<b>\$ 21,549,721</b>	<b>\$ 23,117,088</b>	<b>\$ 18,281,910</b>	<b>\$ 18,493,455</b>	<b>\$ 17,946,839</b>	<b>\$ 17,134,326</b>	<b>\$ 15,594,872</b>	<b>\$ 16,120,053</b>
Ratio of plan net position to total pension liability	62.68%	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%
<b>Net pension liability - ending (a) -(b)</b>	<b>\$ 15,771,213</b>	<b>\$ 17,007,295</b>	<b>\$ 18,310,559</b>	<b>\$ 14,926,263</b>	<b>\$ 18,846,090</b>	<b>\$ 17,072,720</b>	<b>\$ 13,164,059</b>	<b>\$ 13,502,320</b>	<b>\$ 14,245,051</b>	<b>\$ 10,972,042</b>
Covered payroll	\$ 4,836,783	\$ 4,996,954	\$ 4,571,425	\$ 4,500,666	\$ 4,352,967	\$ 4,389,654	\$ 4,321,593	\$ 4,279,755	\$ 4,125,066	\$ 4,078,367
Net pension liability as a percentage of covered payroll	326.07%	340.35%	400.54%	331.65%	432.95%	388.93%	304.61%	315.49%	345.33%	269.03%

## State of Connecticut

### REQUIRED SUPPLEMENTAL INFORMATION PENSION PLANS SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (Continued)

Last Ten Fiscal Years

(Expressed in Thousands)

<b>IRS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Total Pension Liability</b>										
Service Cost	\$ 10,533	\$ 11,667	\$ 10,487	\$ 9,289	\$ 9,813	\$ 10,834	\$ 11,352	\$ 10,159	\$ 8,508	\$ 8,142
Interest	37,170	33,491	32,720	32,743	31,815	29,559	29,954	29,062	28,251	27,240
Difference between expected and actual experience	(311)	44,883	2,354	(9,271)	2,474	22,095	(18,528)	-	(9,380)	-
Changes of assumptions	-	-	-	(1,020)	-	-	-	-	64,604	-
Benefit payments	(37,690)	(35,751)	(32,927)	(31,116)	(30,200)	(29,386)	(27,616)	(24,899)	(22,994)	(22,541)
Refunds of contributions	-	-	(91)	(6)	-	-	-	-	-	-
Net change in total pension liability	9,702	54,290	12,543	619	13,902	33,102	(4,838)	14,322	68,989	12,841
Total pension liability - beginning	557,543	503,253	490,710	490,091	476,189	443,087	447,925	433,603	364,614	351,773
<b>Total pension liability - ending (a)</b>	<b>\$ 567,245</b>	<b>\$ 557,543</b>	<b>\$ 503,253</b>	<b>\$ 490,710</b>	<b>\$ 490,091</b>	<b>\$ 476,189</b>	<b>\$ 443,087</b>	<b>\$ 447,925</b>	<b>\$ 433,603</b>	<b>\$ 364,614</b>
<b>Plan net position</b>										
Contributions - employer	\$ 35,252	\$ 32,533	\$ 33,170	\$ 31,893	\$ 27,011	\$ 27,427	\$ 25,458	\$ 19,164	\$ 18,259	\$ 17,731
Contributions - member	2,297	2,019	1,642	1,570	1,575	1,694	1,663	1,689	1,831	1,791
Net investment income	34,252	23,363	(27,407)	59,881	5,461	13,383	13,178	24,452	1,440	4,781
Benefit payments	(37,690)	(35,751)	(32,927)	(31,116)	(30,200)	(29,386)	(27,616)	(24,899)	(22,994)	(22,541)
Refunds of contributions	-	-	(91)	(6)	-	-	-	-	-	-
Other	-	477	-	-	-	-	-	(39)	1,680	-
Net change in plan net position	34,111	22,641	(25,613)	62,222	3,847	13,118	12,683	20,367	216	1,762
Plan net position - beginning	299,023	276,382	301,995	239,773	235,926	222,808	210,125	189,758	189,542	187,780
<b>Plan net position - ending (b)</b>	<b>\$ 333,134</b>	<b>\$ 299,023</b>	<b>\$ 276,382</b>	<b>\$ 301,995</b>	<b>\$ 239,773</b>	<b>\$ 235,926</b>	<b>\$ 222,808</b>	<b>\$ 210,125</b>	<b>\$ 189,758</b>	<b>\$ 189,542</b>
Ratio of plan net position to total pension liability	58.73%	53.63%	54.92%	61.54%	48.92%	49.54%	50.29%	46.91%	43.76%	51.98%
<b>Net pension liability - ending (a) -(b)</b>	<b>\$ 234,111</b>	<b>\$ 258,520</b>	<b>\$ 226,871</b>	<b>\$ 188,715</b>	<b>\$ 250,318</b>	<b>\$ 240,263</b>	<b>\$ 220,279</b>	<b>\$ 237,800</b>	<b>\$ 243,845</b>	<b>\$ 175,072</b>
Covered payroll	\$ 38,936	\$ 39,102	\$ 35,872	\$ 31,438	\$ 31,495	\$ 34,643	\$ 34,970	\$ 36,467	\$ 34,897	\$ 34,972
Net pension liability as a percentage of covered payroll	601.27%	661.14%	632.45%	600.28%	794.79%	693.54%	629.91%	652.10%	698.76%	500.61%

## State of Connecticut

### REQUIRED SUPPLEMENTARY INFORMATION PENSION PLANS SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

(Expressed in Thousands)

<b>SERS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined employer contribution	\$ 2,040,374	\$ 2,143,325	\$ 1,993,151	\$ 1,806,708	\$ 1,616,302	\$ 1,574,537	\$ 1,443,110	\$ 1,569,142	\$ 1,514,467	\$ 1,379,189
Actual employer contributions	2,611,118	3,261,874	2,849,181	1,786,903	1,616,312	1,578,323	1,443,053	1,542,298	1,501,805	1,371,651
Annual contributions deficiency/(excess)	\$ (570,744)	\$ (1,118,549)	\$ (856,030)	\$ 19,805	\$ (10)	\$ (3,786)	\$ 57	\$ 26,844	\$ 12,662	\$ 7,538
Covered Payroll	\$ 4,460,207	\$ 4,168,950	\$ 3,787,016	\$ 3,847,146	\$ 3,672,443	\$ 3,686,365	\$ 3,428,068	\$ 3,850,978	\$ 3,720,751	\$ 3,618,361
Actual contributions as a percentage of covered payroll	58.54%	78.24%	75.24%	46.45%	44.01%	42.82%	42.10%	40.05%	40.36%	37.91%
<b>TRS</b>										
Actuarially determined employer contribution	\$ 1,554,542	\$ 1,578,038	\$ 1,443,656	\$ 1,249,835	\$ 1,208,819	\$ 1,292,314	\$ 1,272,277	\$ 1,012,162	\$ 975,578	\$ 984,110
Actual employer contributions	1,554,542	1,578,038	1,443,656	1,249,835	1,208,819	1,292,314	1,272,277	1,012,162	975,578	984,110
Annual contributions deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 4,836,783	\$ 4,996,954	\$ 4,571,425	\$ 4,500,666	\$ 4,352,967	\$ 4,389,654	\$ 4,321,593	\$ 4,279,755	\$ 4,125,066	\$ 4,078,367
Actual contributions as a percentage of covered payroll	32.14%	31.58%	31.58%	27.77%	27.77%	29.44%	29.44%	23.65%	23.65%	24.13%
<b>JRS</b>										
Actuarially determined employer contribution	\$ 35,252	\$ 32,533	\$ 33,170	\$ 31,893	\$ 27,011	\$ 27,427	\$ 25,458	\$ 19,164	\$ 18,259	\$ 17,731
Actual employer contributions	35,252	32,533	33,170	31,893	27,011	27,427	25,458	19,164	18,259	17,731
Annual contributions deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 38,936	\$ 39,102	\$ 35,872	\$ 31,438	\$ 31,495	\$ 34,643	\$ 34,970	\$ 36,467	\$ 34,897	\$ 34,972
Actual contributions as a percentage of covered payroll	90.54%	83.20%	92.47%	101.45%	85.76%	79.17%	72.80%	52.55%	52.32%	50.70%

Valuation Date:

Actuarially determined contribution amounts are calculated as of June 30, 2024.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	SERS & JRS Entry Age Normal / TRS Entry Age
Amortization Method	SERS level dollar close / TRS level percent of pay closed, grading to a level dollar amortization for the 6/30/2024 valuation / JRS level percent of pay, closed
Remaining Amortization Period	SERS 23.7 years / TRS 25.9 years / JRS 9 years
Asset Valuation Method	SERS & JRS 5 year smoothed market / TRS 4 year smoothed market
Investment Rate of Return	SERS, TRS, & JRS 6.9%, net of pension plan investment expense, including inflation
Salary Increases	SERS 3.0% to 11.5% percent, including inflation / TRS 3.0% to 6.5%, including inflation / JRS 4.0%, including inflation
Cost-of-Living Adjustments	SERS 1.95% to 3.25% / TRS 1.8% to 3.0% / JRS 2.3% to 4.0%
Inflation	SERS, TRS, & JRS 2.5%
Social Security Wage Base	SERS 3.5% / TRS & JRS not listed

**State of Connecticut**

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**REQUIRED SUPPLEMENTARY INFORMATION  
PENSION PLANS  
SCHEDULE OF INVESTMENT RETURNS**

Last Ten Fiscal Years

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**Annual money-weighted rates of return**

<b>net of investment expense</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
State Employees' Retirement Fund	10.13%	11.52%	9.02%	-7.63%	24.36%	1.86%	5.88%	7.30%	14.32%	0.23%
Teachers' Retirement Fund	10.15%	11.50%	8.35%	-7.63%	24.28%	1.85%	5.85%	7.04%	14.37%	0.17%
State Judges' Retirement Fund	10.13%	11.43%	8.07%	-7.73%	24.37%	2.10%	6.12%	6.24%	13.04%	1.11%



## REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFITS

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*Required supplementary information for other postemployment benefits provides information on funding progress and employer contributions.*

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The following schedules are included in the Required Supplementary Information for Other Postemployment Benefits (OPEB):

- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of Employer Contributions
- Schedule of Investment Returns

## State of Connecticut

### REQUIRED SUPPLEMENTAL INFORMATION OTHER POSTEMPLOYMENT BENEFIT PLANS SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

Last Eight Fiscal Year\*

(Expressed in Thousands)

#### SEOPEBP

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017
Service Cost	\$ 459,204	\$ 621,327	\$ 906,279	\$ 1,214,728	\$ 969,674	\$ 848,198	\$ 901,698	\$ 960,992
Interest	1,041,345	703,922	515,502	618,231	806,906	737,298	680,154	511,133
Differences between expected and actual experience	(232,032)	(1,001,199)	(309,786)	389,271	(179,538)	(645,590)	-	-
Changes of assumptions	322,822	830,424	(4,462,669)	(4,936,120)	2,225,764	3,417,609	(724,140)	(510,781)
Benefit payments	(579,767)	(626,743)	(637,979)	(637,221)	(623,104)	(593,403)	(648,347)	(639,467)
Net change in total OPEB liability	1,011,572	527,731	(3,988,653)	(3,351,111)	3,199,702	3,764,112	209,365	321,877
Total OPEB liability - beginning	18,266,067	17,738,336	21,726,989	25,078,101	21,878,399	18,114,287	17,904,922	17,583,045
<b>Total OPEB liability - ending (a)</b>	<b>\$ 19,277,639</b>	<b>\$ 18,266,067</b>	<b>\$ 17,738,336</b>	<b>\$ 21,726,989</b>	<b>\$ 25,078,101</b>	<b>\$ 21,878,399</b>	<b>\$ 18,114,287</b>	<b>\$ 17,904,922</b>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 769,873	\$ 850,513	\$ 847,928	\$ 868,070	\$ 867,222	\$ 752,941	\$ 801,893	\$ 667,401
Contributions - member	113,712	147,572	145,474	147,038	159,377	116,539	116,814	120,783
Net investment income	291,600	185,773	(196,531)	389,771	33,373	68,847	37,001	53,194
Benefit payments	(579,767)	(626,743)	(637,979)	(637,221)	(623,104)	(593,403)	(648,347)	(639,467)
Other	(136,748)	(129,809)	(118,300)	(105,307)	(95,682)	1,194	186	(187)
Net change in plan fiduciary net position	458,670	427,306	40,592	662,351	341,186	346,118	307,547	201,724
Plan fiduciary net position - beginning	2,667,443	2,240,137	2,199,545	1,537,194	1,196,008	849,889	542,342	340,618
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 3,126,113</b>	<b>\$ 2,667,443</b>	<b>\$ 2,240,137</b>	<b>\$ 2,199,545</b>	<b>\$ 1,537,194</b>	<b>\$ 1,196,007</b>	<b>\$ 849,889</b>	<b>\$ 542,342</b>
Plan fiduciary net position as a percentage of the total OPEB liability	16.22%	14.60%	12.63%	10.12%	6.13%	5.47%	4.69%	3.03%
<b>Net OPEB liability - ending (a) -(b)</b>	<b>\$ 16,151,526</b>	<b>\$ 15,598,624</b>	<b>\$ 15,498,199</b>	<b>\$ 19,527,444</b>	<b>\$ 23,540,907</b>	<b>\$ 20,682,392</b>	<b>\$ 17,264,398</b>	<b>\$ 17,362,580</b>
Covered payroll	\$ 5,011,945	\$ 4,865,966	\$ 3,758,688	\$ 3,649,211	\$ 3,745,802	\$ 3,619,133	\$ 3,875,035	\$ 3,743,995
Net OPEB liability as a percentage of covered payroll	322.26%	320.57%	412.33%	535.11%	628.46%	571.47%	445.53%	463.74%

\* Governmental Accounting Standards Board Statement No. 74, Accounting and Financial Reporting for Other Postemployment Benefits, requires the presentation of supplementary information for each of the 10 most recent years. However, until a full 10-year trend is compiled, the State will present information for the years for which the information is available. Information presented in the schedule has been determined as of the measurement date (one year before the most recent fiscal year end).

## State of Connecticut

### REQUIRED SUPPLEMENTAL INFORMATION OTHER POSTEMPLOYMENT BENEFIT PLANS SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

(Continued)

Last Eight Fiscal Year\*

(Expressed in Thousands)

#### RTHP

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017
Service Cost	\$ 59,801	\$ 60,201	\$ 72,027	\$ 121,535	\$ 93,324	\$ 87,313	\$ 132,392	\$ 148,220
Interest	67,106	63,729	38,342	64,951	97,264	105,702	133,597	111,129
Benefit Changes	-	-	299,536	-	-	(339,076)	(1,044,628)	-
Difference between expected and actual experience	1,754,214	(166)	(60,031)	(1,218,425)	(586,004)	66,502	217,853	-
Changes of assumptions	(145,568)	(33,364)	(236,042)	12,750	626,595	182,438	(196,049)	(370,549)
Benefit payments	(51,065)	(52,458)	(74,795)	(131,543)	(67,383)	(55,154)	(110,622)	(84,071)
Net change in total OPEB liability	1,684,488	37,942	39,037	(1,150,732)	163,796	47,725	(867,457)	(195,271)
Total OPEB liability - beginning	1,809,083	1,771,141	1,732,104	2,882,836	2,719,040	2,671,315	3,538,772	3,734,043
<b>Total OPEB liability - ending (a)</b>	<b>\$ 3,493,571</b>	<b>\$ 1,809,083</b>	<b>\$ 1,771,141</b>	<b>\$ 1,732,104</b>	<b>\$ 2,882,836</b>	<b>\$ 2,719,040</b>	<b>\$ 2,671,315</b>	<b>\$ 3,538,772</b>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 21,765	\$ 21,474	\$ 20,419	\$ 29,411	\$ 29,173	\$ 35,320	\$ 35,299	\$ 19,922
Contributions - member	59,113	57,687	50,630	54,058	53,221	51,944	51,484	50,436
Contributions - nonmember	-	14,420	-	-	-	-	-	-
Net investment income	12,911	7,569	49,587	82,256	849	1,090	411	369
Benefit payments	(51,065)	(52,458)	(74,795)	(131,543)	(67,383)	(55,154)	(110,622)	(84,071)
Administrative expense	(132)	(142)	(283)	(117)	(372)	(383)	(264)	(150)
Other	28	(373)	16,083	(91)	-	(16,100)	-	42
Net change in plan fiduciary net position	42,620	48,177	61,641	33,974	15,488	16,717	(23,692)	(13,452)
Plan fiduciary net position - beginning	215,733	167,556	105,915	71,941	56,453	39,736	63,428	76,880
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 258,353</b>	<b>\$ 215,733</b>	<b>\$ 167,556</b>	<b>\$ 105,915</b>	<b>\$ 71,941</b>	<b>\$ 56,453</b>	<b>\$ 39,736</b>	<b>\$ 63,428</b>
Plan fiduciary net position as a percentage of the total OPEB liability	7.40%	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%
<b>Net OPEB liability - ending (a) -(b)</b>	<b>\$ 3,235,218</b>	<b>\$ 1,593,350</b>	<b>\$ 1,603,585</b>	<b>\$ 1,626,189</b>	<b>\$ 2,810,895</b>	<b>\$ 2,662,587</b>	<b>\$ 2,631,579</b>	<b>\$ 3,475,344</b>
Covered payroll	\$ 5,054,181	\$ 4,695,730	\$ 4,695,730	\$ 4,438,394	\$ 4,438,394	\$ 4,389,554	\$ 4,075,939	\$ 4,279,755
Net OPEB liability as a percentage of covered payroll	64.01%	33.93%	34.15%	36.64%	63.33%	60.66%	64.56%	81.20%

\* Governmental Accounting Standards Board Statement No. 74, Accounting and Financial Reporting for Other Postemployment Benefits, requires the presentation of supplementary information for each of the 10 most recent years. However, until a full 10-year trend is compiled, the State will present information for the years for which the information is available. Information presented in the schedule has been determined as of the measurement date (one year before the most recent fiscal year end).

## State of Connecticut

### REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFIT PLANS SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

(Expressed in Thousands)

<b>SEOPEBP</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially Determined										
Employer Contribution	\$ 1,725,852	\$ 1,097,692	\$ 1,055,474	\$ 1,338,541	\$ 1,287,059	\$ 1,203,406	\$ 1,157,121	\$ 1,043,143	\$ 1,443,716	\$ 1,513,336
Actual Employer Contributions	769,873	850,513	847,928	868,070	867,222	752,941	801,893	667,401	608,593	546,284
Annual Contributions Deficiency/(Excess)	\$ 955,979	\$ 247,179	\$ 207,546	\$ 470,471	\$ 419,837	\$ 450,465	\$ 355,228	\$ 375,742	\$ 835,123	\$ 967,052
Covered Payroll	\$ 5,011,945	\$ 4,865,966	\$ 3,649,211	\$ 3,745,802	\$ 3,619,133	\$ 3,619,133	\$ 3,875,035	\$ 3,743,995	\$ 3,895,100	\$ 3,539,800
Actual Contributions as a Percentage of Covered Payroll	15.36%	17.48%	23.24%	23.17%	23.96%	20.80%	20.69%	17.83%	15.62%	15.43%
<b>RTHP</b>										
Actuarially determined										
employer contribution	\$ 76,673	\$ 74,443	\$ 123,908	\$ 120,299	\$ 173,273	\$ 167,819	\$ 172,223	\$ 166,802	\$ 130,331	\$ 125,620
Actual employer contributions	21,765	21,474	20,419	29,411	29,173	35,320	35,299	19,922	19,960	25,145
Annual contributions deficiency/(excess)	\$ 54,908	\$ 52,969	\$ 103,489	\$ 90,888	\$ 144,100	\$ 132,499	\$ 136,924	\$ 146,880	\$ 110,371	\$ 100,475
Covered Payroll	\$ 5,054,181	\$ 4,695,730	\$ 4,695,730	\$ 4,438,394	\$ 4,438,394	\$ 4,389,654	\$ 4,075,939	\$ 4,279,755	\$ 3,949,900	\$ 3,831,600
Actual contributions as a percentage of covered payroll	0.43%	0.46%	0.43%	0.66%	0.66%	0.80%	0.87%	0.47%	0.51%	0.66%

**Note:**

Valuation Date:

Actuarially determined contribution amounts are calculated as of June 30, 2024.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	SEOPEBP- Entry Age Normal, Level Percentage of Payroll
Amortization Method	RTHP-Entry Age
Remaining Amortization Period	SEOPEBP- Payments increase 3.0% per year.
Asset Valuation Method	RTHP-Level Percent of Payroll over an open period
Investment Rate of Return	SEOPEBP- 14 years
Salary Increases	RTHP-30 years
Inflation	Market Value
Claims Trend Assumption	SEOPEBP-6.9%
	RTHP-3.0%
	SEOPEBP-3.0% to 11.5%
	RTHP-3.0% to 6.5%
	2.5%
	4.5% to 6.3%

State of Connecticut

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**OPEB PLAN**  
**SCHEDULE OF INVESTMENT RETURNS**

Last Ten Fiscal Years

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Annual money-weighted rates of return

net of investment expense	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
OPEB Fund	10.13%	11.55%	7.70%	-7.44%	24.61%	2.13%	6.62%	5.85%	11.83%	2.44%



Report on Internal Control Over  
Financial Reporting and on  
Compliance and Other Matters  
Based on an Audit of Financial  
Statements Performed in  
Accordance with Government  
Auditing Standards

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# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL  
210 CAPITOL AVENUE  
HARTFORD, CONNECTICUT 06106-1559

CRAIG A. MINER

### INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Governor Ned Lamont  
Members of the General Assembly  
State Comptroller Sean Scanlon:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Connecticut as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the state's basic financial statements, and have issued our report thereon dated February 27, 2026.

Our report includes a reference to other auditors who audited the financial statements of certain funds and discretely presented component units of the state, as described in our report on the State of Connecticut's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the University of Connecticut, the University of Connecticut Health Center, the Connecticut State Universities, Connecticut State Community College, and the University of Connecticut Foundation were not audited in accordance with *Government Auditing Standards*.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A

*significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding Numbers 2025-001 and 2025-002 that we consider to be significant deficiencies.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of Connecticut's financial statements as presented in the *Annual Comprehensive Financial Report* are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we have reported to management in the accompanying State Auditors' Findings and Recommendations as Finding Number 2025-003.

### **State's Response to Findings**

*Government Auditing Standards* require the auditor to perform limited procedures on the state's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The state's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the State of Connecticut's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Connecticut's internal control and compliance. This report is intended solely for the information and use of the Governor, the State Comptroller, and the Appropriations Committee of the General Assembly and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



John C. Geragosian  
State Auditor



Craig A. Miner  
State Auditor

February 27, 2026  
State Capitol  
Hartford, Connecticut



Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL  
210 CAPITOL AVENUE  
HARTFORD, CONNECTICUT 06106-1559

CRAIG A. MINER

### Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Governor Ned Lamont  
Members of the General Assembly

#### Report on Compliance for Each Major Federal Program

##### *Opinion on Each Major Federal Program*

We have audited the State of Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the State of Connecticut's major federal programs for the fiscal year ended June 30, 2025. The State of Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The State of Connecticut's basic financial statements include the operations of the Connecticut Airport Authority, the Connecticut Housing Finance Authority, the Clean Water Fund, the Drinking Water Fund, and the State Education Resource Center which expended federal awards which are not included in the Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2025. Our audit, described below, did not include the operations of the Connecticut Airport Authority, the Connecticut Housing Finance Authority, the Clean Water Fund, the Drinking Water Fund, and the State Education Resource Center because other auditors were engaged to audit those entities in accordance with the Uniform Guidance.

In our opinion, the State of Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

##### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and*

*Audit Requirements for Federal Awards (Uniform Guidance).* Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State of Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the State of Connecticut's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the State of Connecticut's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State of Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State of Connecticut's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State of Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State of Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State of Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-010, 2025-011, 2025-016, 2025-017, 2025-023, 2025-025, 2025-029, 2025-100, 2025-725, 2025-728, and 2025-800. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Connecticut's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of Connecticut's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant weaknesses may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-010, 2025-011, 2025-012, 2025-013, 2025-014, 2025-015, 2025-016, 2025-017, 2025-018, 2025-019, 2025-020, 2025-021, 2025-022, 2025-023, 2025-024, 2025-025, 2025-026, 2025-027, 2025-028, 2025-029, 2025-030, 2025-031, 2025-032, 2025-100, 2025-101, 2025-200, 2025-201, 2025-300, 2025-350, 2025-400, 2025-575, 2025-650, 2025-725, 2025-726, 2025-727, 2025-728, 2025-775, 2025-800, 2025-801, and 2025-802 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Connecticut's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of Connecticut's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of

the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Connecticut as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State of Connecticut's basic financial statements. We issued our report thereon dated February 27, 2026, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects, in relation to the financial statements as a whole.

### **Other Matters Related to the Schedule of Expenditures of Federal Awards**

As part of conducting the procedures referred to above, we obtained an understanding of the State of Connecticut's internal controls over financial reporting and assessed whether the form and content of the Schedule of Expenditures of Federal Awards complied with the applicable criteria including the Uniform Guidance. Providing an opinion on the effectiveness of the State of Connecticut's internal controls or compliance relating to the Schedule of Expenditures of Federal Awards was not an objective of our audit, and accordingly, we do not express such an opinion. However, we identified a deficiency in internal controls related to the Schedule of Expenditures of Federal Awards that we are required to report as a material weakness in internal controls over financial reporting. This deficiency is described in the accompanying Schedule of Findings and Questioned Costs as finding 2025-004.

This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Connecticut's internal control and compliance. Accordingly, this report is intended solely for the information and use of the Governor, the State Comptroller, the Appropriations Committee of the General Assembly, the Legislative Committee on Program Review and Investigations, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



John C. Geragosian  
State Auditor



Craig A. Miner  
State Auditor

March 27, 2026  
State Capitol  
Hartford, Connecticut



# Schedule of Expenditures of Federal Awards

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STATE OF CONNECTICUT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Fiscal Year Ended June 30, 2025

Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>							
	10.001	AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH				\$ 487,547	\$ 2,221,863
	10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE		Yale University	CON-80004477	147,272	1,519,658
	10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE				-	211,337
	<b>10.025 Total</b>					<b>147,272</b>	<b>1,730,995</b>
	10.072	WETLANDS RESERVE PROGRAM		University of Rhode Island	NR223A750023C004	-	57,457
	10.163	MARKET PROTECTION AND PROMOTION		Pennsylvania Certified Organic (PCO)	AG240284	27,405	8,619
	10.163	MARKET PROTECTION AND PROMOTION				-	27,405
	<b>10.163 Total</b>					<b>27,405</b>	<b>36,024</b>
	10.170	SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL				208,885	655,878
	10.174	ACER ACCESS DEVELOPMENT PROGRAM		Yale University	23ACERCT1031-00	-	19,836
	10.175	FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM		Dairy Management (DMI)	AG230276	-	24,856
	10.175	FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM				-	68,411
	<b>10.175 Total</b>					<b>-</b>	<b>93,267</b>
	10.182	PANDEMIC RELIEF ACTIVITIES: LOCAL FOOD PURCHASE AGREEMENTS WITH STATES, TRIBES, AND LOCAL GOVERNMENTS				709,980	895,389
	10.185	LOCAL FOOD FOR SCHOOLS COOPERATIVE AGREEMENT PROGRAM				(348,969)	(348,969)
	10.187	THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP) COMMODITY CREDIT CORPORATION ELIGIBLE RECIPIENT FUNDS				384,079	384,079
	10.188	ORGANIC MARKET DEVELOPMENT GRANT (OMDG) PROGRAM				-	25,815
	10.190	RESILIENT FOOD SYSTEM INFRASTRUCTURE PROGRAM				474,375	706,004
	10.200	GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS		University of Maryland, College Park	CON-00001512-Z2198901	10,135	44,110
	10.200	GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS				-	125
	<b>10.200 Total</b>					<b>10,135</b>	<b>44,235</b>
	10.202	COOPERATIVE FORESTRY RESEARCH				-	346,452
	10.203	PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT				2,000	2,811,095
	10.207	ANIMAL HEALTH AND DISEASE RESEARCH				-	453
	10.210	HIGHER EDUCATION NATIONAL NEEDS GRADUATE FELLOWSHIP GRANTS				-	213,397
	10.215	SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION		University of Vermont	2021-38640-34668	816	237,507
	10.215	SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION		University of Vermont	SNE23-001-CT-AWD00001024	-	66,723
	<b>10.215 Total</b>					<b>816</b>	<b>304,230</b>
	10.217	HIGHER EDUCATION - INSTITUTION CHALLENGE GRANTS PROGRAM				13,798	74,013
	10.219	BIOTECHNOLOGY RISK ASSESSMENT RESEARCH				-	168,761
	10.225	COMMUNITY FOOD PROJECTS		Chrysalis Center	AG230366	-	14,930
	10.229	EXTENSION COLLABORATIVE ON IMMUNIZATION TEACHING & ENGAGEMENT				-	63,012
	10.237	FROM LEARNING TO LEADING: CULTIVATING THE NEXT GENERATION OF DIVERSE FOOD AND AGRICULTURE PROFESSIONALS				28,355	527,737
	10.243	AMERICAN RESCUE PLAN CENTERS OF EXCELLENCE FOR MEAT AND POULTRY PROCESSING AND FOOD SAFETY RESEARCH AND INNOVATION PHASE III				-	127,668
	10.250	AGRICULTURAL AND RURAL ECONOMIC RESEARCH, COOPERATIVE AGREEMENTS AND COLLABORATIONS				-	88,540
	10.255	RESEARCH INNOVATION AND DEVELOPMENT GRANTS IN ECONOMIC (RIDGE)				-	38,105
	10.303	INTEGRATED PROGRAMS		University of Wisconsin -Milwaukee	2023-51106-40960	8,646	86,748
	10.304	FOOD AND AGRICULTURE DEFENSE INITIATIVE (FADI)		University of Maine	UMS1421	31,247	80,467
	10.307	ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE		University of Florida	2024-51300-43051	-	600,589
	10.309	SPECIALTY CROP RESEARCH INITIATIVE		Virginia Polytechnic State University	2023-51181-41319	50,123	548,471

STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2025

Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	10.310	AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)		Columbia University of New York	PFIZER 87425917	2,046,353	7,220,994
	10.310	AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)				65,838	239,915
	<b>10.310 Total</b>					<b>2,112,191</b>	<b>7,460,909</b>
	10.311	BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM				20,786	160,262
	10.318	WOMEN AND MINORITIES IN SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS FIELDS				-	6,215
	10.320	SUN GRANT PROGRAM		Pennsylvania State University	S004985-USDA	-	160,646
	10.328	FOOD SAFETY OUTREACH PROGRAM		Cornell University	152991-22399	-	20,374
	10.328	FOOD SAFETY OUTREACH PROGRAM				-	10,592
	<b>10.328 Total</b>					<b>-</b>	<b>30,966</b>
	10.329	CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM		Clemson University	2574-207-2016248	-	57,110
	10.329	CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM				-	264,342
	<b>10.329 Total</b>					<b>-</b>	<b>321,452</b>
	10.333	URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION INITIATIVE				-	32,036
	10.443	OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED AND VETERAN FARMERS AND RANCHERS				86,970	171,402
	10.460	RISK MANAGEMENT EDUCATION PARTNERSHIPS				-	107,341
	10.500	COOPERATIVE EXTENSION SERVICE				-	57,665
	10.511	SMITH-LEVER EXTENSION FUNDING				-	2,220,063
	10.514	EXPANDED FOOD AND NUTRITION EDUCATION PROGRAM				-	677,663
	10.515	RENEWABLE RESOURCES EXTENSION ACT				-	52,078
	10.516	RURAL HEALTH AND SAFETY EDUCATION COMPETITIVE GRANTS PROGRAM				10,228	95,663
	10.525	FARM AND RANCH STRESS ASSISTANCE NETWORK COMPETITIVE GRANTS PROGRAM				-	37,137
	10.527	NEW BEGINNING FOR TRIBAL STUDENTS				-	52,248
	10.537	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) EMPLOYMENT AND TRAINING (E&T) DATA AND TECHNICAL ASSISTANCE GRANTS				-	206,810
	10.541	CHILD NUTRITION-TECHNOLOGY INNOVATION GRANT				-	145,134
	10.542	COVID-19 PANDEMIC EBT FOOD BENEFITS	COVID-19			-	360
	10.551	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM				-	870,530,359
	10.553	SCHOOL BREAKFAST PROGRAM				50,926,435	52,874,693
	10.555	NATIONAL SCHOOL LUNCH PROGRAM				153,710,651	190,789,652
	10.556	SPECIAL MILK PROGRAM FOR CHILDREN				65,417	65,417
	10.557	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN				9,944,718	95,483,244
	10.558	CHILD AND ADULT CARE FOOD PROGRAM				24,102,193	24,356,478
	10.559	SUMMER FOOD SERVICE PROGRAM FOR CHILDREN				5,215,157	5,254,078
	10.560	STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION				-	3,217,130
	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM				2,347,837	88,177,873
	10.565	COMMODITY SUPPLEMENTAL FOOD PROGRAM				392,029	393,632
	10.568	EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)		CT Foodshare	A2365-001	2,014,249	951,725
	10.568	COVID-19 EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE)	COVID-19			-	1,084,854
	<b>10.568 Total</b>					<b>2,014,249</b>	<b>2,036,579</b>
	10.572	WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)				-	118,178
	10.575	FARM TO SCHOOL GRANT PROGRAM				-	84,239
	10.576	SENIOR FARMERS MARKET NUTRITION PROGRAM				50,000	250,933
	10.578	WIC GRANTS TO STATES (WGS)				-	945,042

STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2025

Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	10.579	CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY				528,056	582,405
	10.582	FRESH FRUIT AND VEGETABLE PROGRAM				-	3,445,905
	10.604	TECHNICAL ASSISTANCE FOR SPECIALTY CROPS PROGRAM				-	160,223
	10.645	FARM TO SCHOOL STATE FORMULA GRANT				-	(149,507)
	10.645	COVID-19 FARM TO SCHOOL STATE FORMULA GRANT	COVID-19			-	156,307
	<b>10.645 Total</b>					-	<b>6,800</b>
	10.646	SUMMER ELECTRONIC BENEFIT TRANSFER PROGRAM FOR CHILDREN				-	31,560,899
	10.652	FORESTRY RESEARCH				-	20,079
	10.664	COOPERATIVE FORESTRY ASSISTANCE		American Forest Foundation	21-DG-11094200-053	112,762	31,886
	10.664	COOPERATIVE FORESTRY ASSISTANCE		University of Vermont and State Ag College	06130-UVM-FEMC-FFY21	-	34,192
	10.664	COOPERATIVE FORESTRY ASSISTANCE				-	1,175,761
	<b>10.664 Total</b>					<b>112,762</b>	<b>1,241,839</b>
	10.676	FOREST LEGACY PROGRAM				20,680	23,668
	10.678	FOREST STEWARDSHIP PROGRAM				-	12,547
	10.680	FOREST HEALTH PROTECTION				-	127,672
	10.684	INTERNATIONAL FORESTRY PROGRAMS				-	(169)
	10.698	STATE & PRIVATE FORESTRY COOPERATIVE FIRE ASSISTANCE				-	195,406
	10.720	INFRASTRUCTURE INVESTMENT AND JOBS ACT COMMUNITY WILDFIRE DEFENSE GRANTS				-	13,083
	10.727	INFLATION REDUCTION ACT URBAN & COMMUNITY FORESTRY PROGRAM				140,434	242,105
	10.902	SOIL AND WATER CONSERVATION				-	16,376
	10.903	SOIL SURVEY				9,089	260,914
	10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM		Research Foundation for the State University of New York	550-1171682-92863	54,357	336,436
	10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM				-	1,344
	<b>10.912 Total</b>					<b>54,357</b>	<b>337,780</b>
	10.913	FARM AND RANCH LANDS PROTECTION PROGRAM				-	1,130,875
	10.960	TECHNICAL AGRICULTURAL ASSISTANCE				23,401	49,743
	10.968	INCREASING LAND, CAPITAL, AND MARKET ACCESS PROGRAM				32,284	86,386
	10.968	COVID-19 INCREASING LAND, CAPITAL, AND MARKET ACCESS PROGRAM	COVID-19			-	101,876
	<b>10.968 Total</b>					<b>32,284</b>	<b>188,262</b>
	10.RD	OTHER FEDERAL ASSISTANCE	1021-JV-11242308-076			-	7,599
	10.RD	OTHER FEDERAL ASSISTANCE	1025-JV-11261963-012			-	2,416
	10.RD	OTHER FEDERAL ASSISTANCE	10CT 04192023 DS			-	343,296
	10.RD	OTHER FEDERAL ASSISTANCE	10DAG42500			-	27,400
	10.RD	OTHER FEDERAL ASSISTANCE	10S005502-USDA			-	35,559
	10.RD	OTHER FEDERAL ASSISTANCE	UCONN Hurricane Impact Study			-	7,038
	<b>10.RD Total</b>					-	<b>423,308</b>
	10.U01	OTHER FEDERAL ASSISTANCE	10SDE64000			-	163,372
<b>DEPARTMENT OF AGRICULTURE Total</b>						<b>\$ 254,155,618</b>	<b>\$ 1,399,393,210</b>
<b>DEPARTMENT OF COMMERCE</b>							
	11.008	NOAA MISSION-RELATED EDUCATION AWARDS		Manomet	EO-EDU-006-A	\$ -	\$ 48,844
	11.008	NOAA MISSION-RELATED EDUCATION AWARDS		Project Oceanology	AG210701	-	7,420
	<b>11.008 Total</b>					-	<b>56,264</b>
	11.012	INTEGRATED OCEAN OBSERVING SYSTEM (IOOS)		Northeastern Regional Association of Coastal Ocean Observing Systems	N23A017002	4,900	427,762
	11.016	STATISTICAL, RESEARCH, AND METHODOLOGY ASSISTANCE				62,167	194,646
	11.017	OCEAN ACIDIFICATION PROGRAM (OAP)				-	228,815

STATE OF CONNECTICUT  
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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	11.020	CLUSTER GRANTS		Community Foundation for Greater New Haven	ED2301E0G0136	-	101,855
	11.028	CONNECTING MINORITY COMMUNITIES PILOT PROGRAM				-	968,681
	11.032	STATE DIGITAL EQUITY PLANNING AND CAPACITY GRANT				103,210	280,740
	11.035	BROADBAND EQUITY, ACCESS, AND DEPLOYMENT PROGRAM				-	2,138,028
	11.039	REGIONAL TECHNOLOGY AND INNOVATION HUBS				-	143,599
	11.303	ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE				-	90,960
	11.307	ECONOMIC ADJUSTMENT ASSISTANCE				7,555,470	8,115,070
	11.307	COVID-19 ECONOMIC ADJUSTMENT ASSISTANCE	COVID-19			-	3,319,891
	<b>11.307 Total</b>					<b>7,555,470</b>	<b>11,434,961</b>
	11.407	INTERJURISDICTIONAL FISHERIES ACT OF 1986				-	9,096
	11.417	SEA GRANT SUPPORT		University of Alabama, Tuscaloosa	A24-0567-S003	212,465	941,162
	11.417	SEA GRANT SUPPORT				507,000	1,691,604
	11.417	COVID-19 SEA GRANT SUPPORT	COVID-19			-	57,493
	<b>11.417 Total</b>					<b>719,465</b>	<b>2,690,259</b>
	11.419	COASTAL ZONE MANAGEMENT ADMINISTRATION AWARDS		Boston University	4500004889	-	9,678
	11.419	COASTAL ZONE MANAGEMENT ADMINISTRATION AWARDS				-	2,446,827
	<b>11.419 Total</b>					<b>-</b>	<b>2,456,505</b>
	11.420	COASTAL ZONE MANAGEMENT ESTUARINE RESEARCH RESERVES				-	852,964
	11.429	MARINE SANCTUARY PROGRAM		National Marine Sanctuary Foundation	69000-25-03-460	-	3,176
	11.431	CLIMATE AND ATMOSPHERIC RESEARCH				-	140,628
	11.434	COOPERATIVE FISHERY STATISTICS				-	130,073
	11.439	MARINE MAMMAL DATA PROGRAM				3,295	64,433
	11.459	WEATHER AND AIR QUALITY RESEARCH				76,731	297,488
	11.463	HABITAT CONSERVATION		Nature Conservancy	RNSP-CTNERR-01102025	-	87,043
	11.463	HABITAT CONSERVATION				-	13,023
	<b>11.463 Total</b>					<b>-</b>	<b>100,066</b>
	11.473	OFFICE FOR COASTAL MANAGEMENT				-	246,191
	11.474	ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT				-	249,124
	11.478	CENTER FOR SPONSORED COASTAL OCEAN RESEARCH COASTAL OCEAN PROGRAM				-	208,087
	11.609	MEASUREMENT AND ENGINEERING RESEARCH AND STANDARDS				-	227,417
	11.617	CONGRESSIONALLY-IDENTIFIED PROJECTS				-	994,313
	11.620	SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH				-	120,071
	11.802	MINORITY BUSINESS RESOURCE DEVELOPMENT				411,010	558,557
	11.999	MARINE DEBRIS PROGRAM				-	20,596
	11.RD	OTHER FEDERAL ASSISTANCE	11CSSF-NROC-UCONN-RDS-2024			-	8,587
	11.RD	OTHER FEDERAL ASSISTANCE	11NA24NMFx454G0020			-	34,718
	<b>11.RD Total</b>					<b>-</b>	<b>43,305</b>
<b>DEPARTMENT OF COMMERCE Total</b>						<b>\$ 8,936,248</b>	<b>\$ 25,478,660</b>
<b>DEPARTMENT OF DEFENSE</b>							
	12.006	NATIONAL DEFENSE EDUCATION PROGRAM				\$ 135,831	\$ 135,831
	12.020	STARBASE PROGRAM				-	983,238
	12.027	DEFENSE COMMUNITY INFRASTRUCTURE PROGRAM				-	223,081
	12.113	STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE REIMBURSEMENT OF TECHNICAL SERVICES				-	42,231
	12.300	BASIC AND APPLIED SCIENTIFIC RESEARCH		Pennsylvania State University	S000561-ONR	8,539,041	18,456,352
	12.400	MILITARY CONSTRUCTION, NATIONAL GUARD				-	982,388
	12.401	NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M)				-	41,459,132

**STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	12.420	MILITARY MEDICAL RESEARCH AND DEVELOPMENT		Stevens Institute of Technology	SIT-2103075-01/DOD-W81XWH2010321	139,110	2,551,112
	12.431	BASIC SCIENTIFIC RESEARCH				59,908	612,047
	12.617	ECONOMIC ADJUSTMENT ASSISTANCE FOR STATE GOVERNMENTS				501,220	1,179,787
	12.620	TROOPS TO TEACHERS GRANT PROGRAM				-	(1,472)
	12.630	BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING				-	216,619
	12.800	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM		Yale University	CON-80005558 (GR126738)	309,542	1,194,232
	12.900	LANGUAGE GRANT PROGRAM				-	395,662
	12.901	MATHEMATICAL SCIENCES GRANTS				-	18,279
	12.910	RESEARCH AND TECHNOLOGY DEVELOPMENT				-	1,909,834
	12.RD	OTHER FEDERAL ASSISTANCE	124787			-	18,674
	12.RD	OTHER FEDERAL ASSISTANCE	12211186			-	18,011
	12.RD	OTHER FEDERAL ASSISTANCE	12250603			-	89,679
	12.RD	OTHER FEDERAL ASSISTANCE	121100073			-	15,308
	12.RD	OTHER FEDERAL ASSISTANCE	12#313000032			-	40,186
	12.RD	OTHER FEDERAL ASSISTANCE	12#W911QX23D0006/ W911QX24F0097TASK05			-	32,552
	12.RD	OTHER FEDERAL ASSISTANCE	1210-27493-104906-46			-	200,868
	12.RD	OTHER FEDERAL ASSISTANCE	122135-S01			-	133,323
	12.RD	OTHER FEDERAL ASSISTANCE	124624-UCONN-2023-01			-	59,915
	12.RD	OTHER FEDERAL ASSISTANCE	12555112-78055			-	61,112
	12.RD	OTHER FEDERAL ASSISTANCE	12AG211123			-	15,084
	12.RD	OTHER FEDERAL ASSISTANCE	12AG231358			-	192,417
	12.RD	OTHER FEDERAL ASSISTANCE	12CT24-008 - AG240505			-	166,778
	12.RD	OTHER FEDERAL ASSISTANCE	12FA239423CB060			223,113	1,346,977
	12.RD	OTHER FEDERAL ASSISTANCE	12FA8650-20-C-5206			-	294,920
	12.RD	OTHER FEDERAL ASSISTANCE	12FA8650-21-C-5711			-	832,006
	12.RD	OTHER FEDERAL ASSISTANCE	12IPA# 315			-	373,850
	12.RD	OTHER FEDERAL ASSISTANCE	12MASIO-SUB0008953			-	7,447
	12.RD	OTHER FEDERAL ASSISTANCE	12PO #4440278825			-	27,032
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 1000077126			1,185,765	2,806,011
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 4440943540			-	86,858
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 4815			-	224,224
	12.RD	OTHER FEDERAL ASSISTANCE	12PO# 242596			-	23,584
	12.RD	OTHER FEDERAL ASSISTANCE	12PO#47206551/UNI-SOW-52390			-	20,995
	12.RD	OTHER FEDERAL ASSISTANCE	12PO#W-1002			-	483
	12.RD	OTHER FEDERAL ASSISTANCE	12PO10215920			-	130,051
	12.RD	OTHER FEDERAL ASSISTANCE	12QSI-DSC-23-010			-	4,023
	12.RD	OTHER FEDERAL ASSISTANCE	12SPC-			-	77,454
	12.RD	OTHER FEDERAL ASSISTANCE	1000007136/GR129425			-	77,454
	12.RD	OTHER FEDERAL ASSISTANCE	12Task 194			-	(8)
	12.RD	OTHER FEDERAL ASSISTANCE	12TSI-5201-24-20217358			-	12,830
	12.RD	OTHER FEDERAL ASSISTANCE	12W911QY21C0082			-	9,211
	12.RD	OTHER FEDERAL ASSISTANCE	12W912HQ19C0019			-	(1)
	<b>12.RD Total</b>					<b>1,408,878</b>	<b>7,321,854</b>
<b>DEPARTMENT OF DEFENSE Total</b>						<b>\$ 11,093,530</b>	<b>\$ 77,680,207</b>

STATE OF CONNECTICUT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
<b>CENTRAL INTELLIGENCE AGENCY</b>							
	13.RD	OTHER FEDERAL ASSISTANCE	132021-21072100002			\$ -	\$ 157,167
	13.RD	OTHER FEDERAL ASSISTANCE	13AG220988			-	104,394
	13.RD	OTHER FEDERAL ASSISTANCE	13K003034-00-S03			-	13,851
	<b>13.RD Total</b>					-	<b>275,412</b>
<b>CENTRAL INTELLIGENCE AGENCY Total</b>						<b>\$ -</b>	<b>\$ 275,412</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>							
	14.191	MULTIFAMILY HOUSING SERVICE COORDINATORS				\$ 339,067	\$ 339,067
	14.218	COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS		City of Meriden	LTR-1017	-	16,548
	14.228	COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII				23,835,739	17,507,240
	14.228	COVID-19 COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	COVID-19			-	7,198,966
	<b>14.228 Total</b>					<b>23,835,739</b>	<b>24,706,206</b>
	14.231	EMERGENCY SOLUTIONS GRANT PROGRAM				(368,531)	(483,251)
	14.238	SHELTER PLUS CARE				-	(29,623)
	14.239	HOME INVESTMENT PARTNERSHIPS PROGRAM				11,317,288	17,220,329
	14.239	COVID-19 HOME INVESTMENT PARTNERSHIPS PROGRAM	COVID-19			-	3,270,711
	<b>14.239 Total</b>					<b>11,317,288</b>	<b>20,491,040</b>
	14.241	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS				310,853	310,853
	14.249	SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY				-	82,661
	14.267	CONTINUUM OF CARE PROGRAM				17,291,283	53,592,171
	14.269	HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)				-	1,498,943
	14.272	NATIONAL DISASTER RESILIENCE COMPETITION				-	971,773
	14.275	HOUSING TRUST FUND				5,330	9,301,868
	14.326	PROJECT RENTAL ASSISTANCE DEMONSTRATION (PRA DEMO) PROGRAM OF SECTION 811 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES				-	1,060,696
	14.401	FAIR HOUSING ASSISTANCE PROGRAM				-	149,222
	14.537	EVICTION PROTECTION GRANT PROGRAM				-	5,990
	14.871	SECTION 8 HOUSING CHOICE VOUCHERS				163,000	139,897,489
	14.871	COVID-19 SECTION 8 HOUSING CHOICE VOUCHERS	COVID-19			-	5,709,105
	<b>14.871 Total</b>					<b>163,000</b>	<b>145,606,594</b>
	14.879	MAINSTREAM VOUCHERS				-	5,183,299
	14.896	FAMILY SELF-SUFFICIENCY PROGRAM				-	278,212
	14.905	LEAD HAZARD REDUCTION DEMONSTRATION GRANT PROGRAM				1,789,437	1,789,437
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Total</b>						<b>\$ 54,683,466</b>	<b>\$ 264,871,706</b>
<b>DEPARTMENT OF THE INTERIOR</b>							
	15.153	HURRICANE SANDY DISASTER RELIEF COASTAL RESILIENCY GRANTS.		National Fish and Wildlife Foundation	1401.22.073318	\$ 16,164	\$ 16,164
	15.232	JOINT FIRE SCIENCE PROGRAM				-	4,081
	15.247	WILDLIFE RESOURCE MANAGEMENT				-	20,991
	15.605	SPORT FISH RESTORATION				-	4,557,816
	15.608	FISH AND AQUATIC CONSERVATION - AQUATIC INVASIVE SPECIES				-	94,750
	15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION AND SAFETY				167,175	9,369,312
	15.614	COASTAL WETLANDS PLANNING, PROTECTION AND RESTORATION				-	341,500
	15.616	CLEAN VESSEL ACT				916,324	1,287,072
	15.623	NORTH AMERICAN WETLANDS CONSERVATION FUND				100,000	108,620
	15.630	COASTAL				-	57,244
	15.634	STATE WILDLIFE GRANTS				50,000	801,652
	15.655	MIGRATORY BIRD MONITORING, ASSESSMENT AND CONSERVATION				-	76,781
	15.657	ENDANGERED SPECIES RECOVERY IMPLEMENTATION				-	2,615

STATE OF CONNECTICUT  
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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	15.660	CANDIDATE SPECIES CONSERVATION				-	4,169
	15.667	HIGHLANDS CONSERVATION				760,500	1,565,500
	15.677	HURRICANE SANDY DISASTER RELIEF ACTIVITIES-FWS				-	24,051
	15.805	ASSISTANCE TO STATE WATER RESOURCES RESEARCH INSTITUTES				37,497	245,786
	15.808	U.S. GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION				-	142,442
	15.810	NATIONAL COOPERATIVE GEOLOGIC MAPPING				-	30,684
	15.815	NATIONAL LAND REMOTE SENSING EDUCATION OUTREACH AND RESEARCH		America View	AV23-CT-01	-	6,718
	15.904	HISTORIC PRESERVATION FUND GRANTS-IN-AID				65,779	1,021,705
	15.916	OUTDOOR RECREATION ACQUISITION, DEVELOPMENT AND PLANNING				-	231,106
	15.933	PRESERVATION OF JAPANESE AMERICAN CONFINEMENT SITES				-	37,603
	15.945	COOPERATIVE RESEARCH AND TRAINING PROGRAMS @ RESOURCES OF THE NATIONAL PARK SYSTEM				-	24,433
	15.RD	OTHER FEDERAL ASSISTANCE	15140G0119C0008			-	(187)
	15.U01	2022 - 2023 CONNECTICUT AQUATIC INVASIVE SPECIES COOPERATIVE	15DEP43000			-	56,605
<b>DEPARTMENT OF THE INTERIOR Total</b>						<b>\$ 2,113,439</b>	<b>\$ 20,129,213</b>
<b>DEPARTMENT OF JUSTICE</b>							
	16.002	LAW ENFORCEMENT ASSISTANCE_NARCOTICS AND DANGEROUS DRUGS_ STATE LEGISLATION				\$ -	\$ 50,453
	16.017	SEXUAL ASSAULT SERVICES FORMULA PROGRAM				666,528	677,224
	16.036	COMPREHENSIVE FORENSIC DNA ANALYSIS GRANT PROGRAM				-	329,154
	16.037	STRENGTHENING THE MEDICAL EXAMINER - CORONER SYSTEM				-	82,625
	16.044	FORENSICS TRAINING AND TECHNICAL ASSISTANCE PROGRAM				-	32,751
	16.320	SERVICES FOR TRAFFICKING VICTIMS				-	318,837
	16.540	JUVENILE JUSTICE AND DELINQUENCY PREVENTION		National Council of Juvenile and Family Court Judges (NCJFCJ)	34323-SR-1	-	59,637
	16.543	MISSING CHILDREN'S ASSISTANCE				-	310,596
	16.550	STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS				-	363
	16.554	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)				-	4,078,181
	16.575	CRIME VICTIM ASSISTANCE				8,745,045	9,367,965
	16.576	CRIME VICTIM COMPENSATION				-	780,439
	16.585	TREATMENT COURT DISCRETIONARY GRANT PROGRAM		OK Department of Mental Health and Substance Abuse Services	PO #4529066858	-	19,690
	16.585	TREATMENT COURT DISCRETIONARY GRANT PROGRAM		OK Department of Mental Health and Substance Abuse Services	PO# 4529068293	-	182,676
	<b>16.585 Total</b>					-	<b>202,366</b>
	16.588	VIOLENCE AGAINST WOMEN FORMULA GRANTS				1,367,264	1,676,831
	16.593	RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS				-	263,651
	16.606	STATE CRIMINAL ALIEN ASSISTANCE PROGRAM				-	1,037,955
	16.710	PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS				-	853,195
	16.738	EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM		Equal Justice USA	WNTPS995QBM7	-	1,585,381
	16.738	EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM				356,474	31,800
	<b>16.738 Total</b>					<b>356,474</b>	<b>1,617,181</b>
	16.741	DNA BACKLOG REDUCTION PROGRAM				-	330,035
	16.742	PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM				-	380,768
	16.750	SUPPORT FOR ADAM WALSH ACT IMPLEMENTATION GRANT PROGRAM				-	330,268
	16.812	SECOND CHANCE ACT REENTRY INITIATIVE				-	229,641
	16.816	JOHN R. JUSTICE PROSECUTORS AND DEFENDERS INCENTIVE ACT				-	116,913
	16.820	POSTCONVICTION TESTING OF DNA EVIDENCE				-	129,063
	16.831	CHILDREN OF INCARCERATED PARENTS				-	194,995

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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	16.833	NATIONAL SEXUAL ASSAULT KIT INITIATIVE				-	542,741
	16.838	COMPREHENSIVE OPIOID, STIMULANT, AND OTHER SUBSTANCES USE PROGRAM				-	1,223,333
	16.839	STOP SCHOOL VIOLENCE				77,887	77,887
	16.922	EQUITABLE SHARING PROGRAM				-	258,991
<b>DEPARTMENT OF JUSTICE Total</b>						<b>\$ 11,213,198</b>	<b>\$ 25,554,039</b>
<b>DEPARTMENT OF LABOR</b>							
	17.002	LABOR FORCE STATISTICS				\$ -	\$ 1,592,486
	17.005	COMPENSATION AND WORKING CONDITIONS				-	400,153
	17.205	COVID-19 COOPERATIVE AREA MANPOWER PLANNING SYSTEM	COVID-19			797,605	1,813,236
	17.207	EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES				-	7,569,363
	17.225	UNEMPLOYMENT INSURANCE				-	719,371,373
	17.225	COVID-19 UNEMPLOYMENT INSURANCE	COVID-19			-	171,309
	<b>17.225 Total</b>					-	<b>719,542,682</b>
	17.235	SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM				810,036	810,036
	17.245	TRADE ADJUSTMENT ASSISTANCE				-	868,470
	17.258	WIOA ADULT PROGRAM				8,501,355	11,188,543
	17.259	WIOA YOUTH ACTIVITIES		NW Regional Investment Brd	OSY-12-002	10,385,650	12,000,494
	17.261	WORKFORCE DATA QUALITY INITIATIVE (WDQI)				277,000	2,342,000
	17.268	H-1B JOB TRAINING GRANTS				-	633,220
	17.271	WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)				-	308,293
	17.273	TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS				-	218,301
	17.278	WIOA DISLOCATED WORKER FORMULA GRANTS				8,048,670	13,842,225
	17.285	REGISTERED APPRENTICESHIP				1,717,751	1,958,340
	17.503	OCCUPATIONAL SAFETY AND HEALTH STATE PROGRAM				-	1,753,258
	17.504	CONSULTATION AGREEMENTS				-	2,081,731
	17.600	MINE HEALTH AND SAFETY GRANTS				-	85,488
	17.720	DISABILITY EMPLOYMENT POLICY DEVELOPMENT				252,440	1,065,731
	17.801	JOBS FOR VETERANS STATE GRANTS				-	521,347
	17.804	LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE PROGRAM				-	895,420
<b>DEPARTMENT OF LABOR Total</b>						<b>\$ 30,790,507</b>	<b>\$ 781,490,817</b>
<b>DEPARTMENT OF STATE</b>							
	19.009	ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS		World Learning	IDEAS22-UConn01	\$ 327,741	\$ 1,437,805
	19.040	PUBLIC DIPLOMACY PROGRAMS				-	115,282
	19.900	AEECA/ESF PD PROGRAMS				-	8,256
<b>DEPARTMENT OF STATE Total</b>						<b>\$ 327,741</b>	<b>\$ 1,561,343</b>
<b>DEPARTMENT OF TRANSPORTATION</b>							
	20.200	HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM				\$ 87,283	\$ 1,290,565
	20.205	HIGHWAY PLANNING AND CONSTRUCTION				54,728,790	895,426,988
	20.218	MOTOR CARRIER SAFETY ASSISTANCE				-	3,625,941
	20.219	RECREATIONAL TRAILS PROGRAM				-	127,409
	20.232	COMMERCIAL DRIVER'S LICENSE PROGRAM IMPLEMENTATION GRANT				-	1,120,356
	20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS				-	3,519,525
	20.313	RAILROAD RESEARCH AND DEVELOPMENT		Short Line Safety Institute	AG201381	-	54,777
	20.324	RESTORATION AND ENHANCEMENT				-	496,090
	20.325	CONSOLIDATED RAIL INFRASTRUCTURE AND SAFETY IMPROVEMENTS				-	2,146,903
	20.326	FEDERAL-STATE PARTNERSHIP FOR INTERCITY PASSENGER RAIL				-	108,829,447
	20.500	FEDERAL TRANSIT CAPITAL INVESTMENT GRANTS				-	1,989,375
	20.505	METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH				39,653	276,695

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Federal Grantor	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	20.507	FEDERAL TRANSIT FORMULA GRANTS				1,765,960	76,786,768
	20.507	COVID-19 FEDERAL TRANSIT FORMULA GRANTS	COVID-19			-	157,346,792
	<b>20.507 Total</b>					<b>1,765,960</b>	<b>234,133,560</b>
	20.509	FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM				3,742,496	3,067,689
	20.509	COVID-19 FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM	COVID-19			-	1,686,448
	<b>20.509 Total</b>					<b>3,742,496</b>	<b>4,754,137</b>
	20.513	ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES				7,433,443	7,248,066
	20.513	COVID-19 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	COVID-19			-	330,608
	<b>20.513 Total</b>					<b>7,433,443</b>	<b>7,578,674</b>
	20.521	NEW FREEDOM PROGRAM				97,946	167,123
	20.525	STATE OF GOOD REPAIR GRANTS PROGRAM				-	84,453,196
	20.526	BUSES AND BUS FACILITIES FORMULA, COMPETITIVE, AND LOW OR NO EMISSIONS PROGRAMS				-	36,597,384
	20.527	PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM				-	1,240,369
	20.530	PUBLIC TRANSPORTATION INNOVATION				-	126,868
	20.534	COMMUNITY PROJECT FUNDING CONGRESSIONALLY DIRECTED SPENDING				53,663	53,663
	20.600	STATE AND COMMUNITY HIGHWAY SAFETY				4,123,907	4,957,927
	20.607	ALCOHOL OPEN CONTAINER REQUIREMENTS				2,220,699	4,763,286
	20.611	INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING				347,103	1,216,555
	20.616	NATIONAL PRIORITY SAFETY PROGRAMS				1,484,907	6,188,754
	20.700	PIPELINE SAFETY PROGRAM STATE BASE GRANT				-	1,141,697
	20.701	UNIVERSITY TRANSPORTATION CENTERS PROGRAM				-	680,127
	20.703	INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS				-	255,686
	20.721	PHMSA PIPELINE SAFETY PROGRAM ONE CALL GRANT				-	20,665
	20.933	NATIONAL INFRASTRUCTURE INVESTMENTS				-	496,924
	20.941	STRENGTHENING MOBILITY AND REVOLUTIONIZING TRANSPORTATION (SMART) GRANTS PROGRAM				-	1,520,909
	20.RD	OTHER FEDERAL ASSISTANCE	202343018			-	6,966
	20.RD	OTHER FEDERAL ASSISTANCE	20AG241379			66,848	164,971
	20.RD	OTHER FEDERAL ASSISTANCE	20AG250403			-	85,435
	20.RD	OTHER FEDERAL ASSISTANCE	20DOT57000			-	293,072
	20.RD	OTHER FEDERAL ASSISTANCE	20MAG Contract No. 1227			-	52,997
	<b>20.RD Total</b>					<b>66,848</b>	<b>603,441</b>
<b>DEPARTMENT OF TRANSPORTATION Total</b>						<b>\$ 76,192,698</b>	<b>\$ 1,409,855,016</b>
<b>DEPARTMENT OF THE TREASURY</b>							
	21.008	LOW INCOME TAXPAYER CLINICS				\$ -	\$ 200,093
	21.016	EQUITABLE SHARING				-	136,469
	21.019	CORONAVIRUS RELIEF FUND	COVID-19			-	(57)
	21.023	COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM	COVID-19			28,331,542	30,066,150
	21.026	COVID-19 HOMEOWNER ASSISTANCE FUND	COVID-19			(337,333)	(337,333)
	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	COVID-19	Charter Oak State College	06-0969831	-	(573,666)
	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	COVID-19	CT Board of Regents for Higher Education	SO-23090	(561,192)	400,449
	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	COVID-19			213,295,569	691,710,562
	<b>21.027 Total</b>					<b>212,734,377</b>	<b>691,537,345</b>

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	21.029	CORONAVIRUS CAPITAL PROJECTS FUND	COVID-19			2,720,443	11,627,779
	21.U01	CONNECTICUT LIBRARY K-3 LITERACY INITIATIVE (CK3LI)	21SDE64000			-	2,289,824
	21.U02	COVID-19 UCONN DIGITAL LITERACY PROGRAM (VOCATIONAL VILLAGE)	COVID-19			-	31,963
<b>DEPARTMENT OF THE TREASURY Total</b>						<b>\$ 243,449,029</b>	<b>\$ 735,552,233</b>
<b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</b>							
	30.002	EMPLOYMENT DISCRIMINATION STATE AND LOCAL FAIR EMPLOYMENT PRACTICES AGENCY CONTRACTS				\$ -	\$ 10,357
<b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION Total</b>						<b>\$ -</b>	<b>\$ 10,357</b>
<b>NATIONAL AERONAUTICS &amp; SPACE ADMINISTRATION</b>							
	43.001	SCIENCE		Space Telescope Science Institute	JWST-AR-04357.001-A	\$ 466,072	\$ 2,342,175
	43.001	SCIENCE		University of Hartford	80NSSC20M0129	-	8,153
	43.001	SCIENCE				-	38,046
	<b>43.001 Total</b>					<b>466,072</b>	<b>2,388,374</b>
	43.008	OFFICE OF STEM ENGAGEMENT (OSTEM)		University of Hartford	2183	-	58,740
	43.008	OFFICE OF STEM ENGAGEMENT (OSTEM)		University of Hartford	Pro-Sum#1012	-	4,000
	43.008	OFFICE OF STEM ENGAGEMENT (OSTEM)		University of Hartford, Connecticut Space Grant Consortium	80NSSC20M0129 - P-2323	-	191,437
	<b>43.008 Total</b>					<b>-</b>	<b>254,177</b>
	43.012	SPACE TECHNOLOGY				-	345,578
	43.RD	OTHER FEDERAL ASSISTANCE	4380JSC022CA006			509,502	1,023,827
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC22CA018/C851			-	(1,567)
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC23CA014UCON N			-	72,934
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC24PB292/C919			-	42,000
	43.RD	OTHER FEDERAL ASSISTANCE	43AG 220308			-	15,277
	43.RD	OTHER FEDERAL ASSISTANCE	43PO 6056			-	2,032
	<b>43.RD Total</b>					<b>509,502</b>	<b>1,154,503</b>
<b>NATIONAL AERONAUTICS &amp; SPACE ADMINISTRATION Total</b>						<b>\$ 975,574</b>	<b>\$ 4,142,632</b>
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>							
	45.024	PROMOTION OF THE ARTS GRANTS TO ORGANIZATIONS AND INDIVIDUALS		Arts Midwest	1907832-52-C-22 52-C-23	\$ -	\$ 21,978
	45.025	PROMOTION OF THE ARTS PARTNERSHIP AGREEMENTS				889,983	1,071,370
	45.149	PROMOTION OF THE HUMANITIES DIVISION OF PRESERVATION AND ACCESS				-	101,190
	45.160	PROMOTION OF THE HUMANITIES FELLOWSHIPS AND STIPENDS				-	33,986
	45.162	PROMOTION OF THE HUMANITIES TEACHING AND LEARNING RESOURCES AND CURRICULUM DEVELOPMENT				-	37,037
	45.164	PROMOTION OF THE HUMANITIES PUBLIC PROGRAMS		Library of America	LTR-04-02-2024	-	2,396
	45.169	PROMOTION OF THE HUMANITIES OFFICE OF DIGITAL HUMANITIES				-	90,181
	45.310	GRANTS TO STATES				93,900	2,382,337
	45.312	NATIONAL LEADERSHIP GRANTS				43,875	86,120
	45.313	LAURA BUSH 21ST CENTURY LIBRARIAN PROGRAM				-	166,000
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES Total</b>						<b>\$ 1,027,758</b>	<b>\$ 3,992,595</b>
<b>NATIONAL SCIENCE FOUNDATION</b>							
	47.041	ENGINEERING		Iowa State University	Subaward No. 022317A	\$ 161,158	\$ 4,884,969
	47.049	MATHEMATICAL AND PHYSICAL SCIENCES		Oregon State University	S2270B-N	104,148	4,832,134
	47.050	GEOSCIENCES		Columbia University	128B(GG009393-04)/PO G18476	339,023	4,295,859
	47.070	COMPUTER AND INFORMATION SCIENCE AND ENGINEERING		Georgia State University	2241914	-	2,841,491
	47.074	BIOLOGICAL SCIENCES		Montana State University	620-014-01	6,995,751	13,778,383
	47.075	SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES		University of Chicago	PO# SA0000290	133,779	1,033,907

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	47.076	STEM EDUCATION (FORMERLY EDUCATION AND HUMAN RESOURCES)		Northeastern University	502996-78060	415,145	6,935,048
	47.076	STEM EDUCATION (FORMERLY EDUCATION AND HUMAN RESOURCES)				-	238,326
	<b>47.076 Total</b>					<b>415,145</b>	<b>7,173,374</b>
	47.078	POLAR PROGRAMS				-	245,278
	47.079	OFFICE OF INTERNATIONAL SCIENCE AND ENGINEERING				-	127,045
	47.083	INTEGRATIVE ACTIVITIES				-	582,465
	47.084	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS		Purdue University	Subaward No. 10002336-005	257,571	1,422,504
	47.RD	OTHER FEDERAL ASSISTANCE	47FACTCHAMP/2021/101			-	26,461
	47.RD	OTHER FEDERAL ASSISTANCE	47OPP-2449533			-	151,836
	<b>47.RD Total</b>					<b>-</b>	<b>178,297</b>
<b>NATIONAL SCIENCE FOUNDATION Total</b>						<b>\$ 8,406,575</b>	<b>\$ 41,395,706</b>
<b>SMALL BUSINESS ADMINISTRATION</b>							
	59.037	SMALL BUSINESS DEVELOPMENT CENTERS				-	1,322,374
	59.058	FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM				-	243,093
	59.061	STATE TRADE EXPANSION				-	204,218
<b>SMALL BUSINESS ADMINISTRATION Total</b>						<b>\$ -</b>	<b>\$ 1,769,685</b>
<b>DEPARTMENT OF VETERANS AFFAIRS</b>							
	64.034	VA GRANTS FOR ADAPTIVE SPORTS PROGRAMS FOR DISABLED VETERANS AND DISABLED MEMBERS OF THE ARMED FORCES				-	23,850
	64.124	ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE				-	381,961
<b>DEPARTMENT OF VETERANS AFFAIRS Total</b>						<b>\$ -</b>	<b>\$ 405,811</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>							
	66.032	STATE AND TRIBAL INDOOR RADON GRANTS				\$ -	176,041
	66.034	SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT				-	623,433
	66.040	DIESEL EMISSIONS REDUCTION ACT (DERA) STATE GRANTS				655,912	769,477
	66.046	CLIMATE POLLUTION REDUCTION GRANTS				-	683,193
	66.309	SURVEYS, STUDIES, INVESTIGATIONS, TRAINING AND SPECIAL PURPOSE ACTIVITIES RELATING TO ENVIRONMENTAL JUSTICE				248,277	482,141
	66.312	ENVIRONMENTAL JUSTICE GOVERNMENT-TO-GOVERNMENT (EJG2G) PROGRAM				79,413	79,413
	66.432	STATE PUBLIC WATER SYSTEM SUPERVISION				-	1,411,390
	66.437	GEOGRAPHIC PROGRAMS LONG ISLAND SOUND PROGRAM		Interstate Environmental Commission (IEC)	AG240832	-	8,568,558
	66.437	GEOGRAPHIC PROGRAMS LONG ISLAND SOUND PROGRAM		National Fish and Wildlife Foundation	1401.22.073230	2,603,101	1,601,910
	66.437	GEOGRAPHIC PROGRAMS LONG ISLAND SOUND PROGRAM		Research Foundation for the State University of New York	1157712/2/86473	1,033,416	4,747,006
	<b>66.437 Total</b>					<b>3,636,517</b>	<b>14,917,474</b>
	66.442	WATER INFRASTRUCTURE IMPROVEMENTS FOR THE NATION SMALL AND UNDERSERVED COMMUNITIES EMERGING CONTAMINANTS GRANT PROGRAM				874,078	1,259,887
	66.444	VOLUNTARY SCHOOL AND CHILD CARE LEAD TESTING AND REDUCTION GRANT PROGRAM (SDWA 1464(D))				-	140,477
	66.447	SEWER OVERFLOW AND STORMWATER REUSE MUNICIPAL GRANT PROGRAM				831,419	1,005,163
	66.454	WATER QUALITY MANAGEMENT PLANNING				226,791	438,948
	66.456	NATIONAL ESTUARY PROGRAM		New England Interstate Water Pollution Control Commission	#0366--001 2023-004	-	13,508
	66.460	NONPOINT SOURCE IMPLEMENTATION GRANTS				765,769	820,595
	66.461	REGIONAL WETLAND PROGRAM DEVELOPMENT GRANTS				-	34,104
	66.468	DRINKING WATER STATE REVOLVING FUND				3,364	8,343

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	66.472	BEACH MONITORING AND NOTIFICATION PROGRAM IMPLEMENTATION GRANTS				-	209,756
	66.516	P3 AWARD: NATIONAL STUDENT DESIGN COMPETITION FOR SUSTAINABILITY				-	8,256
	66.605	PERFORMANCE PARTNERSHIP GRANTS				-	11,362,870
	66.701	TOXIC SUBSTANCES COMPLIANCE MONITORING COOPERATIVE AGREEMENTS				-	123,200
	66.707	TSCA TITLE IV STATE LEAD GRANTS CERTIFICATION OF LEAD-BASED PAINT PROFESSIONALS				-	(2,969)
	66.708	POLLUTION PREVENTION GRANTS PROGRAM				12,910	12,910
	66.716	RESEARCH, DEVELOPMENT, MONITORING, PUBLIC EDUCATION, OUTREACH, TRAINING, DEMONSTRATIONS, AND STUDIES		Extension Foundation	PSEFMP-2024-2447	-	19,808
	66.802	SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE-SPECIFIC COOPERATIVE AGREEMENTS				-	340,242
	66.804	UNDERGROUND STORAGE TANK (UST) PREVENTION, DETECTION, AND COMPLIANCE PROGRAM				-	379,285
	66.805	LEAKING UNDERGROUND STORAGE TANK TRUST FUND CORRECTIVE ACTION PROGRAM				-	710,345
	66.809	SUPERFUND STATE AND INDIAN TRIBE CORE PROGRAM COOPERATIVE AGREEMENTS				-	125,585
	66.814	BROWNFIELDS TRAINING, RESEARCH, AND TECHNICAL ASSISTANCE GRANTS AND COOPERATIVE AGREEMENTS				55,334	876,492
	66.817	STATE AND TRIBAL RESPONSE PROGRAM GRANTS				61,000	843,745
	66.920	SOLID WASTE INFRASTRUCTURE FOR RECYCLING INFRASTRUCTURE GRANTS				-	350,583
	66.951	ENVIRONMENTAL EDUCATION GRANTS PROGRAM				14,919	54,438
	66.959	GREENHOUSE GAS REDUCTION FUND: SOLAR FOR ALL				-	52,754
	66.962	GEOGRAPHIC PROGRAMS - COLUMBIA RIVER BASIN RESTORATION (CRBR) PROGRAM				37,307	102,023
	66.RD	OTHER FEDERAL ASSISTANCE	66AG231279			-	10,174
<b>ENVIRONMENTAL PROTECTION AGENCY Total</b>						<b>\$ 7,503,010</b>	<b>\$ 38,443,084</b>
<b>DEPARTMENT OF ENERGY</b>							
	81.008	CYBERSECURITY, ENERGY SECURITY & EMERGENCY RESPONSE (CESER)				\$ 152,262	\$ 438,376
	81.041	STATE ENERGY PROGRAM				34,283	1,046,029
	81.042	WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS				1,519,551	3,298,197
	81.049	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM		3D Array Technology	AG230987/DE-SC0024061	141,547	3,478,773
	81.049	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM				-	23,651
	<b>81.049 Total</b>					<b>141,547</b>	<b>3,502,424</b>
	81.086	CONSERVATION RESEARCH AND DEVELOPMENT				180,728	1,023,778
	81.087	RENEWABLE ENERGY RESEARCH AND DEVELOPMENT		Washington State University	PO# 144565 SPC007 10 - 144565 WSU001463	198,303	1,363,266
	81.087	RENEWABLE ENERGY RESEARCH AND DEVELOPMENT				87,132	517,124
	<b>81.087 Total</b>					<b>285,435</b>	<b>1,880,390</b>
	81.089	FOSSIL ENERGY RESEARCH AND DEVELOPMENT		RTX Corporation-Raytheon Technologies	PO# 2609017	-	461,816
	81.112	STEWARDSHIP SCIENCE GRANT PROGRAM				-	19,577
	81.117	ENERGY EFFICIENCY AND RENEWABLE ENERGY INFORMATION DISSEMINATION, OUTREACH, TRAINING AND TECHNICAL ANALYSIS/ASSISTANCE				1,534,552	2,564,498
	81.121	NUCLEAR ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION				123,623	164,428
	81.122	ELECTRICITY RESEARCH, DEVELOPMENT AND ANALYSIS				67,000	374,967

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	81.135	ADVANCED RESEARCH PROJECTS AGENCY - ENERGY				973,376	2,523,120
	81.253	MANUFACTURING AND ENERGY SUPPLY CHAIN DEMONSTRATIONS AND COMMERCIAL APPLICATIONS				165,414	268,546
	81.RD	OTHER FEDERAL ASSISTANCE	81303078			-	178,133
	81.RD	OTHER FEDERAL ASSISTANCE	81430632			-	133,133
	81.RD	OTHER FEDERAL ASSISTANCE	81431421			-	64,034
	81.RD	OTHER FEDERAL ASSISTANCE	81749035			-	32,217
	81.RD	OTHER FEDERAL ASSISTANCE	817602732			-	65,438
	81.RD	OTHER FEDERAL ASSISTANCE	817625166			-	31,515
	81.RD	OTHER FEDERAL ASSISTANCE	817634414			-	196,784
	81.RD	OTHER FEDERAL ASSISTANCE	817745036			-	188,320
	81.RD	MANUFACTURING AND ENERGY SUPPLY CHAIN DEMONSTRATIONS AND COMMERCIAL APPLICATIONS	81.253 Change			25,000	129,566
	81.RD	OTHER FEDERAL ASSISTANCE	811F-60605			-	18,410
	81.RD	OTHER FEDERAL ASSISTANCE	812F-60053			-	63,799
	81.RD	OTHER FEDERAL ASSISTANCE	813F-60033 M0005			-	32,524
	81.RD	OTHER FEDERAL ASSISTANCE	814F-60057			-	49,114
	81.RD	OTHER FEDERAL ASSISTANCE	81AG240820			-	210,655
	81.RD	OTHER FEDERAL ASSISTANCE	81AG240822			-	363,365
	81.RD	OTHER FEDERAL ASSISTANCE	81B660655			-	36,951
	81.RD	OTHER FEDERAL ASSISTANCE	81B662536			-	27,592
	81.RD	OTHER FEDERAL ASSISTANCE	81C4316			-	75,352
	81.RD	OTHER FEDERAL ASSISTANCE	81No. 427168			-	1,126
	81.RD	OTHER FEDERAL ASSISTANCE	81No. 7699374			-	45,094
	81.RD	OTHER FEDERAL ASSISTANCE	81P.O. 2569822			-	68,801
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 2666290			-	7,779
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 4000215448			-	71,190
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 4000217549			-	85,957
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# EP193067			-	46,546
	81.RD	OTHER FEDERAL ASSISTANCE	81PO#N000545452			-	10,378
	81.RD	OTHER FEDERAL ASSISTANCE	81PON000505105			-	26,935
	81.RD	OTHER FEDERAL ASSISTANCE	81Sub #CW49007/PO 4000212880			-	13,500
	81.RD	OTHER FEDERAL ASSISTANCE	81SUB -2022-10087			-	33,089
	81.RD	OTHER FEDERAL ASSISTANCE	81Sub 694070			-	100,046
	81.RD	OTHER FEDERAL ASSISTANCE	81SUB-2024-10072			-	47,847
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract #437359			-	137,431
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract #7712887			-	(3,496)
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract No. 2F-60022			-	16,338
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract No. 7676135			-	42,402
	<b>81.RD Total</b>					<b>25,000</b>	<b>2,647,865</b>
<b>DEPARTMENT OF ENERGY Total</b>						<b>\$ 5,202,771</b>	<b>\$ 20,214,011</b>
<b>DEPARTMENT OF EDUCATION</b>							
	84.002	ADULT EDUCATION - BASIC GRANTS TO STATES				\$ 3,859,261	\$ 5,047,662
	84.007	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS				-	5,377,259
	84.010	TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES				151,541,615	159,594,950
	84.013	TITLE I STATE AGENCY PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN AND YOUTH				-	981,449
	84.017	INTERNATIONAL RESEARCH AND STUDIES				-	20,837

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	84.022	OVERSEAS PROGRAMS - DOCTORAL DISSERTATION RESEARCH ABROAD				-	3,722
	84.027	SPECIAL EDUCATION GRANTS TO STATES		MA Department of Elementary and Secondary Education	196019RFQDSCRS1UCONN	-	168,664,327
	84.027	SPECIAL EDUCATION GRANTS TO STATES		New Haven Public Schools	H027A180021	142,977,969	(55,657)
	84.027	SPECIAL EDUCATION GRANTS TO STATES				18,462	958,116
	<b>84.027 Total</b>					<b>142,996,431</b>	<b>169,566,786</b>
	84.031	HIGHER EDUCATION INSTITUTIONAL AID				-	1,631,474
	84.031	COVID-19 HIGHER EDUCATION INSTITUTIONAL AID	COVID-19			-	471,491
	<b>84.031 Total</b>					-	<b>2,102,965</b>
	84.033	FEDERAL WORK-STUDY PROGRAM				-	4,749,098
	84.038	FEDERAL PERKINS LOAN PROGRAM_FEDERAL CAPITAL CONTRIBUTIONS				-	2,197,736
	84.042	TRIO STUDENT SUPPORT SERVICES				-	1,744,808
	84.044	TRIO TALENT SEARCH				-	304,500
	84.047	TRIO UPWARD BOUND				-	3,179,525
	84.048	CAREER AND TECHNICAL EDUCATION -- BASIC GRANTS TO STATES				8,553,184	12,365,340
	84.063	FEDERAL PELL GRANT PROGRAM				-	195,394,233
	84.064	HIGHER EDUCATION_VETERANS EDUCATION OUTREACH PROGRAM				-	(17,489)
	84.116	FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION				-	556,426
	84.126	REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES				56,535	32,309,577
	84.173	SPECIAL EDUCATION PRESCHOOL GRANTS		CT State Department of Education	CT State Department of Education	4,456,569	6,270,637
	84.173	SPECIAL EDUCATION PRESCHOOL GRANTS				-	131,315
	84.173	COVID-19 SPECIAL EDUCATION PRESCHOOL GRANTS	COVID-19			-	(106,112)
	<b>84.173 Total</b>					<b>4,456,569</b>	<b>6,295,840</b>
	84.177	REHABILITATION SERVICES INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND				-	336,624
	84.181	SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES				459,190	5,103,456
	84.184	SCHOOL SAFELY NATIONAL ACTIVITIES				-	67,186
	84.187	SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES				-	12,334
	84.196	EDUCATION FOR HOMELESS CHILDREN AND YOUTH				710,721	948,626
	84.200	GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED				-	1,266,286
	84.206	JAVITS GIFTED AND TALENTED STUDENTS EDUCATION		East Tennessee State University	19-287-5-S2.5	15,779	1,505,712
	84.206	JAVITS GIFTED AND TALENTED STUDENTS EDUCATION				-	238,479
	<b>84.206 Total</b>					<b>15,779</b>	<b>1,744,191</b>
	84.215	INNOVATIVE APPROACHES TO LITERACY; PROMISE NEIGHBORHOODS; FULL-SERVICE COMMUNITY SCHOOLS; AND CONGRESSIONALLY DIRECTED SPENDING FOR ELEMENTARY AND SECONDARY EDUCATION COMMUNITY PROJECTS		Connecticut Children's Medical Center	CCMC22-4000041-05-03 /EDS215N210037	-	229,324
	84.217	TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT				-	261,830
	84.268	FEDERAL DIRECT STUDENT LOANS				-	348,024,929
	84.287	TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS				9,532,306	11,040,074
	84.305	EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION		University of Delaware	UDR0000567	988,507	2,900,441
	84.305	EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION				68,752	214,208
	<b>84.305 Total</b>					<b>1,057,259</b>	<b>3,114,649</b>
	84.323	SPECIAL EDUCATION - STATE PERSONNEL DEVELOPMENT		ME Department of Education	20220614*3342	-	1,325
	84.323	SPECIAL EDUCATION - STATE PERSONNEL DEVELOPMENT		State Education Resource Center	AG231085	-	176,599
	<b>84.323 Total</b>					-	<b>177,924</b>
	84.324	RESEARCH IN SPECIAL EDUCATION				303,392	1,982,188

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	84.325	SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES		American Institute for Research	PERSONNEL DEVELOPMENTAL TO IMPROVE	1,699,068	4,245,448
	84.325	SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES		Boston University	4500003383	-	322,588
	84.325	SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES		Vanderbilt University	61372	-	(2,382,849)
	<b>84.325 Total</b>					<b>1,699,068</b>	<b>2,185,187</b>
	84.326	SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES		University of Oregon	225340I	35,902	919,078
	84.326	SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES				-	337,224
	<b>84.326 Total</b>					<b>35,902</b>	<b>1,256,302</b>
	84.334	GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS				-	2,462,931
	84.335	CHILD CARE ACCESS MEANS PARENTS IN SCHOOL				-	660,670
	84.365	ENGLISH LANGUAGE ACQUISITION STATE GRANTS				6,787,454	7,107,698
	84.367	SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS (FORMERLY IMPROVING TEACHER QUALITY STATE GRANTS)				14,532,890	16,163,212
	84.368	COMPETITIVE GRANTS FOR STATE ASSESSMENTS				-	243,464
	84.369	GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES				-	5,006,662
	84.372	STATEWIDE LONGITUDINAL DATA SYSTEMS		State Board of Education	State Board of Education	1,101,772	10,453
	84.372	STATEWIDE LONGITUDINAL DATA SYSTEMS				-	2,452,647
	<b>84.372 Total</b>					<b>1,101,772</b>	<b>2,463,100</b>
	84.374	TEACHER AND SCHOOL LEADER INCENTIVE GRANTS (FORMERLY THE TEACHER INCENTIVE FUND)				-	48,725
	84.379	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)				-	15,088
	84.419	Preschool Development Grants				(7,310)	(7,310)
	84.421	DISABILITY INNOVATION FUND (DIF)				2,788,377	4,685,083
	84.424	STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM				13,650,088	15,283,639
	84.425	EDUCATION STABILIZATION FUND	84.425C			-	451,739
	84.425	EDUCATION STABILIZATION FUND	84.425D			345,859	647,488
	84.425	EDUCATION STABILIZATION FUND	84.425R			-	(802,501)
	84.425	EDUCATION STABILIZATION FUND	84.425U			278,980	1,149,466
	84.425	EDUCATION STABILIZATION FUND	84.425V			-	(807,220)
	84.425	EDUCATION STABILIZATION FUND	84.425W			-	1,581,747
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425C			-	9,206,383
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425D			(53,812)	7,103
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425F			-	(653)
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425R			-	(802,501)
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425U	Berlin Public Schools	S425U210030	208,174,405	223,937,279
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425U			-	16,199
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425V			-	(807,220)
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425W			1,376,359	1,498,946
	<b>84.425 Total</b>					<b>210,121,791</b>	<b>235,276,255</b>
	84.RD	OTHER FEDERAL ASSISTANCE	84PO 41400-312-0000128093			-	24,396
<b>DEPARTMENT OF EDUCATION Total</b>						<b>\$ 574,252,274</b>	<b>\$ 1,268,959,947</b>
	89.003	NATIONAL HISTORICAL PUBLICATIONS AND RECORDS GRANTS				\$ 13,549	\$ 242,725
<b>NATIONAL ARCHIVES &amp; RECORDS ADMINISTRATION Total</b>						<b>\$ 13,549</b>	<b>\$ 242,725</b>

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<b>DELTA REGIONAL AUTHORITY</b>							
	90.400	HELP AMERICA VOTE COLLEGE PROGRAM				\$ -	\$ 33,938
	90.401	HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS				-	217,734
<b>DELTA REGIONAL AUTHORITY Total</b>						<b>\$ -</b>	<b>\$ 251,672</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
	93.003	PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND		National Council for Mental Wellbeing	2850.0003	\$ -	\$ 188,423
	93.007	PUBLIC AWARENESS CAMPAIGNS ON EMBRYO ADOPTION		NY State Office of Mental Health	PREAWARD	-	(31,663)
	93.041	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 3, PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION				60,764	73,870
	93.042	SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS				-	191,643
	93.042	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	COVID-19			-	43,089
	<b>93.042 Total</b>					<b>-</b>	<b>234,732</b>
	93.043	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART D, DISEASE PREVENTION AND HEALTH PROMOTION SERVICES				441,370	305,110
	93.043	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART D, DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	COVID-19			-	136,260
	<b>93.043 Total</b>					<b>441,370</b>	<b>441,370</b>
	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS				6,928,142	5,623,407
	93.044	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	COVID-19			-	2,195,616
	<b>93.044 Total</b>					<b>6,928,142</b>	<b>7,819,023</b>
	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES				12,406,300	11,103,604
	93.045	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	COVID-19			-	1,302,696
	<b>93.045 Total</b>					<b>12,406,300</b>	<b>12,406,300</b>
	93.048	SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS				556,631	903,918
	93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E				2,683,357	2,611,761
	93.052	COVID-19 NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	COVID-19			-	190,546
	<b>93.052 Total</b>					<b>2,683,357</b>	<b>2,802,307</b>
	93.053	NUTRITION SERVICES INCENTIVE PROGRAM				934,988	934,988
	93.064	LABORATORY TRAINING, EVALUATION, AND QUALITY ASSURANCE PROGRAMS				-	247,665
	93.069	PUBLIC HEALTH EMERGENCY PREPAREDNESS				3,488,146	7,647,419
	93.070	ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE				164,802	953,374
	93.071	MEDICARE ENROLLMENT ASSISTANCE PROGRAM				391,510	391,510
	93.073	BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE		Organization of Teratology Information Services	OTIS YR01/CDC NU01DD000041	-	20,232
	93.077	FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT REGULATORY RESEARCH				-	10,698
	93.079	COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE				-	149,275
	93.080	BLOOD DISORDER PROGRAM: PREVENTION, SURVEILLANCE, AND RESEARCH		Children's Hospital Corporation	CHC:GENFD0002269896/CDC :NU27DD00020	-	13,469
	93.084	PREVENTION OF DISEASE, DISABILITY, AND DEATH BY INFECTIOUS DISEASES				542,763	1,451,607

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	93.087	ENHANCE SAFETY OF CHILDREN AFFECTED BY SUBSTANCE ABUSE				-	581,487
	93.090	GUARDIANSHIP ASSISTANCE				-	5,677,058
	93.092	AFFORDABLE CARE ACT (ACA) PERSONAL RESPONSIBILITY EDUCATION PROGRAM				45,432	186,583
	93.094	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION				-	(317)
	93.095	HHS PROGRAMS FOR DISASTER RELIEF APPROPRIATIONS ACT - NON CONSTRUCTION				-	40,623
	93.103	FOOD AND DRUG ADMINISTRATION RESEARCH		Physical Sciences	SC10-19797-108133-46	11,990	1,352,543
	93.103	FOOD AND DRUG ADMINISTRATION RESEARCH				-	1,805,909
	<b>93.103 Total</b>					<b>11,990</b>	<b>3,158,452</b>
	93.104	COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)		HI State Department of Health	MOA Log No. 23-002	-	1,301,546
	93.104	COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)		Research Foundation for Mental Hygiene	PO#16099260992	-	55,759
	93.104	COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)		WV Department of Health and Human Resources	G241029	-	466,408
	<b>93.104 Total</b>					-	<b>1,823,713</b>
	93.107	AREA HEALTH EDUCATION CENTERS				536,939	685,606
	93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS		American Academy of Pediatrics	PO# 101192	590,243	25,485
	93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS		MISC	MISC	-	1,334,873
	93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS		Organization of Teratology Information Services	OTIS YR10/HRSA 5UG4MC27861	-	488,980
	93.110	COVID-19 MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	COVID-19			-	697,450
	<b>93.110 Total</b>					<b>590,243</b>	<b>2,546,788</b>
	93.113	ENVIRONMENTAL HEALTH		University of Minnesota	P007567001	79,562	1,136,607
	93.116	PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS				-	683,516
	93.121	ORAL DISEASES AND DISORDERS RESEARCH		Regents of the University of California Los Angeles	160558054/5R21DE032906-02R1	235,273	3,200,409
	93.130	COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES				-	219,076
	93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS				824,581	4,550,895
	93.137	COMMUNITY PROGRAMS TO IMPROVE MINORITY HEALTH				-	325,365
	93.143	NIEHS SUPERFUND HAZARDOUS SUBSTANCES_BASIC RESEARCH AND EDUCATION		UMass	ROES032686	-	98,452
	93.150	PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)				-	804,483
	93.153	COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH		Connecticut Children's Specialty Group Inc	CCSG 23-185035-01 /HRSA H1231109	-	179,935
	93.165	GRANTS TO STATES FOR LOAN REPAYMENT				-	81,300
	93.168	INTERNATIONAL COOPERATIVE BIODIVERSITY GROUPS PROGRAM				-	22,796
	93.172	HUMAN GENOME RESEARCH		Jackson Labs/NIH	1R25HG013493-01	-	49,967
	93.172	HUMAN GENOME RESEARCH		The Jackson Laboratory	210314-0325-07/U24 HG007497-09	1,140,781	2,393,647
	<b>93.172 Total</b>					<b>1,140,781</b>	<b>2,443,614</b>
	93.173	RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS		San Diego State University	D12185-02 SA1201 A0 5B911A 7802	532,265	3,127,365

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	93.197	CHILDHOOD LEAD POISONING PREVENTION PROJECTS, STATE AND LOCAL CHILDHOOD LEAD POISONING PREVENTION AND SURVEILLANCE OF BLOOD LEAD LEVELS IN CHILDREN				8,332	298,067
	93.211	TELEHEALTH PROGRAMS		McCall Behavioral Health/HHS	SP-20-002	-	33,150
	93.213	RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH		Brown University	00002081	209,485	1,713,168
	93.226	RESEARCH ON HEALTHCARE COSTS, QUALITY AND OUTCOMES				112,751	905,161
	93.233	NATIONAL CENTER ON SLEEP DISORDERS RESEARCH		Yale University	CON-80004777(GR121630)	61,394	1,293,794
	93.236	GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES				112,432	391,973
	93.240	STATE CAPACITY BUILDING				-	489,015
	93.242	MENTAL HEALTH RESEARCH GRANTS		University of Massachusetts	S51110000046594 PO L001082538/NIH	1,195,637	7,971,786
	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE		Community Mental Health Affiliates Inc	CMHA/SAMHSA 1H79TI084207-01	361,442	2,784,316
	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE		Perception Program, Inc	H79SP082280	-	11,702,119
	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE				199,465	1,259,773
	<b>93.243 Total</b>					<b>560,907</b>	<b>15,746,208</b>
	93.247	ADVANCED NURSING EDUCATION WORKFORCE GRANT PROGRAM				-	(2)
	93.251	EARLY HEARING DETECTION AND INTERVENTION				64,318	289,128
	93.253	POISON CENTER SUPPORT AND ENHANCEMENT GRANT				-	161,327
	93.262	OCCUPATIONAL SAFETY AND HEALTH PROGRAM		Saint Louis University	SLU A02255-2392 / CDC U130H012639	628,194	1,144,873
	93.262	OCCUPATIONAL SAFETY AND HEALTH PROGRAM				-	340,650
	<b>93.262 Total</b>					<b>628,194</b>	<b>1,485,523</b>
	93.264	NURSE FACULTY LOAN PROGRAM (NFLP)				-	5,036,816
	93.268	IMMUNIZATION COOPERATIVE AGREEMENTS				7,968,347	59,495,616
	93.268	COVID-19 IMMUNIZATION COOPERATIVE AGREEMENTS	COVID-19			-	10,307,201
	<b>93.268 Total</b>					<b>7,968,347</b>	<b>69,802,817</b>
	93.270	VIRAL HEPATITIS PREVENTION AND CONTROL				-	331,735
	93.273	ALCOHOL RESEARCH PROGRAMS		The Research Foundation of State University of New York	SUNY 1009189-92319/SU10AA008401	394,101	3,193,210
	93.279	DRUG USE AND ADDICTION RESEARCH PROGRAMS		New York University	NYU PO M240756335/NIH R33DA049252	1,426,810	6,503,330
	93.283	CENTERS FOR DISEASE CONTROL AND PREVENTION INVESTIGATIONS AND TECHNICAL ASSISTANCE				-	109,899
	93.286	DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH		University of Washington	UWSC15858/PO-0100133456	51,088	1,915,552
	93.304	RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH				201,172	687,169
	93.307	MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH		Yale University	YALE CON-80003746(GR116640)/NIH	-	654,561
	93.310	TRANS-NIH RESEARCH SUPPORT		Connecticut Children's Medical Center	CCMC 23-181118-07/NIH R33HD105613	2,591,621	3,745,878
	93.317	EMERGING INFECTIONS PROGRAMS				2,784,855	5,199,021
	93.317	COVID-19 EMERGING INFECTIONS PROGRAMS	COVID-19			-	2,279,428
	<b>93.317 Total</b>					<b>2,784,855</b>	<b>7,478,449</b>

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	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)				3,465,742	3,441,002
	93.323	COVID-19 EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	COVID-19			-	27,688,874
	<b>93.323 Total</b>					<b>3,465,742</b>	<b>31,129,876</b>
	93.324	STATE HEALTH INSURANCE ASSISTANCE PROGRAM				446,232	590,003
	93.334	THE HEALTHY BRAIN INITIATIVE: TECHNICAL ASSISTANCE TO IMPLEMENT PUBLIC HEALTH ACTIONS RELATED TO COGNITIVE HEALTH, COGNITIVE IMPAIRMENT, AND CAREGIVING AT THE STATE AND LOCAL LEVELS				81,251	451,667
	93.336	BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM				-	384,770
	93.342	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS				-	496,078
	93.351	RESEARCH INFRASTRUCTURE PROGRAMS				-	598,981
	93.354	PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE				3,572,100	230,103
	93.354	COVID-19 PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	COVID-19			-	4,870,485
	<b>93.354 Total</b>					<b>3,572,100</b>	<b>5,100,588</b>
	93.359	NURSE EDUCATION, PRACTICE QUALITY AND RETENTION GRANTS		UMass Memorial Medical Center	SUB00000469	-	18,676
	93.359	NURSE EDUCATION, PRACTICE QUALITY AND RETENTION GRANTS		University of Massachusetts	SUB0000377/PO WA01482706	-	111,642
	<b>93.359 Total</b>					-	<b>130,318</b>
	93.361	NURSING RESEARCH				506	193,135
	93.364	NURSING STUDENT LOANS				-	18,346
	93.365	SICKLE CELL TREATMENT DEMONSTRATION PROGRAM		Johns Hopkins University	JH PO#2005423487/5U1EMC2786 4-09-00	-	21,690
	93.366	STATE ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES AND PARTNER ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES				48,644	189,609
	93.369	ACL INDEPENDENT LIVING STATE GRANTS				-	401,300
	93.369	COVID-19 ACL INDEPENDENT LIVING STATE GRANTS	COVID-19			-	16,556
	<b>93.369 Total</b>					-	<b>417,856</b>
	93.387	NATIONAL AND STATE TOBACCO CONTROL PROGRAM				239,088	1,248,443
	93.391	ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL AND TERRITORIAL (STLT) HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISES		DPH	DPH	258,887	1,422,226
	93.391	COVID-19 ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL AND TERRITORIAL (STLT) HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISES	COVID-19			-	1,745,032
	<b>93.391 Total</b>					<b>258,887</b>	<b>3,167,258</b>
	93.393	CANCER CAUSE AND PREVENTION RESEARCH				370,208	1,483,202
	93.394	CANCER DETECTION AND DIAGNOSIS RESEARCH		The Washington University	PO# WU-240054 INST# ST00017296	143,173	771,673
	93.395	CANCER TREATMENT RESEARCH				449,498	3,161,501
	93.396	CANCER BIOLOGY RESEARCH				83,059	1,283,080
	93.398	CANCER RESEARCH MANPOWER				-	37,930

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	93.421	STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATIONS HEALTH		Society for Public Health Education (SOPHE)	1802 DNPAO	-	684
	93.421	COVID-19 STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATIONS HEALTH	COVID-19	American Academy of Pediatrics	PO# 101193	-	27,952
	<b>93.421 Total</b>					-	<b>28,636</b>
	93.426	THE NATIONAL CARDIOVASCULAR HEALTH PROGRAM				448,110	823,930
	93.434	EVERY STUDENT SUCCEEDS ACT/PRESCHOOL DEVELOPMENT GRANTS				-	2,451,245
	93.436	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN)				275,181	594,735
	93.439	STATE PHYSICAL ACTIVITY AND NUTRITION (SPAN)				-	5,855
	93.464	ACL ASSISTIVE TECHNOLOGY				-	497,333
	93.464	COVID-19 ACL ASSISTIVE TECHNOLOGY	COVID-19			-	20,000
	<b>93.464 Total</b>					-	<b>517,333</b>
	93.472	TITLE IV-E PREVENTION PROGRAM				-	520,110
	93.478	PREVENTING MATERNAL DEATHS: SUPPORTING MATERNAL MORTALITY REVIEW COMMITTEES				-	289,062
	93.493	CONGRESSIONAL DIRECTIVES				-	31,506
	93.499	COVID-19 LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM	COVID-19			(7,396)	(7,396)
	93.556	MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM		University of Vermont	AWD00001591SUB00000522	-	3,224,686
	93.556	MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM				-	1,116,072
	<b>93.556 Total</b>					-	<b>4,340,758</b>
	93.558	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES		TN Department of Mental Health and Substance Abuse Services	79903	-	329,190
	93.558	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES				1,371,000	239,228,896
	93.558	COVID-19 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	COVID-19			-	(5,131)
	<b>93.558 Total</b>					<b>1,371,000</b>	<b>239,552,955</b>
	93.563	CHILD SUPPORT SERVICES				-	56,494,809
	93.566	REFUGEE AND ENTRANT ASSISTANCE STATE/REPLACEMENT DESIGNEE ADMINISTERED PROGRAMS				11,742,993	22,090,446
	93.568	LOW-INCOME HOME ENERGY ASSISTANCE				75,091,657	83,229,368
	93.569	COMMUNITY SERVICES BLOCK GRANT				9,373,370	9,733,059
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT		Johns Hopkins University	PO: 2006144117	-	343,762
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT		University of Maryland, Baltimore	21599/ PO # 1000019460	-	18,199,305
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT				-	822,816
	93.575	COVID-19 CHILD CARE AND DEVELOPMENT BLOCK GRANT	COVID-19			-	2,204,303
	<b>93.575 Total</b>					-	<b>21,570,186</b>
	93.583	REFUGEE AND ENTRANT ASSISTANCE WILSON/FISH PROGRAM				448,723	448,723
	93.586	STATE COURT IMPROVEMENT PROGRAM		JUD001	JUD001	-	192,022
	93.590	COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS				50,574	2,159,902
	93.590	COVID-19 COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	COVID-19			-	803,327
	<b>93.590 Total</b>					<b>50,574</b>	<b>2,963,229</b>
	93.596	CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND				-	59,972,145
	93.597	GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS				143,754	143,754
	93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)		Waterbury Youth Services	2102CTCETV	-	250,886
	93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)				-	1,939
	<b>93.599 Total</b>					-	<b>252,825</b>

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	93.600	HEAD START		Boston University	4500004693	-	39,203
	93.600	HEAD START				-	119,436
	<b>93.600 Total</b>					-	<b>158,639</b>
	93.603	ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS PROGRAM				-	1,094,150
	93.624	COMMUNITY HEALTH ACCESS AND RURAL TRANSFORMATION (CHART) MODEL				-	29,962
	93.630	DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS				348,613	732,946
	93.632	UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE				-	528,726
	93.643	CHILDREN'S JUSTICE GRANTS TO STATES				-	91,437
	93.645	STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM				-	1,449,937
	93.658	FOSTER CARE TITLE IV-E				-	50,835,447
	93.659	ADOPTION ASSISTANCE				-	51,633,991
	93.664	SUBSTANCE USE-DISORDER PREVENTION THAT PROMOTES OPIOID RECOVERY AND TREATMENT (SUPPORT) FOR PATIENTS AND COMMUNITIES ACT				-	11,256
	93.665	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19				-	(3,801)
	93.667	SOCIAL SERVICES BLOCK GRANT				15,367,529	19,647,977
	93.669	CHILD ABUSE AND NEGLECT STATE GRANTS		MISC	MISC	-	(5,636)
	93.669	CHILD ABUSE AND NEGLECT STATE GRANTS				-	545,761
	93.669	COVID-19 CHILD ABUSE AND NEGLECT STATE GRANTS	COVID-19			-	72,304
	<b>93.669 Total</b>					-	<b>612,429</b>
	93.670	CHILD ABUSE AND NEGLECT DISCRETIONARY ACTIVITIES				755,629	1,993,551
	93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES				4,666,807	1,347,264
	93.671	COVID-19 FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	COVID-19			-	3,323,255
	<b>93.671 Total</b>					<b>4,666,807</b>	<b>4,670,519</b>
	93.674	JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD				200,000	2,299,469
	93.696	CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC EXPANSION GRANTS		Catholic Charities Inc - Archdiocese of Hartford	CCI/SAMHSA H79SM089366	-	85,481
	93.698	ELDER JUSTICE ACT ADULT PROTECTIVE SERVICES				-	155,095
	93.732	MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS				-	507,439
	93.738	COVID-19 PPHF: RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH PROGRAM FINANCED SOLELY BY PUBLIC PREVENTION AND HEALTH FUNDS	COVID-19			-	(1)
	93.747	COVID-19 ELDER ABUSE PREVENTION INTERVENTIONS PROGRAM	COVID-19			237,500	1,056,741
	93.767	CHILDREN'S HEALTH INSURANCE PROGRAM				-	51,849,477
	93.767	COVID-19 CHILDREN'S HEALTH INSURANCE PROGRAM	COVID-19			-	(15,275)
	<b>93.767 Total</b>					-	<b>51,834,202</b>
	93.775	STATE MEDICAID FRAUD CONTROL UNITS				-	936,328
	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE				18,289	7,197,121
	93.778	MEDICAL ASSISTANCE PROGRAM				224,012	6,987,457,254
	93.778	COVID-19 MEDICAL ASSISTANCE PROGRAM	COVID-19			-	1,237,229
	<b>93.778 Total</b>					<b>224,012</b>	<b>6,988,694,483</b>

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	93.788	OPIOID STR		Wheeler Clinic	21MHA1028	352,995	154,264
	93.788	OPIOID STR		Wheeler Clinic	H79TI080253	-	18,253,288
	93.788	OPIOID STR				-	473,580
	<b>93.788 Total</b>					<b>352,995</b>	<b>18,881,132</b>
	93.791	MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION				-	32,214,717
	93.800	ORGANIZED APPROACHES TO INCREASE COLORECTAL CANCER SCREENING				545,705	699,293
	93.829	SECTION 223 DEMONSTRATION PROGRAMS TO IMPROVE COMMUNITY MENTAL HEALTH SERVICES				-	6,963
	93.837	CARDIOVASCULAR DISEASES RESEARCH		Yale University	CON-80003617(GR116085) 7	1,167,082	4,947,262
	93.838	LUNG DISEASES RESEARCH				105,608	363,427
	93.839	BLOOD DISEASES AND RESOURCES RESEARCH				-	233,331
	93.840	TRANSLATION AND IMPLEMENTATION SCIENCE RESEARCH FOR HEART, LUNG, BLOOD DISEASES, AND SLEEP DISORDERS				-	55,439
	93.846	ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH		University of Massachusetts	PO# WA01575177 SUB00000473/NIAMSR01	794,550	6,859,488
	93.847	DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH		Yale University	YALE CON- 80004578(GR121503)/NIH	509,433	6,035,507
	93.850	IMPROVING EPILEPSY PROGRAMS, SERVICES, AND OUTCOMES THROUGH NATIONAL PARTNERSHIPS				-	12,750
	93.853	EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS				992,444	9,752,154
	93.855	ALLERGY AND INFECTIOUS DISEASES RESEARCH		Yale University	5R01AI155562-04	779,299	11,772,803
	93.859	BIOMEDICAL RESEARCH AND RESEARCH TRAINING		Virginia Polytechnic Institute and State University	Subaward# 412698-19213	446,219	14,850,830
	93.865	CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH		Connecticut Children's Medical Center	CCMC/ R33HD105593	1,215,445	6,626,839
	93.866	AGING RESEARCH		Mayo Clinic	UNI-337120/ PO# P001764066	1,039,007	11,030,402
	93.867	VISION RESEARCH		Wills Eye Hospital	WEH-EZNEI251-51414	-	1,409,782
	93.870	MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT				50,689	10,111,055
	93.870	COVID-19 MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT	COVID-19			-	1,450,891
	<b>93.870 Total</b>					<b>50,689</b>	<b>11,561,946</b>
	93.876	ANTIMICROBIAL RESISTANCE SURVEILLANCE IN RETAIL FOOD SPECIMENS				-	189,908
	93.879	MEDICAL LIBRARY ASSISTANCE		University of Massachusetts	COLLECTION EQUITY AWARD	-	6
	93.889	NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM				717,452	2,366,441
	93.898	CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS				1,482,623	2,201,599
	93.913	GRANTS TO STATES FOR OPERATION OF STATE OFFICES OF RURAL HEALTH				-	277,942
	93.914	HIV EMERGENCY RELIEF PROJECT GRANTS		City of Hartford	CITY OF HARTFORD/HRSA/OUTP AMB CARE	-	234,243
	93.917	HIV CARE FORMULA GRANTS				-	21,364,123
	93.925	SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS				-	628,328
	93.926	HEALTHY START INITIATIVE				328,664	526,526
	93.928	SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE				-	29,432
	93.940	HIV PREVENTION ACTIVITIES HEALTH DEPARTMENT BASED				631,156	1,423,650
	93.946	COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS				-	198,770

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	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES		AZ Health Care Cost Containment System (AHCCCS)	YH24-0050	-	1,349,692
	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES				-	12,135,806
	93.958	COVID-19 BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	COVID-19			-	3,713,351
	<b>93.958 Total</b>					-	<b>17,198,849</b>
	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE		University of Texas Medical Branch	PO# UOSPC-0000002266 - 24-87072-09	-	680,668
	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE		Wheeler Clinic	LTR-12-10-20	-	19,661,678
	93.959	COVID-19 BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	COVID-19			-	5,175,782
	<b>93.959 Total</b>					-	<b>25,518,128</b>
	93.967	CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH				523,534	2,827,546
	93.968	STATES ADVANCING ALL-PAYER HEALTH EQUITY APPROACHES AND DEVELOPMENT (AHEAD) MODEL				-	15,600
	93.977	SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS				31,796	612,354
	93.977	COVID-19 SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS	COVID-19			-	1,613,848
	<b>93.977 Total</b>					<b>31,796</b>	<b>2,226,202</b>
	93.981	COVID-19 IMPROVING STUDENT HEALTH AND ACADEMIC ACHIEVEMENT THROUGH NUTRITION, PHYSICAL ACTIVITY AND THE MANAGEMENT OF CHRONIC CONDITIONS IN SCHOOLS	COVID-19			132,829	435,511
	93.988	COOPERATIVE AGREEMENTS FOR DIABETES CONTROL PROGRAMS				375,000	887,560
	93.989	INTERNATIONAL RESEARCH AND RESEARCH TRAINING				55,715	328,250
	93.991	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT				1,414,520	2,260,258
	93.994	MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES				1,984,921	5,068,989
	93.RD	OTHER FEDERAL ASSISTANCE	93179772/PO - 44300-00021547			-	24,292
	93.RD	OTHER FEDERAL ASSISTANCE	9321678/1000019733			-	2,803
	93.RD	OTHER FEDERAL ASSISTANCE	932760.0042_A3			-	132,854
	93.RD	OTHER FEDERAL ASSISTANCE	9352027S004			-	16,875
	93.RD	OTHER FEDERAL ASSISTANCE	9375D30123P17342			-	11,041
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40119C10152			-	68,829
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40121C00133			68,990	354,480
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40121C00150			-	390,928
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40123C00118			-	533,329
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40123C00142			-	381,698
	93.RD	OTHER FEDERAL ASSISTANCE	93AG211315			-	84,822
	93.RD	OTHER FEDERAL ASSISTANCE	93AG230614			-	333,948
	93.RD	OTHER FEDERAL ASSISTANCE	93AG241442			-	76,362
	93.RD	OTHER FEDERAL ASSISTANCE	93AG250162			-	15,391
	93.RD	OTHER FEDERAL ASSISTANCE	93HHSF223201810114C			(673)	(673)
	93.RD	OTHER FEDERAL ASSISTANCE	93Sub No: 21097/PO# 10000			-	10,290
	<b>93.RD Total</b>					<b>68,317</b>	<b>2,437,269</b>
	93.U01	OTHER FEDERAL ASSISTANCE	9375ACF123P00007			-	29,617
	93.U02	OTHER FEDERAL ASSISTANCE	9390CO1144-03-00			-	330,843
	93.U03	OTHER FEDERAL ASSISTANCE	93AG230704			-	36,421
	93.U04	OTHER FEDERAL ASSISTANCE	93AG240365-1			-	98,173

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	93.U05	OTHER FEDERAL ASSISTANCE	93Agreement Number 179117-0 93CT-10A-			-	56,362
	93.U06	OTHER FEDERAL ASSISTANCE	2023022400000002162/ CBH-23-1504			-	145,758
	93.U07	OTHER FEDERAL ASSISTANCE	93K6683			-	69,147
	93.U08	OTHER FEDERAL ASSISTANCE	93S-105124-01			-	189,097
	93.U09	OTHER FEDERAL ASSISTANCE	93SC-3039.2-UCONN-01			-	33,545
	93.U16	OREGON MEDICAID REVIEW & SOC TA	2144300-00021553			-	5,279
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES Total</b>						<b>\$ 196,627,019</b>	<b>\$ 8,168,792,297</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>							
	94.003	AMERICORPS STATE COMMISSIONS SUPPORT GRANT				\$ -	\$ 323,246
	94.006	AMERICORPS STATE AND NATIONAL 94.006		Jumpstart	2540240	-	3,387,716
	94.006	AMERICORPS STATE AND NATIONAL 94.006				3,325,614	138,192
	<b>94.006 Total</b>					<b>3,325,614</b>	<b>3,525,908</b>
	94.008	AMERICORPS COMMISSION INVESTMENT FUND 94.008				-	206,817
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE Total</b>						<b>\$ 3,325,614</b>	<b>\$ 4,055,971</b>
<b>SOCIAL SECURITY ADMINISTRATION</b>							
	96.001	SOCIAL SECURITY DISABILITY INSURANCE				\$ -	\$ 29,212,485
<b>SOCIAL SECURITY ADMINISTRATION Total</b>						<b>\$ -</b>	<b>\$ 29,212,485</b>
<b>DEPARTMENT OF HOMELAND SECURITY</b>							
	97.008	NON-PROFIT SECURITY PROGRAM				\$ 2,171,062	\$ 2,373,533
	97.012	BOATING SAFETY FINANCIAL ASSISTANCE				-	1,436,754
	97.023	COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES ELEMENT (CAP-SSSE)				-	234,497
	97.029	FLOOD MITIGATION ASSISTANCE				3,240	3,240
	97.036	DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)				14,077,457	22,472,446
	97.036	COVID-19 DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	COVID-19			-	23,478,075
	<b>97.036 Total</b>					<b>14,077,457</b>	<b>45,950,521</b>
	97.039	HAZARD MITIGATION GRANT				456,862	462,486
	97.041	NATIONAL DAM SAFETY PROGRAM				-	271,938
	97.042	EMERGENCY MANAGEMENT PERFORMANCE GRANTS				2,582,482	7,663,743
	97.043	STATE FIRE TRAINING SYSTEMS GRANTS				-	15,711
	97.046	FIRE MANAGEMENT ASSISTANCE GRANT				-	34,140
	97.047	BRIC: BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES				985,770	2,250,475
	97.050	COVID-19 PRESIDENTIAL DECLARED DISASTER ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS - OTHER NEEDS	COVID-19			-	(41,461)
	97.052	EMERGENCY OPERATIONS CENTER				1,022,328	1,022,328
	97.056	PORT SECURITY GRANT PROGRAM				-	546,573
	97.061	CENTERS FOR HOMELAND SECURITY		University of Nebraska	44-0108-1001-444	102,064	551,131
	97.067	HOMELAND SECURITY GRANT PROGRAM				3,281,745	5,653,348
	97.072	NATIONAL EXPLOSIVES DETECTION CANINE TEAM PROGRAM				-	(110,284)
	97.075	RAIL AND TRANSIT SECURITY GRANT PROGRAM				-	98,314
	97.106	SECURING THE CITIES PROGRAM		NYPD	NYCPD	-	149,777

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	97.132	FINANCIAL ASSISTANCE FOR TARGETED VIOLENCE AND TERRORISM PREVENTION				-	217,500
	97.137	STATE AND LOCAL CYBERSECURITY GRANT PROGRAM TRIBAL CYBERSECURITY GRANT PROGRAM				382,774	382,774
	97.RD	OTHER FEDERAL ASSISTANCE	9770US0924P70092138			-	81,094
	97.U01	OTHER FEDERAL ASSISTANCE	97AG221430			-	40,841
<b>DEPARTMENT OF HOMELAND SECURITY Total</b>						<b>\$ 25,065,784</b>	<b>\$ 69,288,973</b>
<b>U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT</b>							
	98.001	USAID FOREIGN ASSISTANCE FOR PROGRAMS OVERSEAS		National Academy of Sciences	NAS SCON- 10000822/72026321CA00001	-	31,054
<b>U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT Total</b>						<b>\$ -</b>	<b>\$ 31,054</b>
<b>Total Federal Expenditures</b>						<b>\$ 1,515,355,402</b>	<b>\$ 14,393,050,861</b>

STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SUMMARY OF CLUSTERS OF PROGRAMS  
For the Fiscal Year Ended June 30, 2025

Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
<b>AGING CLUSTER</b>							
	93.044	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS				\$ 6,928,142	\$ 5,623,407
	93.044	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	COVID-19				2,195,616
	<b>93.044 Total</b>					<b>6,928,142</b>	<b>7,819,023</b>
	93.045	SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES				12,406,300	11,103,604
	93.045	COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	COVID-19				1,302,696
	<b>93.045 Total</b>					<b>12,406,300</b>	<b>12,406,300</b>
	93.053	NUTRITION SERVICES INCENTIVE PROGRAM				934,988	934,988
<b>AGING CLUSTER Total</b>						<b>\$ 20,269,430</b>	<b>\$ 21,160,311</b>
<b>CCDF CLUSTER</b>							
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT		Johns Hopkins University	PO: 2006144117	\$ -	\$ 343,762
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT		University of Maryland, Baltimore	21599/ PO # 1000019460		18,199,305
	93.575	COVID-19 CHILD CARE AND DEVELOPMENT BLOCK GRANT	COVID-19				2,204,303
	<b>93.575 Total</b>						<b>20,747,370</b>
	93.596	CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND					59,972,145
<b>CCDF CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 80,719,515</b>
<b>CDBG - DISASTER RECOVERY GRANTS - PUB. L. NO. 113-2 CLUSTER</b>							
	14.269	HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)				\$ -	\$ 1,605,054
	14.272	NATIONAL DISASTER RESILIENCE COMPETITION					971,773
<b>CDBG - DISASTER RECOVERY GRANTS - PUB. L. NO. 113-2 CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 2,576,827</b>
<b>CDBG - ENTITLEMENT GRANTS CLUSTER</b>							
	14.218	COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS		City of Meriden	LTR-1017	\$ -	\$ 16,548
<b>CDBG - ENTITLEMENT GRANTS CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 16,548</b>
<b>CHILD NUTRITION CLUSTER</b>							
	10.553	SCHOOL BREAKFAST PROGRAM				\$ 50,926,435	\$ 52,874,693
	10.555	NATIONAL SCHOOL LUNCH PROGRAM				153,710,651	190,789,652
	10.556	SPECIAL MILK PROGRAM FOR CHILDREN				65,417	65,417
	10.559	SUMMER FOOD SERVICE PROGRAM FOR CHILDREN				5,215,157	5,254,078
	10.582	FRESH FRUIT AND VEGETABLE PROGRAM					3,445,905
<b>CHILD NUTRITION CLUSTER Total</b>						<b>\$ 209,917,660</b>	<b>\$ 252,429,745</b>
<b>DISABILITY INSURANCE/SSI CLUSTER</b>							
	96.001	SOCIAL SECURITY DISABILITY INSURANCE				\$ -	\$ 29,212,485
<b>DISABILITY INSURANCE/SSI CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 29,212,485</b>
<b>ECONOMIC DEVELOPMENT CLUSTER</b>							
	11.307	ECONOMIC ADJUSTMENT ASSISTANCE				\$ 7,555,470	\$ 8,115,070
	11.307	COVID-19 ECONOMIC ADJUSTMENT ASSISTANCE	COVID-19				3,319,891
<b>11.307 Total</b>						<b>7,555,470</b>	<b>11,434,961</b>
<b>ECONOMIC DEVELOPMENT CLUSTER Total</b>						<b>\$ 7,555,470</b>	<b>\$ 11,434,961</b>
<b>EMPLOYMENT SERVICE CLUSTER</b>							
	17.207	EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES				\$ -	\$ 7,569,363
	17.801	JOBS FOR VETERANS STATE GRANTS					521,347
<b>EMPLOYMENT SERVICE CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 8,090,710</b>
<b>FEDERAL MOTOR CARRIER SAFETY ASSISTANCE (FMCSA)</b>							
	20.218	MOTOR CARRIER SAFETY ASSISTANCE				\$ -	\$ 3,625,941
	20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS					3,258,162
<b>FEDERAL MOTOR CARRIER SAFETY ASSISTANCE (FMCSA) Total</b>						<b>\$ -</b>	<b>\$ 6,884,103</b>
<b>FEDERAL TRANSIT CLUSTER</b>							
	20.500	FEDERAL TRANSIT CAPITAL INVESTMENT GRANTS				\$ -	\$ 1,989,375
	20.507	FEDERAL TRANSIT FORMULA GRANTS				1,765,960	76,786,768
	20.507	COVID-19 FEDERAL TRANSIT FORMULA GRANTS	COVID-19				157,346,792
	20.525	STATE OF GOOD REPAIR GRANTS PROGRAM					84,453,196
	20.526	BUSES AND BUS FACILITIES FORMULA, COMPETITIVE, AND LOW OR NO EMISSIONS PROGRAMS					36,597,384
<b>FEDERAL TRANSIT CLUSTER Total</b>						<b>\$ 1,765,960</b>	<b>\$ 357,173,515</b>
<b>FISH AND WILDLIFE CLUSTER</b>							
	15.605	SPORT FISH RESTORATION				\$ -	\$ 4,482,430
	15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION AND SAFETY				167,175	9,203,819
<b>FISH AND WILDLIFE CLUSTER Total</b>						<b>\$ 167,175</b>	<b>\$ 13,686,249</b>

STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SUMMARY OF CLUSTERS OF PROGRAMS  
For the Fiscal Year Ended June 30, 2025

Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
<b>FOOD DISTRIBUTION CLUSTER</b>							
	10.565	COMMODITY SUPPLEMENTAL FOOD PROGRAM				\$ 392,029	\$ 393,632
	10.568	EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)		CT Foodshare	A2365-001	2,014,249	951,725
	10.568	COVID-19 EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	COVID-19				1,084,854
	<b>10.568 Total</b>					<b>2,014,249</b>	<b>2,036,579</b>
<b>FOOD DISTRIBUTION CLUSTER Total</b>						<b>\$ 2,406,278</b>	<b>\$ 2,430,211</b>
<b>HEAD START CLUSTER</b>							
	93.600	HEAD START					\$ 119,436
<b>HEAD START CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 119,436</b>
<b>HIGHWAY SAFETY CLUSTER</b>							
	20.600	STATE AND COMMUNITY HIGHWAY SAFETY				\$ 4,123,907	\$ 4,957,927
	20.616	NATIONAL PRIORITY SAFETY PROGRAMS				1,484,907	6,059,178
<b>HIGHWAY SAFETY CLUSTER Total</b>						<b>\$ 5,608,814</b>	<b>\$ 11,017,105</b>
<b>HOUSING VOUCHER CLUSTER</b>							
	14.871	SECTION 8 HOUSING CHOICE VOUCHERS				\$ 163,000	\$ 139,897,489
	14.871	COVID-19 SECTION 8 HOUSING CHOICE VOUCHERS	COVID-19				5,709,105
	<b>14.871 Total</b>					<b>163,000</b>	<b>145,606,594</b>
	14.879	MAINSTREAM VOUCHERS					5,183,299
<b>HOUSING VOUCHER CLUSTER Total</b>						<b>\$ 163,000</b>	<b>\$ 150,789,893</b>
<b>MEDICAID CLUSTER</b>							
	93.775	STATE MEDICAID FRAUD CONTROL UNITS				\$ -	\$ 936,328
	93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE				18,289	7,197,121
	93.778	MEDICAL ASSISTANCE PROGRAM				224,012	6,987,457,254
	93.778	COVID-19 MEDICAL ASSISTANCE PROGRAM	COVID-19				1,237,229
	<b>93.778 Total</b>					<b>224,012</b>	<b>6,988,694,483</b>
<b>MEDICAID CLUSTER Total</b>						<b>\$ 242,301</b>	<b>\$ 6,996,827,932</b>
<b>RESEARCH AND DEVELOPMENT</b>							
	10.001	AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH				\$ 487,547	\$ 2,106,802
	10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE		Yale University	CON-80004477	147,272	1,519,658
	10.072	WETLANDS RESERVE PROGRAM		University of Rhode Island	NR223A750023C004		57,457
	10.170	SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL					247,383
	10.174	ACER ACCESS DEVELOPMENT PROGRAM		Yale University	23ACERCT1031-00		19,836
	10.175	FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM		Dairy Management (DMI)	AG230276		24,856
	10.200	GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS					125
	10.202	COOPERATIVE FORESTRY RESEARCH					346,452
	10.203	PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT				2,000	2,811,095
	10.207	ANIMAL HEALTH AND DISEASE RESEARCH					453
	10.210	HIGHER EDUCATION NATIONAL NEEDS GRADUATE FELLOWSHIP GRANTS					213,397
	10.215	SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION		University of Vermont	2021-38640-34668	816	237,507
	10.217	HIGHER EDUCATION - INSTITUTION CHALLENGE GRANTS PROGRAM				13,798	74,013
	10.219	BIOTECHNOLOGY RISK ASSESSMENT RESEARCH					168,761
	10.225	COMMUNITY FOOD PROJECTS		Chrysalis Center	AG230366		14,930
	10.229	EXTENSION COLLABORATIVE ON IMMUNIZATION TEACHING & ENGAGEMENT					63,012
	10.243	AMERICAN RESCUE PLAN CENTERS OF EXCELLENCE FOR MEAT AND POULTRY PROCESSING AND FOOD SAFETY RESEARCH AND INNOVATION PHASE III					127,668
	10.250	AGRICULTURAL AND RURAL ECONOMIC RESEARCH, COOPERATIVE AGREEMENTS AND COLLABORATIONS					88,540
	10.255	RESEARCH INNOVATION AND DEVELOPMENT GRANTS IN ECONOMIC (RIDGE)					38,105
	10.303	INTEGRATED PROGRAMS		University of Wisconsin - Milwaukee	2023-51106-40960	8,646	86,748
	10.304	FOOD AND AGRICULTURE DEFENSE INITIATIVE (FADI)		University of Maine	UMS1421	31,247	80,467
	10.307	ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE		University of Florida	2024-51300-43051		600,589
	10.309	SPECIALTY CROP RESEARCH INITIATIVE		Virginia Polytechnic State University	2023-51181-41319	50,123	548,471
	10.310	AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)		Columbia University of New York	PFIZER 87425917	2,046,353	7,220,994
	10.311	BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM				20,786	159,862
	10.318	WOMEN AND MINORITIES IN SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS FIELDS					6,215
	10.320	SUN GRANT PROGRAM		Pennsylvania State University	S004985-USDA		160,646
	10.328	FOOD SAFETY OUTREACH PROGRAM					10,592
	10.329	CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM		Clemson University	2574-207-2016248		57,110
	10.333	URBAN, INDOOR, AND OTHER EMERGING AGRICULTURAL PRODUCTION RESEARCH, EDUCATION, AND EXTENSION					32,036
	10.460	RISK MANAGEMENT EDUCATION PARTNERSHIPS					107,341
	10.500	COOPERATIVE EXTENSION SERVICE					54,811
	10.516	RURAL HEALTH AND SAFETY EDUCATION COMPETITIVE GRANTS PROGRAM				10,228	95,663
	10.527	NEW BEGINNING FOR TRIBAL STUDENTS					52,248

STATE OF CONNECTICUT  
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Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	10.560	STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION					32,883
	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM					483,457
	10.604	TECHNICAL ASSISTANCE FOR SPECIALTY CROPS PROGRAM					160,223
	10.652	FORESTRY RESEARCH					20,079
	10.664	COOPERATIVE FORESTRY ASSISTANCE		University of Vermont and State Ag College	06130-UVM-FEMC-FFY21		34,192
	10.678	FOREST STEWARDSHIP PROGRAM					1,633
	10.680	FOREST HEALTH PROTECTION					77,692
	10.684	INTERNATIONAL FORESTRY PROGRAMS					(169)
	10.903	SOIL SURVEY				9,089	260,914
	10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM		Research Foundation for the State University of New York	550-1171682-92863	54,357	336,436
	10.960	TECHNICAL AGRICULTURAL ASSISTANCE				23,401	49,743
	10.RD	OTHER FEDERAL ASSISTANCE	1021-JV-11242308-076				7,599
	10.RD	OTHER FEDERAL ASSISTANCE	1025-JV-11261963-012				2,416
	10.RD	OTHER FEDERAL ASSISTANCE	10CT 04192023 DS				343,296
	10.RD	OTHER FEDERAL ASSISTANCE	10DAG42500				27,400
	10.RD	OTHER FEDERAL ASSISTANCE	10S005502-USDA				35,559
	10.RD	OTHER FEDERAL ASSISTANCE	UCONN Hurricane Impact Study				7,038
	<b>10.RD Total</b>						<b>423,308</b>
	11.012	INTEGRATED OCEAN OBSERVING SYSTEM (IOOS)		Northeastern Regional Association of Coastal Ocean Observing Systems	N23A017002	4,900	427,762
	11.016	STATISTICAL, RESEARCH, AND METHODOLOGY ASSISTANCE				62,167	194,646
	11.017	OCEAN ACIDIFICATION PROGRAM (OAP)					158,145
	11.417	SEA GRANT SUPPORT		University of Alabama, Tuscaloosa	A24-0567-S003	212,465	941,162
	11.419	COASTAL ZONE MANAGEMENT ADMINISTRATION AWARDS		Boston University	4500004889		9,678
	11.429	MARINE SANCTUARY PROGRAM		National Marine Sanctuary Foundation	69000-25-03-460		3,176
	11.431	CLIMATE AND ATMOSPHERIC RESEARCH					140,628
	11.439	MARINE MAMMAL DATA PROGRAM				3,295	64,433
	11.459	WEATHER AND AIR QUALITY RESEARCH				76,731	297,488
	11.473	OFFICE FOR COASTAL MANAGEMENT					113,961
	11.478	CENTER FOR SPONSORED COASTAL OCEAN RESEARCH COASTAL OCEAN PROGRAM					208,087
	11.609	MEASUREMENT AND ENGINEERING RESEARCH AND STANDARDS					227,417
	11.617	CONGRESSIONALLY-IDENTIFIED PROJECTS					994,313
	11.620	SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH					120,071
	11.RD	OTHER FEDERAL ASSISTANCE	11CSSF-NROC-UCONN-RDS-2024				8,587
	11.RD	OTHER FEDERAL ASSISTANCE	11NA24NMF454G0020				34,718
	<b>11.RD Total</b>						<b>43,305</b>
	12.300	BASIC AND APPLIED SCIENTIFIC RESEARCH		Pennsylvania State University	S000561-ONR	8,539,041	18,456,352
	12.420	MILITARY MEDICAL RESEARCH AND DEVELOPMENT		Stevens Institute of Technology	SIT-2103075-01/DOD-W81XWH2010321	139,110	2,551,112
	12.431	BASIC SCIENTIFIC RESEARCH				59,908	612,047
	12.630	BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING					216,619
	12.800	AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM		Yale University	CON-80005558 (GR126738)	309,542	1,194,232
	12.901	MATHEMATICAL SCIENCES GRANTS					18,279
	12.910	RESEARCH AND TECHNOLOGY DEVELOPMENT					1,909,834
	12.RD	OTHER FEDERAL ASSISTANCE	124787				18,674
	12.RD	OTHER FEDERAL ASSISTANCE	12211186				18,011
	12.RD	OTHER FEDERAL ASSISTANCE	12250603				89,679
	12.RD	OTHER FEDERAL ASSISTANCE	121100073				15,308
	12.RD	OTHER FEDERAL ASSISTANCE	12#313000032				40,186
	12.RD	OTHER FEDERAL ASSISTANCE	12#W911QX23D0006/W911QX24F0097TASK05				32,552
	12.RD	OTHER FEDERAL ASSISTANCE	1210-27493-104906-46				200,868
	12.RD	OTHER FEDERAL ASSISTANCE	122135-S01				133,323

STATE OF CONNECTICUT  
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	12.RD	OTHER FEDERAL ASSISTANCE	124624-UCONN-2023-01				59,915
	12.RD	OTHER FEDERAL ASSISTANCE	12555112-78055				61,112
	12.RD	OTHER FEDERAL ASSISTANCE	12AG211123				15,084
	12.RD	OTHER FEDERAL ASSISTANCE	12AG231358				192,417
	12.RD	OTHER FEDERAL ASSISTANCE	12CT24-008 - AG240505				166,778
	12.RD	OTHER FEDERAL ASSISTANCE	12FA239423CB060			223,113	1,346,977
	12.RD	OTHER FEDERAL ASSISTANCE	12FA8650-20-C-5206				294,920
	12.RD	OTHER FEDERAL ASSISTANCE	12FA8650-21-C-5711				832,006
	12.RD	OTHER FEDERAL ASSISTANCE	12IPA# 315				373,850
	12.RD	OTHER FEDERAL ASSISTANCE	12MASIO-SUB0008953				7,447
	12.RD	OTHER FEDERAL ASSISTANCE	12PO #4440278825				27,032
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 1000077126			1,185,765	2,806,011
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 4440943540				86,858
	12.RD	OTHER FEDERAL ASSISTANCE	12PO 4815				224,224
	12.RD	OTHER FEDERAL ASSISTANCE	12PO# 242596				23,584
	12.RD	OTHER FEDERAL ASSISTANCE	12PO#47206551/UNI-SOW-52390				20,995
	12.RD	OTHER FEDERAL ASSISTANCE	12PO#W-1002				483
	12.RD	OTHER FEDERAL ASSISTANCE	12PO10215920				130,051
	12.RD	OTHER FEDERAL ASSISTANCE	12QSI-DSC-23-010				4,023
	12.RD	OTHER FEDERAL ASSISTANCE	12SPC-1000007136/GR129425				77,454
	12.RD	OTHER FEDERAL ASSISTANCE	12Task 194				(8)
	12.RD	OTHER FEDERAL ASSISTANCE	12TSI-5201-24-20217358				12,830
	12.RD	OTHER FEDERAL ASSISTANCE	12W911QY21C0082				9,211
	12.RD	OTHER FEDERAL ASSISTANCE	12W912HQ19C0019				(1)
	<b>12.RD Total</b>					<b>1,408,878</b>	<b>7,321,854</b>
	13.RD	OTHER FEDERAL ASSISTANCE	132021-21072100002				157,167
	13.RD	OTHER FEDERAL ASSISTANCE	13AG220988				104,394
	13.RD	OTHER FEDERAL ASSISTANCE	13K003034-00-S03				13,851
	<b>13.RD Total</b>						<b>275,412</b>
	14.269	HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)					(106,111)
	14.537	EVICTON PROTECTION GRANT PROGRAM					5,990
	15.232	JOINT FIRE SCIENCE PROGRAM					4,081
	15.247	WILDLIFE RESOURCE MANAGEMENT					20,991
	15.605	SPORT FISH RESTORATION					75,386
	15.608	FISH AND AQUATIC CONSERVATION - AQUATIC INVASIVE SPECIES					60,453
	15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION AND SAFETY					165,493
	15.630	COASTAL					57,244
	15.634	STATE WILDLIFE GRANTS					71,739
	15.655	MIGRATORY BIRD MONITORING, ASSESSMENT AND CONSERVATION					76,781
	15.657	ENDANGERED SPECIES RECOVERY IMPLEMENTATION					2,615
	15.660	CANDIDATE SPECIES CONSERVATION					4,169
	15.677	HURRICANE SANDY DISASTER RELIEF ACTIVITIES-FWS					24,051
	15.805	ASSISTANCE TO STATE WATER RESOURCES RESEARCH INSTITUTES				37,497	245,786
	15.808	U.S. GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION					142,442
	15.945	COOPERATIVE RESEARCH AND TRAINING PROGRAMS @ RESOURCES OF THE NATIONAL PARK SYSTEM					24,433
	15.RD	OTHER FEDERAL ASSISTANCE	15140G0119C0008				(187)
	16.812	SECOND CHANCE ACT REENTRY INITIATIVE					73,286
	16.838	COMPREHENSIVE OPIOID, STIMULANT, AND OTHER SUBSTANCES USE PROGRAM					48,300
	20.200	HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM				87,283	242,267
	20.205	HIGHWAY PLANNING AND CONSTRUCTION					5,226,641
	20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS					261,363
	20.509	FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM					402,045
	20.611	INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING				347,103	1,216,983
	20.616	NATIONAL PRIORITY SAFETY PROGRAMS					129,576
	20.701	UNIVERSITY TRANSPORTATION CENTERS PROGRAM					680,127
	20.RD	OTHER FEDERAL ASSISTANCE	202343018				6,966

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Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	20.RD	OTHER FEDERAL ASSISTANCE	20AG241379			66,848	164,971
	20.RD	OTHER FEDERAL ASSISTANCE	20AG250403				85,435
	20.RD	OTHER FEDERAL ASSISTANCE	20DOT57000				293,072
	20.RD	OTHER FEDERAL ASSISTANCE	20MAG Contract No. 1227				52,997
	<b>20.RD Total</b>					<b>66,848</b>	<b>603,441</b>
	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	COVID-19			17,370	1,088,482
	43.001	SCIENCE		Space Telescope Science Institute	JWST-AR-04357.001-A	466,072	2,342,175
	43.008	OFFICE OF STEM ENGAGEMENT (OSTEM)		University of Hartford, Connecticut Space Grant Consortium	80NSSC20M0129 - P-2323		191,437
	43.012	SPACE TECHNOLOGY					345,578
	43.RD	OTHER FEDERAL ASSISTANCE	4380JSC022CA006			509,502	1,023,827
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC22CA018/C 851				(1,567)
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC23CA014UC ONN				72,934
	43.RD	OTHER FEDERAL ASSISTANCE	4380NSSC24PB292/C 919				42,000
	43.RD	OTHER FEDERAL ASSISTANCE	43AG 220308				15,277
	43.RD	OTHER FEDERAL ASSISTANCE	43PO 6056				2,032
	<b>43.RD Total</b>					<b>509,502</b>	<b>1,154,503</b>
	45.160	PROMOTION OF THE HUMANITIES FELLOWSHIPS AND STIPENDS					33,986
	45.312	NATIONAL LEADERSHIP GRANTS					3,500
	47.041	ENGINEERING		Iowa State University	Subaward No. 022317A	161,158	4,884,969
	47.049	MATHEMATICAL AND PHYSICAL SCIENCES		Oregon State University	S2270B-N	104,148	4,832,134
	47.050	GEOSCIENCES		Columbia University	128B(GG009393-04)/PO G18476	339,023	4,295,859
	47.070	COMPUTER AND INFORMATION SCIENCE AND ENGINEERING		Georgia State University	2241914		2,841,491
	47.074	BIOLOGICAL SCIENCES		Montana State University	620-014-01	6,995,751	13,778,383
	47.075	SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES		University of Chicago	PO# SA0000290	133,779	1,033,907
	47.076	STEM EDUCATION (FORMERLY EDUCATION AND HUMAN RESOURCES)		Northeastern University	502996-78060	415,145	6,935,048
	47.078	POLAR PROGRAMS					245,278
	47.079	OFFICE OF INTERNATIONAL SCIENCE AND ENGINEERING					127,045
	47.083	INTEGRATIVE ACTIVITIES					582,465
	47.084	NSF TECHNOLOGY, INNOVATION, AND PARTNERSHIPS		Purdue University	Subaward No. 10002336- 005	257,571	1,422,504
	47.RD	OTHER FEDERAL ASSISTANCE	47FACTCHAMP/2021/1 01				26,461
	47.RD	OTHER FEDERAL ASSISTANCE	47OPP-2449533				151,836
	<b>47.RD Total</b>						<b>178,297</b>
	66.437	GEOGRAPHIC PROGRAMS @ LONG ISLAND SOUND PROGRAM		Research Foundation for the State University of New York	1157712/2/86473	1,033,416	4,747,006
	66.456	NATIONAL ESTUARY PROGRAM		New England Interstate Water Pollution Control Commission	#0366--001 2023-004		13,508
	66.516	P3 AWARD: NATIONAL STUDENT DESIGN COMPETITION FOR SUSTAINABILITY					8,256
	66.814	BROWNFIELDS TRAINING, RESEARCH, AND TECHNICAL ASSISTANCE GRANTS AND COOPERATIVE AGREEMENTS				55,334	869,458
	66.951	ENVIRONMENTAL EDUCATION GRANTS PROGRAM				14,919	54,438
	66.962	GEOGRAPHIC PROGRAMS - COLUMBIA RIVER BASIN RESTORATION (CRBR) PROGRAM				37,307	102,023
	66.RD	OTHER FEDERAL ASSISTANCE	66AG231279				10,174
	81.008	CYBERSECURITY, ENERGY SECURITY & EMERGENCY RESPONSE (CESER)				152,262	438,376
	81.049	OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM		3D Array Technology	AG230987/DE-SC0024061	141,547	3,478,773
	81.086	CONSERVATION RESEARCH AND DEVELOPMENT				177,864	1,019,912
	81.087	RENEWABLE ENERGY RESEARCH AND DEVELOPMENT		Washington State University	PO# 144565 SPC007 10 - 144565 WSU001463	198,303	1,363,266
	81.089	FOSSIL ENERGY RESEARCH AND DEVELOPMENT		RTX Corporation-Raytheon Technologies	PO# 2609017		461,816
	81.112	STEWARDSHIP SCIENCE GRANT PROGRAM					19,577
	81.117	ENERGY EFFICIENCY AND RENEWABLE ENERGY INFORMATION DISSEMINATION, OUTREACH, TRAINING AND TECHNICAL ANALYSIS/ASSISTANCE				1,534,552	2,564,498
	81.121	NUCLEAR ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION				123,623	164,428
	81.122	ELECTRICITY RESEARCH, DEVELOPMENT AND ANALYSIS				67,000	374,967
	81.135	ADVANCED RESEARCH PROJECTS AGENCY - ENERGY				973,376	2,523,120
	81.RD	MANUFACTURING AND ENERGY SUPPLY CHAIN DEMONSTRATIONS AND COMMERCIAL APPLICATIONS	81.253 Change			25,000	129,566

STATE OF CONNECTICUT  
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Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	81.RD	OTHER FEDERAL ASSISTANCE	81303078				178,133
	81.RD	OTHER FEDERAL ASSISTANCE	81430632				133,133
	81.RD	OTHER FEDERAL ASSISTANCE	81431421				64,034
	81.RD	OTHER FEDERAL ASSISTANCE	81749035				32,217
	81.RD	OTHER FEDERAL ASSISTANCE	817602732				65,438
	81.RD	OTHER FEDERAL ASSISTANCE	817625166				31,515
	81.RD	OTHER FEDERAL ASSISTANCE	817634414				196,784
	81.RD	OTHER FEDERAL ASSISTANCE	817745036				188,320
	81.RD	OTHER FEDERAL ASSISTANCE	811F-60605				18,410
	81.RD	OTHER FEDERAL ASSISTANCE	812F-60053				63,799
	81.RD	OTHER FEDERAL ASSISTANCE	813F-60033 M0005				32,524
	81.RD	OTHER FEDERAL ASSISTANCE	814F-60057				49,114
	81.RD	OTHER FEDERAL ASSISTANCE	81AG240820				210,655
	81.RD	OTHER FEDERAL ASSISTANCE	81AG240822				363,365
	81.RD	OTHER FEDERAL ASSISTANCE	81B660655				36,951
	81.RD	OTHER FEDERAL ASSISTANCE	81B662536				27,592
	81.RD	OTHER FEDERAL ASSISTANCE	81C4316				75,352
	81.RD	OTHER FEDERAL ASSISTANCE	81No. 427168				1,126
	81.RD	OTHER FEDERAL ASSISTANCE	81No. 7699374				45,094
	81.RD	OTHER FEDERAL ASSISTANCE	81P.O. 2569822				68,801
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 2666290				7,779
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 4000215448				71,190
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# 4000217549				85,957
	81.RD	OTHER FEDERAL ASSISTANCE	81PO# EP193067				46,546
	81.RD	OTHER FEDERAL ASSISTANCE	81PON000545452				10,378
	81.RD	OTHER FEDERAL ASSISTANCE	81PON000505105				26,935
	81.RD	OTHER FEDERAL ASSISTANCE	81Sub #CW49007/PO 4000212880				13,500
	81.RD	OTHER FEDERAL ASSISTANCE	81SUB -2022-10087				33,089
	81.RD	OTHER FEDERAL ASSISTANCE	81Sub 694070				100,046
	81.RD	OTHER FEDERAL ASSISTANCE	81SUB-2024-10072				47,847
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract #437359				137,431
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract #7712887				(3,496)
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract No. 2F-60022				16,338
	81.RD	OTHER FEDERAL ASSISTANCE	81Subcontract No. 7676135				42,402
	<b>81.RD Total</b>					<b>25,000</b>	<b>2,647,865</b>
84.017		INTERNATIONAL RESEARCH AND STUDIES					20,837
84.022		OVERSEAS PROGRAMS - DOCTORAL DISSERTATION RESEARCH ABROAD					3,722
84.027		SPECIAL EDUCATION GRANTS TO STATES				18,462	958,116
84.031		HIGHER EDUCATION INSTITUTIONAL AID					448,200
84.116		FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION					25,073
84.126		REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES					17,867
84.173		SPECIAL EDUCATION PRESCHOOL GRANTS					131,315
84.181		SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES					51,835
84.200		GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED					839,897
84.206		JAVITS GIFTED AND TALENTED STUDENTS EDUCATION		East Tennessee State University	19-287-5-52.5	15,779	1,505,712
84.215		INNOVATIVE APPROACHES TO LITERACY; PROMISE NEIGHBORHOODS; FULL-SERVICE COMMUNITY SCHOOLS; AND CONGRESSIONALLY DIRECTED SPENDING FOR ELEMENTARY AND SECONDARY EDUCATION COMMUNITY PROJECTS		Connecticut Children's Medical Center	CCMC22-4000041-05-03 /EDS215N210037		229,324
84.305		EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION		University of Delaware	UDR0000567	988,507	2,900,441
84.324		RESEARCH IN SPECIAL EDUCATION				303,392	1,982,188
84.325		SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES		American Institute for Research	PERSONNEL DEVELOPMENTAL TO IMPROVE	1,699,068	4,245,448
84.326		SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES					337,224
84.374		TEACHER AND SCHOOL LEADER INCENTIVE GRANTS (FORMERLY THE TEACHER INCENTIVE FUND)					48,725

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Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	84.425	EDUCATION STABILIZATION FUND	84.425D			345,859	880,500
	84.425	EDUCATION STABILIZATION FUND	84.425U			278,980	570,810
	84.425	COVID-19 EDUCATION STABILIZATION FUND	COVID-19, 84.425U				16,199
	<b>84.425 Total</b>					<b>624,839</b>	<b>1,467,509</b>
	84.RD	OTHER FEDERAL ASSISTANCE	84PO 41400-312-0000128093				24,396
	93.048	SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS				106,762	453,048
	93.073	BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE		Organization of Teratology Information Services	OTIS YR01/CDC NU01DD000041		20,232
	93.077	FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT REGULATORY RESEARCH					10,698
	93.080	BLOOD DISORDER PROGRAM: PREVENTION, SURVEILLANCE, AND RESEARCH		Children's Hospital Corporation	CHC:GENFD0002269896/C DC:NU27DD000020		13,469
	93.084	PREVENTION OF DISEASE, DISABILITY, AND DEATH BY INFECTIOUS DISEASES				542,763	1,451,607
	93.094	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION					(317)
	93.103	FOOD AND DRUG ADMINISTRATION RESEARCH		Physical Sciences	SC10-19797-108133-46	11,990	1,352,543
	93.104	COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)		WV Department of Health and Human Resources	G241029		466,408
	93.107	AREA HEALTH EDUCATION CENTERS				536,939	685,606
	93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS		Organization of Teratology Information Services	OTIS YR10/HRSA 5UG4MC27861		488,980
	93.113	ENVIRONMENTAL HEALTH		University of Minnesota	P007567001	79,562	1,136,607
	93.121	ORAL DISEASES AND DISORDERS RESEARCH		Regents of the University of California Los Angeles	160558054/5R21DE032906-02R1	235,273	3,200,409
	93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS					157,788
	93.143	NIEHS SUPERFUND HAZARDOUS SUBSTANCES_BASIC RESEARCH AND EDUCATION		UMass	ROES032686		98,452
	93.153	COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH		Connecticut Children's Specialty Group Inc	CCSG 23-185035-01 /HRSA H1231109		179,935
	93.172	HUMAN GENOME RESEARCH		The Jackson Laboratory	210314-0325-07/U24 HG007497-09	1,140,781	2,393,647
	93.173	RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS		San Diego State University	D12185-02 SA1201 A0 5B911A 7802	532,265	3,127,365
	93.213	RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH		Brown University	00002081	209,485	1,713,168
	93.226	RESEARCH ON HEALTHCARE COSTS, QUALITY AND OUTCOMES				112,751	905,161
	93.233	NATIONAL CENTER ON SLEEP DISORDERS RESEARCH		Yale University	CON-80004777(GR121630)	61,394	1,293,794
	93.242	MENTAL HEALTH RESEARCH GRANTS		University of Massachusetts	S51110000046594 PO L001082538/NIH	1,195,637	7,971,786
	93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE		Community Mental Health Affiliates Inc	CMHA/SAMHSA 1H79TI084207-01	361,442	2,784,316
	93.251	EARLY HEARING DETECTION AND INTERVENTION					63,504
	93.253	POISON CENTER SUPPORT AND ENHANCEMENT GRANT					161,327
	93.262	OCCUPATIONAL SAFETY AND HEALTH PROGRAM		Saint Louis University	SLU A02255-2392 / CDC U13OH012639	628,194	1,144,873
	93.264	NURSE FACULTY LOAN PROGRAM (NFLP)					2,047,061
	93.273	ALCOHOL RESEARCH PROGRAMS		The Research Foundation of State University of New York	SUNY 1009189-92319/5U10AA008401	394,101	3,193,210
	93.279	DRUG USE AND ADDICTION RESEARCH PROGRAMS		New York University	NYU PO M240756335/NIH R33DA049252	1,426,810	6,503,330
	93.283	CENTERS FOR DISEASE CONTROL AND PREVENTION INVESTIGATIONS AND TECHNICAL ASSISTANCE					108,044
	93.286	DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH		University of Washington	UWSC15858/PO-0100133456	51,088	1,915,552
	93.307	MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH		Yale University	YALE CON-80003746(GR116640)/NIH		654,561
	93.310	TRANS-NIH RESEARCH SUPPORT		Connecticut Children's Medical Center	CCMC 23-181118-07/NIH R33HD105613	2,591,621	3,745,878
	93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)					282,050
	93.342	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS					393
	93.351	RESEARCH INFRASTRUCTURE PROGRAMS					598,981
	93.354	PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE					22,548
	93.354	COVID-19 PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	COVID-19				17,215
	<b>93.354 Total</b>						<b>39,763</b>

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	93.359	NURSE EDUCATION, PRACTICE QUALITY AND RETENTION GRANTS		University of Massachusetts	SUB0000377/PO WA01482706		111,642
	93.361	NURSING RESEARCH				506	193,135
	93.365	SICKLE CELL TREATMENT DEMONSTRATION PROGRAM		Johns Hopkins University	JH PO#2005423487/5U1EMC2 7864-09-00		21,690
	93.393	CANCER CAUSE AND PREVENTION RESEARCH				370,208	1,483,202
	93.394	CANCER DETECTION AND DIAGNOSIS RESEARCH		The Washington University	PO# WU-240054 INST# STO0017296	143,173	771,673
	93.395	CANCER TREATMENT RESEARCH				449,498	3,161,501
	93.396	CANCER BIOLOGY RESEARCH				83,059	1,283,080
	93.398	CANCER RESEARCH MANPOWER					37,930
	93.421	STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATIONS HEALTH		Society for Public Health Education (SOPHE)	1802 DNPAO		684
	93.426	THE NATIONAL CARDIOVASCULAR HEALTH PROGRAM					121,274
	93.434	EVERY STUDENT SUCCEEDS ACT/PRESCHOOL DEVELOPMENT GRANTS					272,558
	93.493	CONGRESSIONAL DIRECTIVES					31,506
	93.556	MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM					805,305
	93.558	TEMPORARY ASSISTANCE FOR NEEDED FAMILIES		TN Department of Mental Health and Substance Abuse Services	79903		329,190
	93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT					822,816
	93.590	COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS					386,595
	93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)					1,939
	93.600	HEAD START		Boston University	4500004693		39,203
	93.632	UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE					528,726
	93.665	EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19					(3,801)
	93.670	CHILD ABUSE AND NEGLECT DISCRETIONARY ACTIVITIES				755,629	1,993,551
	93.696	CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC EXPANSION GRANTS		Catholic Charities Inc - Archdiocese of Hartford	CCI/SAMHSA H79SM089366		85,481
	93.732	MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS					9,372
	93.788	OPIOID STR					473,580
	93.829	SECTION 223 DEMONSTRATION PROGRAMS TO IMPROVE COMMUNITY MENTAL HEALTH SERVICES					6,963
	93.837	CARDIOVASCULAR DISEASES RESEARCH		Yale University	CON-80003617(GR116085) 7	1,167,082	4,947,262
	93.838	LUNG DISEASES RESEARCH				105,608	363,427
	93.839	BLOOD DISEASES AND RESOURCES RESEARCH					233,331
	93.840	TRANSLATION AND IMPLEMENTATION SCIENCE RESEARCH FOR HEART, LUNG, BLOOD DISEASES, AND SLEEP DISORDERS					55,439
	93.846	ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH		University of Massachusetts	PO# WA01575177 SUB00000473/NIAMSR01	794,550	6,859,488
	93.847	DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH		Yale University	YALE CON- 80004578(GR121503)/NIH	509,433	6,035,507
	93.853	EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS				992,444	9,752,154
	93.855	ALLERGY AND INFECTIOUS DISEASES RESEARCH		Yale University	5R01A155562-04	779,299	11,772,803
	93.859	BIOMEDICAL RESEARCH AND RESEARCH TRAINING		Virginia Polytechnic Institute and State University	Subaward# 412698-19213	446,219	14,850,830
	93.865	CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH		Connecticut Children's Medical Center	CCMC/ R33HD105593	1,215,445	6,626,839
	93.866	AGING RESEARCH		Mayo Clinic	UNI-337120/ PO# P001764066	1,039,007	11,030,402
	93.867	VISION RESEARCH		Wills Eye Hospital	WEH-EZNEI251-51414		1,409,782
	93.879	MEDICAL LIBRARY ASSISTANCE		University of Massachusetts	COLLECTION EQUITY AWARD CITY OF		6
	93.914	HIV EMERGENCY RELIEF PROJECT GRANTS		City of Hartford	HARTFORD/HRSA/OUTP AMB CARE		234,243
	93.925	SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS					628,328
	93.928	SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE					29,432
	93.958	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES		AZ Health Care Cost Containment System (AHCCCS)	YH24-0050		1,349,692
	93.959	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE		University of Texas Medical Branch	PO# UOSPC-000002266 - 24-87072-09		680,668
	93.967	CENTERS FOR DISEASE CONTROL AND PREVENTION COLLABORATION WITH ACADEMIA TO STRENGTHEN PUBLIC HEALTH					127,909
	93.988	COOPERATIVE AGREEMENTS FOR DIABETES CONTROL PROGRAMS					102,782

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Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
	93.989	INTERNATIONAL RESEARCH AND RESEARCH TRAINING				55,715	328,250
	93.RD	OTHER FEDERAL ASSISTANCE	93179772/PO - 44300-00021547				24,292
	93.RD	OTHER FEDERAL ASSISTANCE	9321678/1000019733				2,803
	93.RD	OTHER FEDERAL ASSISTANCE	932760.0042_A3				132,854
	93.RD	OTHER FEDERAL ASSISTANCE	93520275004				16,875
	93.RD	OTHER FEDERAL ASSISTANCE	9375D30123P17342				11,041
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40119C10152				68,829
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40121C00133			68,990	354,480
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40121C00150				390,928
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40123C00118				533,329
	93.RD	OTHER FEDERAL ASSISTANCE	9375F40123C00142				381,698
	93.RD	OTHER FEDERAL ASSISTANCE	93AG211315				84,822
	93.RD	OTHER FEDERAL ASSISTANCE	93AG230614				333,948
	93.RD	OTHER FEDERAL ASSISTANCE	93AG241442				76,362
	93.RD	OTHER FEDERAL ASSISTANCE	93AG250162				15,391
	93.RD	OTHER FEDERAL ASSISTANCE	93HHSF223201810114 C			(673)	(673)
	93.RD	OTHER FEDERAL ASSISTANCE	93Sub No: 21097/PO# 10000				10,290
	<b>93.RD Total</b>					<b>68,317</b>	<b>2,437,269</b>
	97.047	BRIC: BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES		University of Nebraska	44-0108-1001-444	102,064	1,264,705
	97.061	CENTERS FOR HOMELAND SECURITY					551,131
	97.RD	OTHER FEDERAL ASSISTANCE	9770US0924P7009213 8				81,094
	98.001	USAID FOREIGN ASSISTANCE FOR PROGRAMS OVERSEAS		National Academy of Sciences	NAS SCON- 10000822/72026321CA000 01		31,054
<b>RESEARCH AND DEVELOPMENT Total</b>						<b>\$ 51,140,614</b>	<b>\$ 293,105,774</b>
<b>SECTION 8 PROJECT-BASED CLUSTER</b>							
	14.249	SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY				\$ -	\$ 82,661
<b>SECTION 8 PROJECT-BASED CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 82,661</b>
<b>SNAP CLUSTER</b>							
	10.551	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM				\$	870,530,359
	10.561	STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM				\$ 2,347,837	87,694,416
<b>SNAP CLUSTER Total</b>						<b>\$ 2,347,837</b>	<b>\$ 958,224,775</b>
<b>SPECIAL EDUCATION CLUSTER (IDEA)</b>							
	84.027	SPECIAL EDUCATION GRANTS TO STATES		MA Department of Elementary and Secondary Education	196019RFQDSCRS1UCONN	\$ -	\$ 168,664,327
	84.027	SPECIAL EDUCATION GRANTS TO STATES		New Haven Public Schools	H027A180021	142,977,969	(55,657)
	<b>84.027 Total</b>					<b>142,977,969</b>	<b>168,608,670</b>
	84.173	SPECIAL EDUCATION PRESCHOOL GRANTS		CT State Department of Education	CT State Department of Education	4,456,569	6,270,637
	84.173	COVID-19 SPECIAL EDUCATION PRESCHOOL GRANTS	COVID-19				(106,112)
	<b>84.173 Total</b>					<b>4,456,569</b>	<b>6,164,525</b>
<b>SPECIAL EDUCATION CLUSTER (IDEA) Total</b>						<b>\$ 147,434,538</b>	<b>\$ 174,773,195</b>
<b>STUDENT FINANCIAL ASSISTANCE</b>							
	84.007	FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS				\$ -	\$ 5,377,259
	84.033	FEDERAL WORK-STUDY PROGRAM					4,749,098
	84.038	FEDERAL PERKINS LOAN PROGRAM, FEDERAL CAPITAL CONTRIBUTIONS					2,197,736
	84.063	FEDERAL PELL GRANT PROGRAM					195,394,233
	84.268	FEDERAL DIRECT STUDENT LOANS					348,024,929
	84.379	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)					15,088
	93.264	NURSE FACULTY LOAN PROGRAM (NFLP)					2,989,755
	93.342	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS					495,685
	93.364	NURSING STUDENT LOANS					18,346
<b>STUDENT FINANCIAL ASSISTANCE Total</b>						<b>\$ -</b>	<b>\$ 559,262,129</b>

STATE OF CONNECTICUT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 SUMMARY OF CLUSTERS OF PROGRAMS  
 For the Fiscal Year Ended June 30, 2025

Cluster Name	Assistance Listing Number	Federal Program Name	Additional Award Identification	Pass-through Entity Name	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
<b>TRANSIT SERVICES PROGRAMS CLUSTER</b>							
	20.513	ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES				\$ 7,433,443	\$ 7,248,066
	20.513	COVID-19 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	COVID-19				330,608
	<b>20.513 Total</b>					<b>7,433,443</b>	<b>7,578,674</b>
	20.521	NEW FREEDOM PROGRAM				97,946	167,123
<b>TRANSIT SERVICES PROGRAMS CLUSTER Total</b>						<b>\$ 7,531,389</b>	<b>\$ 7,745,797</b>
<b>TRIO CLUSTER</b>							
	84.042	TRIO STUDENT SUPPORT SERVICES				\$ -	1,744,808
	84.044	TRIO TALENT SEARCH					304,500
	84.047	TRIO UPWARD BOUND					3,179,525
	84.217	TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT					261,830
<b>TRIO CLUSTER Total</b>						<b>\$ -</b>	<b>\$ 5,490,663</b>
<b>WIOA CLUSTER</b>							
	17.258	WIOA ADULT PROGRAM				\$ 8,501,355	\$ 11,188,543
	<b>17.258 Total</b>					<b>8,501,355</b>	<b>11,188,543</b>
	17.259	WIOA YOUTH ACTIVITIES		NW Regional Investment Brd	OSY-12-002	10,385,650	12,000,494
	17.278	WIOA DISLOCATED WORKER FORMULA GRANTS				8,048,670	13,842,225
<b>WIOA CLUSTER Total</b>						<b>\$ 26,935,675</b>	<b>\$ 37,031,262</b>
<b>Total Cluster Expenditures</b>						<b>\$ 483,486,141</b>	<b>\$ 9,980,285,802</b>

STATE OF CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL LOAN PROGRAMS  
For the Fiscal Year Ended June 30, 2025

Federal Grantor	Assistance Listing Number	Federal Program Name	Outstanding Loan Balance as of June 30, 2025
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
	14.228	COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	\$ 93,813
	14.239	HOME INVESTMENT PARTNERSHIPS PROGRAM	162,935,311
	14.275	HOUSING TRUST FUND	23,489,388
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Total</b>			<b>\$ 186,518,512</b>
<b>DEPARTMENT OF EDUCATION</b>			
	84.038	FEDERAL PERKINS LOAN PROGRAM_FEDERAL CAPITAL CONTRIBUTIONS	\$ 1,418,011
<b>DEPARTMENT OF EDUCATION Total</b>			<b>\$ 1,418,011</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
	93.264	NURSE FACULTY LOAN PROGRAM (NFLP)	\$ 4,714,403
	93.342	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS	435,343
	93.364	NURSING STUDENT LOANS	18,346
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES Total</b>			<b>\$ 5,168,092</b>
<b>Total Loans Outstanding Balances as of June 30, 2025</b>			<b>\$ 193,104,615</b>

# STATE OF CONNECTICUT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### Note 1 - Summary of Significant Accounting Policies

##### A. Reporting Entity:

That state reporting entity is fully described in Note 1 to the State's financial statements. The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes all federal programs administered by the State of Connecticut, except for the portion of the federal programs that are subject to separate audits in compliance with the Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as codified in Title 2 U.S. Code of Federal Regulations Part 200.

##### B. Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting, except for the following programs which are presented on the accrual basis of accounting: *Labor Force Statistics* (ALN 17.002), *Compensation and Working Conditions* (ALN 17.005), *Cooperative Area Manpower Planning System* (ALN 17.205), *Employment Service/Wagner-Peyser Funded Activities* (ALN 17.207), *Trade Adjustment Assistance* (ALN 17.245), *WIOA Adult Program* (ALN 17.258), *WIOA Youth Activities* (ALN 17.259), *Education Stabilization Fund (ESSER)* (ALN 17.261), *Work Opportunity Tax Credit Program (WOTC)* (ALN 17.271), *Temporary Labor Certification for Foreign Workers* (ALN 17.273), *WIOA Dislocated Worker Formula Grants* (ALN 17.278), *Registered Apprenticeship* (ALN 17.285), *Occupational Safety and Health State Program* (ALN 17.503), *Consultation Agreements* (ALN 17.504), *Disabled Veterans' Outreach Program* (ALN 17.720), *Jobs for Veterans State Grants* (ALN 17.801), *Local Veterans' Employment Representative Program* (ALN 17.804), *Presidential Declared Disaster Assistance to Individuals and Households - Other Needs* (ALN 97.050), and the administrative portion of *Unemployment Insurance* (ALN 17.225).

The total expenditures presented for *Project-Based Rental Assistance (PBRA)* (ALN 14.195), *Section 8 Moderate Rehabilitation Single Room Occupancy* (ALN 14.249), *Section 8 Housing Choice Vouchers* (ALN 14.871) and *Mainstream Vouchers* (ALN 14.879) programs represent the net Annual Contributions Contract subsidy received for the State's fiscal year ended June 30, 2025. The net Annual Contribution Contract subsidy for the fiscal year is being reported as the federal awards expended for these programs per Accounting Brief #10 issued by the Department of Housing and Urban Development's Real Estate Assessment Center. In addition, the grant and financial assistance expenditures for the University of Connecticut Health Center, the University of Connecticut, the Connecticut State Universities, CT Community College, and Charter Oak State College include certain accruals at the program level.

##### C. Basis of Presentation:

The information in the Schedule is presented in accordance with OMB Uniform Guidance. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the State's basic financial statements. Federal award programs include expenditures, pass-throughs to non-state agencies (i.e., payments to subrecipients), non-monetary assistance and loan programs. Funds transferred from one state agency to another state agency are not considered federal award expenditure until the funds are expended by the subrecipient state agency.

# STATE OF CONNECTICUT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### D. Matching Costs:

Except for the State's share of unemployment insurance, (see Note 7) the non-federal share portion is not included in the schedule.

#### **Note 2 - De Minimis Cost Rate**

The State of Connecticut did not elect to use the de minimis cost rate as covered in Title 2 U.S. Code of Federal Regulations (CFR) 200.414(f) Indirect cost.

#### **Note 3 - Research Programs**

Federally funded research programs at the University of Connecticut Health Center, the University of Connecticut, and the Connecticut Agricultural Experiment Station have been reported as discrete items. The major federal departments and agencies providing research assistance have been identified. The research programs at the University of Connecticut Health Center and the University of Connecticut are considered one Major Federal Financial Assistance Program for purposes of compliance with OMB Uniform Guidance.

#### **Note 4 - Non-cash Assistance**

The State received non-cash federal financial assistance, which is included in the schedule and is as follows:

10.551	Supplemental Nutrition Assistance Program	\$870,530,359
10.555	National School Lunch Program	\$23,232,305
10.559	Summer Food Service Program for Children	\$18,283
39.003	Donation of Federal Surplus Personal Property*	\$0
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	\$2,516
93.268	Immunization Cooperative Agreements	\$51,461,949
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	\$268
93.387	National and State Tobacco Control Program	\$11,043
93.940	HIV Prevention Activities Health Department Based	\$448
93.994	Maternal and Child Health Services Block Grant to the States	\$98,339

\*There was no non-cash federal assistance received during the fiscal year 2025.

# STATE OF CONNECTICUT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### Note 5 - Loans and Loan Guarantees

#### Federally Funded Student Loan Programs

The summary of the federally funded loan programs below includes both those loans that have continuing compliance requirements and those that do not. As required by OMB Uniform Guidance, the value of new loans made during the fiscal year plus the beginning balance are:

#### a) Student loan programs with continuing compliance requirements:

Assistance Listing Number	Program Name	Loans Outstanding on June 30, 2025	New Loans Disbursed
84.038	Federal Perkins Loan Program Federal Capital Contributions	\$1,418,011	\$0
93.264	Nurse Faculty Loan Program (NFLP)	\$4,714,403	\$708,252
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	\$435,343	\$0
93.364	Nursing Student Loans	\$18,346	\$0

#### b) Student loan program with no continuing compliance requirement:

Assistance Listing Number	Program Name	New Loans Disbursed
84.268	Federal Direct Student Loans	\$ 348,024,929

The State of Connecticut participates in several other federal loan programs in which funds are provided through the State to eligible program participants:

#### Home Investment Partnerships Program (ALN 14.239)

The *Home Investment Partnerships Program* (ALN 14.239) is administered by the State's Department of Housing to expand the supply of affordable housing, particularly rental housing to qualified individuals. The value of outstanding loans on June 30, 2025, totaled \$162,935,311.

#### Housing Trust Fund (ALN 14.275)

The *Housing Trust Fund* (ALN 14.275) is administered by the State's Department of Housing to expand and preserve the supply of affordable housing for low-income households. The value of outstanding loans on June 30, 2025, totaled \$23,489,388.

# STATE OF CONNECTICUT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### **Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii (ALN 14.228)**

The primary objective of this program is the development of viable urban communities by providing housing and a suitable living environment in communities where existing conditions pose a serious or immediate threat to the health and welfare of the community. The value of outstanding loans on June 30, 2025, totaled \$93,813.

#### **Note 6 - Rebates on the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

The expenditures presented on the schedule for *WIC Special Supplemental Nutrition Program for Women, Infants, and Children* are presented net of rebates and amounts for penalties and fines.

During fiscal year 2025, the State received \$13,861,537 from rebates from infant formula and cereal manufacturers on the sales of formula to participants in the WIC program. The WIC program collected \$686 in fines and penalties that were subsequently used to increase WIC program benefits to more participants.

Rebate contracts with infant formula manufacturers are authorized by Title 7 Code of Federal Regulations Chapter II Subchapter A, Part 246.16m as a cost containment measure. During fiscal year 2025 under 2 CFR 225, rebates enabled the State to serve more eligible individuals with the same federal dollars thereby reducing the federal cost per person.

#### **Note 7 - Unemployment Insurance (ALN 17.225)**

In accordance with OMB Uniform Guidance, state unemployment insurance funds, as well as federal funds, must be included in the Schedule of Expenditures of Federal Awards with *Unemployment Insurance*. During the fiscal year ended June 30, 2025, the state funds expended from the federal Unemployment Trust Fund amounted to \$649,908,197. The total expenditures from the federal portion equaled \$854,222. The \$68,141,227 in Unemployment Insurance program administrative expenditures was financed by the U.S. Department of Labor.

#### **Note 8 - Child Support Services (ALN 93.563)**

During the fiscal year ended June 30, 2025, the Department of Social Services expended a total of \$56,476,473 (federal share) to accomplish the goals of *Child Support Services*. The State received \$10,131,849 of the total expenditure by withholding a portion of various collections received through the process of implementing the program. The other \$46,344,624 of the federal share of expenditures was reimbursed to the State directly from the federal government.

#### **Note 9 - HIV Care Formula Grants (ALN 93.917)**

Expenditures reported on the Schedule totaled \$21,364,123 for *HIV Care Formula Grants*. The state also expended \$38,555,975 in HIV rebates provided by private pharmaceutical companies. These HIV rebates are authorized by the AIDS Drug Assistance Program (ADAP) manual Section 340B rebate option as a cost savings measure and are not included in the reported expenditures.

# STATE OF CONNECTICUT

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### **Note 10 - Refunds of Unspent Funds**

When refunds of unspent funds are received by the state from a non-state subrecipient and returned to the federal government for funds reported as expended in a prior SEFA, negative balances may be reported.

#### **Note 11 - Pass-through Awards**

Most of the State's federal assistance is received directly from federal awarding agencies. However, agencies and institutions of the State receive some federal assistance that is passed through a separate entity prior to the receipt by the State. The Schedule details indirect federal assistance received from those non-state pass-through grantors. The amounts included on the pass-through schedule are reported as federal revenue on the State's basic financial statements. Federal assistance received by the State from non-state pass-through grantors is identified by ALN, grantor, grantor ID, and expenditure amount, and is presented on the accompanying Schedule.

#### **Note 12 - COVID-19 Related Expenditures and Federal Programs**

In response to the COVID-19 pandemic, the federal government provided the State of Connecticut with new funding and various federal programs. Under the provisions of the OMB 2025 Compliance Supplement Appendix VII, COVID-19 related award expenditures are separately identified by ALN with "COVID-19" prefix to the program name.

During the fiscal year ended June 30, 2025, all *Personal Protective Equipment (PPE)* donations were received from private sources and other non-federal agencies.

#### **Note 13- Disaster Grants - Public Assistance (Presidentially Declared Disasters) (ALN 97.036)**

During the fiscal year ended June 30, 2025, the State of Connecticut reported \$45,950,521 of expenditures under *Disaster Grants - Public Assistance (Presidentially Declared Disasters)*.

Of this amount, the Federal Emergency Management Agency (FEMA) approved approximately \$34,903,026 of eligible expenditures that were incurred in prior years and are included in the Schedule.

#### **Note 14 - Section 8 Housing Choice Vouchers (ALN 14.871)**

In accordance with reporting requirements established by U.S. Department of Housing and Urban Development Notice PIH 2021-25 (HA), Section 8.k., the Schedule includes \$5,709,105 in Emergency Housing Vouchers (EHV) funding issued under the American Rescue Plan Act of 2021.



# Schedule of Findings and Questioned Costs

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# INDEX OF SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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## STATUS KEY

- A. Material instances of noncompliance with federal requirements.
- B. Significant deficiencies in the internal control process.
- C. Material weaknesses of the internal control process.
- D. Known or likely questioned costs which are greater than \$25,000 for a type of compliance requirement for a major program.
- E. Known questioned costs, which are greater than \$25,000 for a federal program, which is not audited as a major program.
- F. Circumstances resulting in other than an unmodified opinion unless such circumstances are otherwise reported as an audit finding under code A. above.
- G. Known fraud affecting a federal award.
- H. Repeat of a prior year finding.
- I. Instances resulting from audit follow-up procedures that disclosed that the summary schedule of prior audit findings prepared by the auditee materially misrepresents the status of any prior audit finding.
- J. Material instance of noncompliance with the federal requirements of the major federal program(s) included in the finding that resulted in a qualified opinion on compliance to the particular major federal program(s) that are identified by an asterisk.

# STATE OF CONNECTICUT STATEWIDE SINGLE AUDIT FISCAL YEAR ENDED JUNE 30, 2025 SCHEDULE OF FINDINGS AND QUESTIONED COSTS

## SECTION I SUMMARY OF AUDITORS' RESULTS

### Financial Statements:

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	No

### Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	Yes

## Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
10.558	Child and Adult Care Food Program
10.646	Summer Electronic Benefit Transfer Program for Children
14.871 and 14.879	Housing Voucher Cluster
16.575	Crime Victim Assistance
17.258, 17.259, and 17.278	Workforce Innovation and Opportunity Act (WIOA) Cluster
20.205	Highway Planning and Construction
20.326	Federal State Partnership for Intercity Passenger Rail
20.500, 20.507, 20.525, and 20.526	Federal Transit Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 84.408, 93.264, 93.342, 93.364, and 93.925	Student Financial Assistance Cluster
84.367	Supportive Effective Instruction State Grants
93.044, 93.045, and 93.053	Aging Cluster
93.268	Immunization Cooperative Agreements
93.323	Epidemiology for Laboratory Capacity for Infectious Diseases
93.558	Temporary Assistance for Needy Families
93.775, 93.777, and 93.778	Medicaid Cluster

93.791	Money Follows the Person Rebalancing Demonstration
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Type A and Type B program threshold:	\$30,000,000
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Auditee qualified as a low-risk auditee?	No
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# SECTION II

## FINANCIAL STATEMENT RELATED FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Our review of statewide financial reporting identified one material weakness and two significant deficiencies in internal control as defined by auditing standards generally accepted in the United States of America. Although Finding 2025-003 is not deemed a significant deficiency or material weakness, per those standards, it is an area that requires corrective action. These areas are detailed in the following pages:

### **Finding 2025-001**

## Inadequate Implementation of Changes in Accounting Principles

#### Criteria

Sound internal controls over financial reporting require an entity to sufficiently plan for changes in accounting principles and update policies, procedures, and system reports to ensure accurate and complete information. Government Accounting Standards Board (GASB) Statement No. 101 requires entities to measure and report compensated absences, including vacation, sick, and personal leave, and compensatory time, using updated accounting methods so that the financial statements accurately reflect related liabilities.

#### Condition

Our review of the initial OSC compensated absences report identified the following errors that were either material or were not sufficiently checked for reasonableness:

- The OSC supporting report included hours that were not reflected in the compensated absences report: 686,493 hours of sick leave, 13,619 hours of personal leave, 1,865 hours of compensatory time, and 1,169 hours of holiday compensatory time.

- We found 1,285 employees who appeared on more than one line of the report. In some cases, OSC counted their leave balances more than once. We cannot clearly identify the net effect of this error on the reported liability.
- OSC calculated the liability for 41 employees with leave balances using a rate of \$0/hour.
- OSC calculated the liability for one employee using a rate of \$2,346/hour instead of the actual rate of \$58.67/hour, resulting in an overstatement of the employee’s liability by approximately \$958,000.

**Context** The Office of the State Comptroller reported approximately \$1.2 billion in liabilities for compensated absences related to governmental activities.

**Effect** Inaccurate, incorrect, or incomplete leave balances and hourly rates result in misstated compensated absence liabilities. In addition, the need to reconcile and investigate these errors consumes significant staff time and may lead to delays in issuing the Annual Comprehensive Financial Report.

**Cause** OSC did not sufficiently plan for changes in accounting principles. OSC did not perform adequate reconciliations and reasonableness checks on its compensated absences report to ensure the completeness and accuracy of all data.

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

**Recommendation** The Office of the State Comptroller should strengthen internal controls for implementing new accounting standards to ensure accurate reporting and compliance with GASB requirements.

**Views of Responsible Officials** “The Office of the State Comptroller (“OSC”) encountered several challenges during the implementation process of this particular GASB requirement. The programming of the reports to obtain the information necessary for implementation was much more difficult than initially expected and the amount of data was so large it resulted in multiple reports that needed to be compiled after completion. The Budget and Financial Analysis Division (“BFA”) has taken steps to address the issues identified by creating a template and reconciliation process to ensure that the information collected for this disclosure is accurate, complete, and free of

errors. BFA will also continue to provide relevant trainings to staff to stay up-to-date on future GASB pronouncements and work to ensure adequate planning is performed for a smoother, more accurate implementation process.”

## **Finding 2025-002**

### **Inadequate Financial Reporting Process – GAAP Forms**

#### **Criteria**

The Office of the State Comptroller (OSC) has a long-established procedure requiring state agencies to prepare and submit adjustment forms to report various account balances, accruals, liabilities, contingencies, and other information needed to report the state’s financial position on a GAAP basis to the State Comptroller. The Office of the State Comptroller requires these forms to be submitted with accurate information by specific deadlines. OSC provides instructions on the adjustment forms requiring agencies to compare the current year’s amounts to the prior year and explain fluctuations greater than 5% and \$5 million.

#### **Condition**

In our prior audits, we reported that various state agencies did not submit accurate GAAP adjustment forms. Our review of agency-prepared forms for the 2025 fiscal year again found the following errors and omissions in the amounts reported. The material errors found and corrected were as follows:

- The Department of Transportation overstated its contractual obligations by \$185 million. The Department of Developmental Services understated its contractual obligations by \$20.7 million. The Department of Housing overstated its contractual obligations by \$2.5 million.
- The Department of Housing overstated its grant receivables by \$6.3 million. The Department of Public Health overstated its grant receivables by \$6.7 million.
- The Department of Energy and Environmental Protection understated receivables estimated to be uncollectible by \$21.3 million.
- The Secretary of State did not report \$9.6 million of unearned revenue.

<b>Context</b>	<p>OSC received GAAP forms from approximately 28 state agencies that included \$9.9 billion in reported contractual obligations.</p> <p>State agencies reported \$511.9 million of grant receivables for the Federal &amp; Other Restricted Accounts Fund.</p> <p>State agencies reported \$469.2 million of receivables estimated to be uncollectible for the General Fund.</p> <p>State agencies reported \$23.6 million of deferred revenue.</p>
<b>Effect</b>	<p>Deficiencies in the state’s internal controls over financial reporting could adversely affect its ability to provide accurate financial information.</p>
<b>Cause</b>	<p>The underlying reasons for the errors include new fiscal staff who were unfamiliar with the reporting requirements, ineffective supervisory review, and failure to follow OSC instructions for explaining annual fluctuations in reported amounts.</p>
<b>Prior Audit Finding</b>	<p>Errors related to state agency GAAP Forms have been previously reported in the last eleven audit reports covering the fiscal years 2013 through 2024.</p>
<b>Recommendation</b>	<p>The Office of the State Comptroller should improve its efforts to train agency personnel in the preparation of accurate GAAP adjustments.</p>
<b>Views of Responsible Officials</b>	<p>“The Office of the State Comptroller (“OSC”) will continue to update, expand, and develop instructions and training materials related to the completion of the annual GAAP forms. Although state agencies are ultimately responsible for ensuring their staff receive sufficient training, OSC will ensure that it continues to provide guidance where needed to mitigate future reporting errors. The Budget and Financial Analysis Division (“BFA”) will also continue to work with those agencies identified as submitting incorrect information and provide additional support to ensure that those errors do not occur going forward.”</p>

## **Finding 2025-003**

# Lack of Timely Audit Report - State Education Resource Center

Criteria	<p>Section 1-123(a) of the General Statutes requires the State Education Resource Center (SERC), a quasi-public agency and a component unit of the State of Connecticut, to submit an annual report that includes a complete set of financial statements to the Governor and the Auditors of Public Accounts.</p> <p>Section 10-357d of the General Statutes requires SERC to annually submit a financial audit to the State Board of Education and the General Assembly.</p> <p>Title 2 U.S. Code of Federal Regulations (CFR) Part 200.501 requires a non-federal entity that expends \$750,000 or more in federal awards during its fiscal year to have a single or program-specific audit conducted for that year. Title 2 CFR Part 200.512 requires the non-federal entity to submit its audit report and the data collection form within the earlier of 30 calendar days after receipt of the auditor's report, or nine months after the end of the audit period.</p> <p>Sound internal controls over information systems require the ability to promptly obtain accurate data for financial reporting.</p>
Condition	<p>SERC did not issue its fiscal year 2024 audited financial statements until January 30, 2026. As of February 1, 2026, SERC had not executed an agreement for its fiscal year 2025 financial statement or federal single audits. In addition, SERC failed to promptly submit the federal single audit report and data collection forms for fiscal year 2024.</p>
Context	<p>The State Department of Education provided SERC with approximately \$18.6 million and \$8.5 million in pass-through and service fees in fiscal years 2024 and 2025, respectively. Of those amounts, federal grant funds accounted for approximately \$18.0 million and \$7.0 million in fiscal years 2024 and 2025, respectively.</p>
Effect	<p>Without timely audited financial statements, it is not possible to fully assess SERC's financial performance, and SERC's financial activity cannot be included in the ACFR if it becomes material.</p>

Without proper administrative and fiscal controls, there is an increased risk of fraud.

**Cause** Turnover among fiscal staff over the last few years caused SERC's continued financial reporting delays.

**Prior Audit Finding** This finding has been previously reported in the prior year audit report covering the fiscal year 2024.

**Recommendation** The State Education Resource Center should strengthen internal controls to ensure that it promptly prepares complete and accurate financial statements. The center should also submit its federal single audit report and data collection form in accordance with federal requirements.

**Views of Responsible Officials** *Response provided by the State Education Resource Center:*

"We agree with this finding. Ongoing turnover within the fiscal department has delayed the completion of required audits. While a chief financial officer was hired to provide leadership within the department and address prior audit findings, the individual departed the position on June 26, 2025, with less than 24 hours' notice, leaving the organization without adequate fiscal leadership for the remainder of the fiscal year. We speculate that our ongoing turnover of chief financial officers may be attributed to SERC's low starting salary range for this position and the uncertainty about funding for all personnel. SERC became a quasi-public in 2014 without an established funding line other than the discretionary funds we receive from the State Department of Education. Despite several years of advocacy at the legislative level, this remains a challenge. Over the years, this uncertainty has led to workforce reductions and reduced staff hours. To mitigate further delays in completing our 2025 audit, SERC has discussed amending the agreement with its current auditing firm to conduct the 2025 audit. SERC has also contracted with an external consultant to facilitate the fiscal department's operations while we find a permanent fiscal department head."

*Response provided by the Office of the State Comptroller:*

"Although the State Education Resource Center ("SERC")'s financials are currently considered immaterial and not included in the State's ACFR, it continues to grow and will likely be material enough to include in the coming years. Completed financial statements from SERC will be a necessity for OSC to meet its

reporting deadlines when this occurs.”

## **Finding 2025-004**

### **Inadequate Reporting Process – Schedule of Expenditures of Federal Awards (SEFA)**

#### **Background**

The Office of the State Comptroller (OSC) prepares the State of Connecticut’s Schedule of Expenditures of Federal Awards (SEFA). OSC provides state agencies with reporting instructions and standardized forms to report their federal expenditures.

OSC collects state agency reported expenditure data and compiles the Federal Awards Workbook and the notes to the SEFA. OSC prepares these schedules and supporting information in accordance with the reporting requirements established by the Federal Audit Clearinghouse for submission of the Single Audit Collection Form (SF-SAC).

#### **Criteria**

Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200.510(b) requires recipients of federal awards to prepare a Schedule of Expenditures of Federal Awards for the period covered by the auditee’s financial statements in accordance with Title 2 CFR Part 200.502.

Title 2 CFR Part 200.303 requires the recipient to establish, document, and maintain effective internal controls over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the award.

The Federal Audit Clearinghouse SF-SAC Section 1 requires recipients of federal awards to complete and submit the Federal Awards Workbook in accordance with the prescribed reporting requirements.

The Office of Management and Budget 2025 Compliance Supplement provides a list of clusters of programs that recipients of federal awards should report in its SEFA.

## Condition

OSC did not accurately complete the Federal Awards Workbook in accordance with federal regulations and the Federal Audit Clearinghouse SF-SAC reporting requirements. Our review of the Federal Awards Workbook and SEFA Notes identified the following material exceptions, which OSC subsequently corrected:

- OSC used an outdated version of the Federal Awards Workbook to prepare the SEFA.
- OSC did not properly complete the federal agency prefix, assistance listing number (ALN), or federal program name fields for 167 reporting lines totaling \$7,579,382,488.
- OSC reported cluster names for 17 reporting lines totaling \$1,852,758,123 that did not agree with the cluster designations in the 2025 Compliance Supplement.
- OSC reported amounts passed through to subrecipients that exceeded total expenditures for three federal programs.
- OSC left 333 required data fields blank in the Federal Awards Workbook.
- OSC reported 11 amounts in the amount expended or outstanding loan balance columns that did not agree with the SEFA Notes.
- OSC did not exclude certain interagency grant transfers and did not detect duplicated reporting lines causing the following material errors:

ALN	Error	Amount
10.646	Overstatement	\$30,362,441
21.027	Overstatement	\$226,552,865
66.458	Overstatement	\$53,526,756
84.268	Overstatement	\$8,571,864
84.425	Overstatement	\$2,525,394
93.575	Overstatement	\$82,976,406

## Context

We reviewed 905 reporting lines totaling \$14,393,050,861 in the Federal Awards Workbook.

## Effect

OSC's failure to accurately prepare the SEFA increases the risk of reporting inaccurate federal expenditure information to the Federal Audit Clearinghouse.

Cause	OSC did not maintain an effective internal review process to identify and correct errors. Inexperienced staff, insufficient written procedures, and ineffective supervisory review caused these misstatements. In addition, fiscal staff at state agencies did not understand reporting requirements, lacked effective review processes, or did not properly follow OSC instructions when reporting for the SEFA.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Office of the State Comptroller should strengthen internal controls to ensure that it accurately prepares the Schedule of Expenditures of Federal Awards in compliance with federal Office of Management and Budget guidelines.
Views of Responsible Officials	“The Office of the State Comptroller (“OSC”) Budget and Financial Analysis Division (“BFA”) has taken steps to address these issues by updating the procedures in place and developing a quality control checklist to be used by the preparer and reviewer of the SEFA. This will help ensure that the most up-to-date template is used and help to identify and correct errors during the preparation process. BFA will continue to provide relevant training to staff involved with preparing and reviewing the SEFA to ensure that those staff stay current with all applicable federal regulations and reporting requirements.”

# SECTION III

## FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

### Department of Social Services

#### **Finding 2025-010**

#### Allowable Costs/Cost Principles – Cost Allocation Plan – Allocation Statistics

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**Program Names:** COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)  
Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)

**Federal Award Agency:** United States Department of Health and Human Services

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:** 2405CT5MAP and 2505CT5MAP

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**Program Name:** Children’s Health Insurance Program (CHIP) (Assistance Listing 93.767)

**Federal Award Agency:** United States Department of Health and Human Services

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:** 2305CT3002 and 2405CT5021

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**Program Name:** State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.561)

**Federal Award Agency:** United States Department of Agriculture

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:** Various

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Background

The Department of Social Services (DSS) administrative costs are allocable to federal and state programs as specified in the DSS federally approved cost allocation plan (CAP). DSS allocates administrative costs to programs based on allocation statistics. Most allocation statistics are based on the number of staff hours spent supporting programs DSS administers. CAP Schedule .4 details the administrative cost allocations and the applicable allocation statistics.

Criteria

Title 2 U.S. Code of Federal Regulations (CFR) Part 200.405(a) states that costs are allocable to a federal award or other cost objective if the cost is assignable to that federal award or cost objective in accordance with relative benefits received.

Title 45 CFR Part 95.507 requires a state's CAP to contain procedures used to identify, measure, and allocate all costs to each of the programs operated by the state agency.

Condition

Our review of the Schedule .4 and supporting data for the quarter ended March 31, 2025, disclosed that DSS did not accurately allocate quality control unit costs to three federal awards.

Federal Award	Error	Amount
Medicaid	Understated	\$ 48,461
Children’s Health Insurance Program (CHIP)	Overstated	114,533
Supplemental Nutrition Assistance Program (SNAP)	Understated	66,072
	Total Error	\$ 229,066

Context

The department’s quality control unit ensures fiscal and programmatic integrity of DSS programs including payment error rate measurement reviews. DSS incurred \$4,271,925 in administrative costs for the quality control and payment error rate measurement unit during the fiscal year ended June 30, 2025.

The sample was not statistically valid.

Questioned Costs

We computed questioned costs of \$74,446 in CHIP funds by applying the applicable federal financial participation rate to the unallowed expenditures.

Effect

DSS received excess federal reimbursement for CHIP and underclaimed federal reimbursement for Medicaid and the Supplemental Nutrition Assistance Program.

Cause	Clerical errors went unnoticed during the supervisory review process.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	<p>The Department of Social Services should strengthen internal controls to ensure that it allocates costs to the appropriate federal award in accordance with federal regulations.</p> <p>The Department of Social Services should return federal reimbursements for unallowable costs that it claimed to Children’s Health Insurance Program federal awards.</p>
Views of Responsible Officials	“The Department agrees with this finding. The Department will review internal controls to identify possible corrective actions.”

## Finding 2025-011

### Eligibility

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<b>Program Names:</b>	<b>COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778) Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2405CT5MAP and 2505CT5MAP</b>

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Criteria	<p>Title 42 <i>U.S. Code of Federal Regulations</i> (CFR) Part 435.603 requires the state Medicaid agency to determine a household’s financial eligibility for Medicaid based on the sum of the modified adjusted gross income (MAGI) of every individual in the household.</p> <p>Title 42 <i>United States Code</i> Section 1396b(v) provides that aliens who meet certain requirements are eligible for Medicaid only if such care and services are necessary for the treatment of an emergency medical condition.</p>
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Title 2 CFR Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. The CFR requires the non-federal entity to take prompt action when it identifies instances of noncompliance, including noncompliance identified in audit findings.

## Condition

We reviewed 60 Medicaid cases to determine if the Department of Social Services (DSS) properly granted eligibility. Our review included 40 MAGI cases totaling \$12,386, of which \$6,367 was federally reimbursed and 20 non-MAGI cases totaling \$41,480, of which \$21,029 was federally reimbursed. Our review disclosed that DSS granted Medicaid eligibility to one MAGI recipient upon denial of their renewal application in June 2023. DSS improperly continued eligibility for 30 months until notification of our review. DSS paid \$7 in Medicaid benefits for the selected claim. Furthermore, our review disclosed that DSS paid an additional \$10,587 in Medicaid benefits for the ineligible recipient during fiscal year 2025.

We reviewed the status of prior audit findings to determine if DSS took appropriate steps to resolve and prevent identified conditions. Our review of 18 non-qualified aliens who received non-emergency medical services in prior audits disclosed that DSS issued \$12,443 in payments for non-emergency medical services provided to one non-qualified alien who was ineligible to receive services in fiscal year 2025.

## Context

DSS provided us with a detailed listing of fee-for-service benefit payments issued during the fiscal year ended June 30, 2025. We stratified the data into two eligibility determination groups based on MAGI and non-MAGI determinations (e.g., Aged, Blind and Disabled).

During the fiscal year ended June 30, 2025, DSS issued \$5,978,762,480 in payments on behalf of 2,379,288 MAGI recipients and received \$3,038,953,956 in federal reimbursement. In addition, DSS issued \$5,158,976,619 in payments on behalf of 772,464 non-MAGI recipients and received \$2,598,909,828 in federal reimbursement.

We further stratified the payment data for recipients without a Social Security number who were over three years old. DSS issued \$91,099,447 in payments on behalf of 20,125 MAGI recipients and

received \$46,371,061 in federal reimbursement. In addition, DSS issued \$36,001,833 in payments on behalf of 7,812 non-MAGI recipients and received \$18,046,253 in federal reimbursement. Of these 27,937 recipients, we could not determine the number of non-qualified aliens without reviewing each case.

The samples were not statistically valid.

**Questioned Costs** We computed \$11,518 in questioned costs by applying the applicable federal financial participation rate to the benefit payments associated with the ineligible recipients.

**Effect** DSS received federal reimbursement for unallowed expenditures.

**Cause** DSS implemented system overrides during COVID-19 that prevented case closure for recipients determined ineligible after the pandemic.

DSS eligibility workers granted eligibility to a non-qualified alien without proper documentation or authority.

**Prior Audit Finding** We previously reported this as finding 2024-012.

**Recommendation** The Department of Social Services should strengthen internal controls to ensure that only eligible recipients receive Medicaid services in accordance with federal laws and the Medicaid State Plan.

**Views of Responsible Officials** "The Department agrees with this finding. The Department identified cases where overrides that were applied during the public health emergency were not removed. This resulted in individuals remaining enrolled inappropriately. Our Business Systems Division is implementing a tiered resolution approach, beginning with individuals enrolled in the Medicare Savings Program and HUSKY-C coverage.

Please note: The Department will not be returning the questioned costs associated with this finding. According to federal regulations, recoveries based on eligibility errors can only be pursued when identified by programs operating under CMS' Payment Error Rate Measurement program, per section 1903(u) of the Social Security Act and regulations at Title 42 CFR Part 431, Subpart Q."

## Finding 2025-012

### Financial Reporting

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<b>Program Names:</b>	<b>COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778) Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2405CT5MAP and 2505CT5MAP</b>

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<b>Program Name:</b>	<b>Children’s Health Insurance Program (CHIP) (Assistance Listing 93.767)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2305CT3002 and 2405CT5021</b>

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**Background** The Department of Revenue Services (DRS) collects healthcare related taxes and summarizes revenues. The Department of Social Services (DSS) records healthcare related tax revenues on Medicaid federal financial reports.

**Criteria** Title 42 *U.S. Code of Federal Regulations* (CFR) Part 430.30 requires the state to submit the Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program (Form CMS 64) to the Centers for Medicare and Medicaid Services (CMS). Form CMS 64 is the state's accounting of actual recorded Medicaid expenditures.

Title 42 CFR Part 431.1002(a) requires states to return the federal share of Medicaid overpayments to CMS in accordance with Section 1903(d)(2) of the Social Security Act and related regulations included in Title 42 CFR Part 433 Subpart F. Part 433.320 requires the state to return the federal share of Medicaid overpayments that are subject to recovery to CMS through a credit on Form CMS 64.

Title 42 CFR Part 457.630(c) requires the state to submit the Quarterly Statement of Expenditures for CHIP (Form CMS 21) to CMS. Form CMS 21 is the state's accounting of actual recorded CHIP expenditures.

Title 42 CFR Part 431.1002(b) requires states to return to CMS the federal share of CHIP overpayments in accordance with Section 2105(e) of the Social Security Act and related regulations included in Title 42 CFR Part 457 Subpart B. Part 457.232 requires the state to return the federal share of CHIP overpayments that are subject to recovery to CMS through a reduction on Form CMS 21.

Title 45 CFR Part 75.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. The CFR requires the non-federal entity to take prompt action when it identifies instances of noncompliance, including noncompliance identified in audit findings.

Title 42 (CFR) Part 433.74 requires each state to submit to CMS quarterly summary information on healthcare related taxes collected. State reports must be complete and accurate.

## Condition

1. DSS understated non-disproportionate share hospital supplemental payments by \$35,091 on Line 8 of the CMS 64 Financial Report for the quarter ended December 31, 2024.
2. DSS reported \$3,563 in provider overpayments identified through recovery audit contractor (RAC) audits as Collections on Line 9D of the CMS-64 Financial Report for the quarter ended June 30, 2025. DSS should have netted the \$2,385 in paid RAC contingency fees to the recovered provider overpayments and reported \$1,178 in RAC Collections on Line 9E.
3. DSS accounted for the return of the federal share of CHIP and state funded medical assistance program overpayments to CMS on the CMS 64 Financial Report. DSS should have accounted for the return of CHIP overpayments on the CMS 21 Financial Report which includes a higher federal financial participation rate. Furthermore, DSS should have returned state funded overpayments to the state's General Fund.
4. DSS did not include previously reported overpayments to providers certified as bankrupt or out of business when it

reported total overpayment adjustment amounts on Line 10C of the CMS 64 Financial Report.

5. DSS overstated healthcare related fees by \$648,723 for the quarter ended December 31, 2024, and understated healthcare related taxes by \$5,448 for the quarter ended September 30, 2024, on the CMS 64 Financial Report.

## Context

The amount on Line 8 of the CMS 64 Financial Report is the summary of Medicaid other expenditures. DSS reported \$443,431,530 on Line 8 for the fiscal year ended June 30, 2025.

The department's Medicaid recovery audit contractor conducted four complex dental audits and identified \$40,586 in overpayments during the fiscal year ended June 30, 2025.

The Recoveries on Line 9C1 of the CMS 64 Financial Report identifies fraud, waste, and abuse recoveries credited from Medicaid program integrity activities, such as quality assurance audits of medical providers. DSS reported recoveries of \$4,667,752 during the fiscal year ended June 30, 2025. In our review of 15 medical provider audits, we noted that the Office of Quality Assurance issued final audit reports with \$1,264,692 in overpayments. DSS audited transactions paid with Medicaid, CHIP, and state funded medical assistance program funds. Six of the provider audits included reviews of non-Medicaid transactions. Two of these provider audits contained non-Medicaid exceptions that a statistician extrapolated to determine the amount of overpayment.

The Overpayment Adjustment on Line 10C of the CMS 64 Financial Report is a calculation of total current Medicaid receivables net of prior quarter's Medicaid receivables and any deduction for write-off of previously reported overpayments to providers certified as bankrupt or out of business. In prior audits, we reported that the department's Medicaid receivable balances were inconsistent and not fully supported from one quarter to another. DSS duplicated write-offs, reported write-offs in different quarters, and presented them in one quarter but not the others. The department stopped including previously reported overpayments to bankrupt or closed providers until it addresses the condition from prior audit findings.

DSS recorded \$907,407,365 in revenue from healthcare related taxes, fees, and assessments during the fiscal year ended June 30, 2025.

The samples were not statistically valid.

**Questioned Costs** Due to the department's lack of procedures to stratify overpayments by applicable federal and state programs, we cannot determine questioned costs for condition #3. There were no questioned costs for the remaining conditions.

**Effect** Inaccurate federal financial reports could affect the budgeting and federal grant awarding process. The State of Connecticut is not receiving its share of medical provider overpayments. CMS could not analyze the effectiveness of the recovery audit contractor program.

**Cause** Clerical errors went unnoticed during the supervisory review process.

The quarter ended June 30, 2025, was the first time DSS reported contingency fees and Medicaid RAC overpayment collections on the CMS 64 Financial Report.

DSS does not stratify medical provider audit overpayments by program. The department tracks, reports, and refunds CHIP and state funded medical assistance program overpayments as Medicaid overpayments.

DSS informed us that multiple issues caused the conditions in Medicaid receivables and write-offs. The department has not developed a solution.

**Prior Audit Finding** We previously reported this as finding 2024-013 and in 19 prior audits.

**Recommendation** The Department of Social Services should strengthen internal controls to ensure that it accurately reports and adequately reviews revenues, expenditures, collections, and contingency fees prior to submitting Form CMS 64.

The Department of Social Services should strengthen internal controls to ensure that it tracks, reports, and returns the federal share of overpayments to corresponding federal and state medical assistance programs.

The Department of Social Services should resolve the issues affecting the Medicaid receivable balances and file the proper

adjustment to correct the errors, unsupported amounts, and corresponding federal reimbursements on Form CMS 64.

Views of  
Responsible  
Officials

“The Department agrees with this finding. The Department will review internal controls to identify possible corrective actions.”

## **Finding 2025-013**

### Special Tests and Provisions – Long-Term Care Facility Audits

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<b>Program Names:</b>	<b>COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778) Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2405CT5MAP and 2505CT5MAP</b>

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#### Background

The Department of Social Services (DSS) contracts with a public accounting firm to perform field audits and desk reviews of long-term care facilities (LTCF). DSS and the public accounting firm develop an annual plan of LTCF field audits based on risk stratification. The plan requires them to perform field audits of low-risk LTCF at least every four years.

#### Criteria

Title 42 *U.S. Code of Federal Regulations* Part 447.253 requires that the state Medicaid agency pay for long-term care facility services using rates that are reasonable and adequate to meet the costs incurred by efficiently and economically operated providers. The state Medicaid agency must provide for the filing of uniform cost reports for each participating provider. The state uses these cost reports to establish payment rates. The state Medicaid agency must provide for the periodic audit of financial and statistical records of participating providers. The State Medicaid Plan should establish the specific audit requirements.

The LTCF audit requirements provide that DSS must determine the established per diem LTCF payment rate by a desk review of the submitted annual report, which field auditors must subsequently

verify and authenticate using procedures approved by the United States Department of Health and Human Services. Generally, the accounting firm should conduct biennial audits of the facilities. This audit cycle may change based on audit experience.

Condition	Our review of 15 LTCF field audits disclosed that DSS did not perform two biennial field audits. DSS had not audited one facility in eight years and seven months and one facility in ten years and nine months.
Context	<p>During the fiscal year ended June 30, 2025, the state had 250 LTCF that provided services to Medicaid clients. A public accounting firm performed 45 LTCF field audits for DSS.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	\$0
Effect	DSS has reduced assurance that it uses appropriate rates to pay for LTCF services.
Cause	The department informed us that it operated with limited resources.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should comply with the long-term care facility auditing procedures in the State Medicaid Plan.
Views of Responsible Officials	"The Department agrees with this finding. With more than 1,200 long-term care and boarding home providers, the Department is unable to audit every facility on a biennial basis. Facilities are primarily chosen for audit based on the risk of misstatement. The Department operates with limited resources and while it is neither possible nor feasible to conduct a field examination for every facility, the benefit of utilizing the desk review process must be considered when discussing the risk of incorrect payments. The Department ensures that a desk review is conducted on each facility's cost report annually. During the desk review process the auditors submit requests to providers for additional information to resolve questions which arise from significant risk areas identified and follow up on prior year findings. These procedures are conducted to mitigate and reduce the risk of incorrect payments."

Auditors’  
Concluding  
Comments

The department should comply with the audit requirements of the State Medicaid Plan for long-term care facilities or amend the state plan to an appropriate audit frequency.

## **Finding 2025-014**

### Special Tests and Provisions – Provider Health and Safety Standards

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<b>Program Names:</b>	<b>State Survey and Certification of Health Care Providers and Suppliers (Medicare, Title XVIII) (Assistance Listing 93.777) COVID-19 Medicaid Assistance Program (Medicaid, Title XIX) Assistance Listing 93.778) Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2405CT5MAP and 2505CT5MAP</b>

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#### Background

The Department of Social Services (DSS) is the designated single state agency to administer the Medicaid program in accordance with Title 42 *U.S. Code of Federal Regulations* (CFR) Part 431. Connecticut administered certain aspects of the Medicaid program through several state agencies including the Department of Public Health (DPH) as the state survey agency.

The Automated Survey Processing Environment (ASPEN) Complaints and Incidents Tracking System tracks, processes, and reports on complaints and incidents against healthcare providers and suppliers regulated by the Centers for Medicare and Medicaid Services (CMS). The system manages all processes from intake and investigation through final disposition.

#### Criteria

Title 42 CFR Part 488.308 requires a survey process of skilled nursing and intermediate care facilities to assess whether they provide adequate quality of care to clients as intended by law and regulations. The state survey agency must conduct a survey no later than 15 months after the last day of the previous survey. Facilities must meet certain federal requirements to participate in Medicare and Medicaid programs.

Section 7316 of the CMS State Operations Manual requires the state survey agency to forward a letter and Form CMS-2567, Statement of Deficiencies and Plan of Correction, within ten working days after the last day of the survey. The letter notifies the facility of cited deficiencies, compliance expectations, plan of correction requirements, and possible civil money penalties and/or denial of payment for new admissions.

Section 7317 of the CMS State Operations Manual requires the state survey agency to conduct an onsite revisit when a facility's survey finds deficiencies that constitute substandard quality of care, harm, or immediate jeopardy. The revisit should occur between the last correction date on the plan of correction and 60 days from the survey date.

Section 5075.9 of the CMS State Operations Manual requires an onsite investigation within 45 calendar days of receipt of a non-immediate jeopardy medium priority (NIJ-M) complaint or incident.

## Condition

Our review of survey documentation for 25 facilities disclosed the following:

- DPH conducted recertification surveys for 16 facilities between four and 17 months late.
- DPH sent a notification letter and Form CMS-2567 to 17 facilities between one and 31 days late.
- DPH conducted follow-up visits at 12 facilities between two and 232 days late.

Our review of 15 investigations for NIJ-M complaints or incidents disclosed that DPH did not initiate three surveys for complaints or incidents reported on July 8, 2024, through March 7, 2025.

## Context

The state paid 283 facilities \$1,578,896,064 for medical services during the fiscal year ended June 30, 2025.

DPH received 3,857 complaints and incidents against facilities during the fiscal year ended June 30, 2025.

The samples were not statistically valid.

Questioned Costs \$0

Effect	The health and safety of nursing home residents may be at risk.
Cause	Staffing levels, volume of findings, and other time-sensitive activities requiring DPH response impacted the timing of survey activities. This included preparing for planned labor actions in facilities. It is not uncommon for a survey to have ten or more deficiencies, which takes time to process.
Prior Audit Finding	We previously reported this as finding 2024-017 and in one prior audit.
Recommendation	The Department of Public Health should strengthen internal controls to ensure compliance with federal Medicare and Medicaid survey requirements.
Views of Responsible Officials	<p><i>Response provided by the Department of Public Health:</i></p> <p>“DPH agrees with this finding. While the interval between recertification surveys exceeded the 15.9-month interval at 16 facilities, each of these facilities were surveyed during the period for other reasons (e.g. complaint surveys, follow-ups, monitoring visit and/ or focused infection control survey). Recertification survey activity slowed during the transition to a new database in 2025 and during preparations for strike monitoring. Currently, approximately 80% of facilities have had a recertification survey within 15.9 months, although almost all facilities with an overdue recertification survey have been surveyed for other reasons (e.g. complaints). DPH has surveyed 99% of facilities within this timeframe, even if it was not a recertification survey.</p> <p>Previously, DPH hired another supervisor to support the creation of an additional team to perform recertification surveys. Subsequent vacancies and leaves of absence impacted the ability to consistently staff and support another team and to perform timely follow-ups. The current vacancy rate across provider types is approximately 10% and DPH is actively training and recruiting additional surveyors. The mandatory training and certification process requires approximately six months of training before a surveyor can sit for the required federal certification exam. As with other professions, it can take several more months for surveyors to build additional skill and competency through experience.</p> <p>Surveys continue to have a high number of deficiencies and serious findings requiring increased time to review and send out survey findings. Each survey finding is reviewed by a trained supervisor,</p>

who also participates in surveys and provides on-site staff supervision and support.

The Facility Licensing and Investigations Section (FLIS) receives a large volume of complaints and previously reorganized to address the most serious complaints and hired a complaint manager. FLIS continues to investigate Immediate Jeopardy (IJ) and non-IJ high priority complaints on time. During this period FLIS utilized Temporary Worker Retirees who assisted with complaints and implemented a complaint project. Through the complaint project, which is ongoing, FLIS has been able to investigate approximately 300 additional nursing home complaints.

Previously, FLIS reorganized to enhance the tracking of follow up surveys. In addition to conducting follow ups for substandard quality of care, harm, or immediate jeopardy level deficiencies, DPH conducts follow-up surveys for all findings where CMS requires a plan of correction be submitted. Additionally, in cases where there is immediate jeopardy, facilities must implement a plan to address the jeopardy situation, which is verified by DPH staff prior to the follow-up survey.

DPH planned to outsource portions of the complaint work, but the agency received a challenge from labor unions, stating that complaint investigations are "bargaining unit work". DPH also considered using the state contracting board but aborted this option for similar reasons. In lieu of outsourcing, DPH attempted to catch up by authorizing overtime for complaint investigations, but FLIS was still unable to keep up with the demand."

*Response provided by the Department of Social Services:*

"The Department agrees with this finding and the response provided by the Department of Public Health."

## **Finding 2025-015**

### Special Tests and Provisions – Medicaid Recovery Audit Contractor

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<b>Program Names:</b>	<b>COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778) Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)</b>
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**Federal Award Agency:** United States Department of Health and Human Services

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:** 2405CT5MAP and 2505CT5MAP

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Criteria	Title 42 U.S. Code of Federal Regulations Part 455 Subpart F provides for the establishment of a recovery audit contractor program to promote integrity of the Medicaid program. States must enter a contract with a recovery audit contractor to identify overpayments and underpayments and recoup overpayments. States must determine the contingency fee paid to the contractor based on a percentage of the overpayment recovered. The state must only pay contingency fees from overpayment amounts recovered. The state must determine at what stage in the audit process, after it recovered an overpayment, that the state will pay the contractor the contingency fees. Federal reimbursement is not available for contingency fees paid to the contractor.
Condition	Our review of the department's Medicaid recovery audit contract disclosed that it obligated DSS to pay contingency fees based on the overpayment amounts identified in the contractor's final audit report rather than the overpayment amounts recovered.
Context	<p>The department's Medicaid recovery audit contractor conducted four complex dental audits and identified \$40,586 in overpayments during the fiscal year ended June 30, 2025.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	\$0
Effect	DSS could experience a loss of funds by paying the contractor contingency fees prior to recovery of medical provider overpayments.
Cause	DSS structured the timing of the contingency fee payment and collection of overpayments like other Medicaid integrity programs. DSS paid contingency fees through the contractor's monthly billing invoice. DSS collected overpayments from medical providers through a single payment or payment plan.
Prior Audit Finding	We have not previously reported this finding.

**Recommendation**      The Department of Social Services should amend the contract with its Medicaid recovery audit contractor to comply with federal regulations.

**Views of Responsible Officials**      "The Department agrees with this finding. The Department will review the payment methodology at the next contract renewal."

**Finding 2025-016**

Special Tests and Provisions – Controls Over Income and Eligibility Verification System Related to Date of Death Matches

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**Program Names:**      COVID-19 Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)  
Medical Assistance Program (Medicaid, Title XIX) (Assistance Listing 93.778)

**Federal Award Agency:**      United States Department of Health and Human Services

**Award Years:**      Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:**      2405CT5MAP and 2505CT5MAP

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**Program Name:**      Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

**Federal Award Agency:**      United States Department of Agriculture

**Award Years:**      Federal Fiscal Years 2024 and 2025

**Federal Award Numbers:**      Various

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**Criteria**      Title 42 *United States Code* Section 1320b-7 requires that the state have an Income and Eligibility Verification System (IEVS) in effect for the Medicaid and SNAP programs. The IEVS matches Department of Labor wage information, Social Security Administration wage and date of death files, and Internal Revenue Services unearned income files.

Title 7 *U.S. Code of Federal Regulations* Part 273.12(c)(3)(iii) requires a state that receives match information from a deceased matching system to follow up with the SNAP household with a

notice of match results. If the household fails to respond to the notice or refuses to provide sufficient information, the state must remove the individual and their income from the household and adjust benefits accordingly.

## Condition

The Department of Social Services (DSS) did not sufficiently review Income and Eligibility Verification System alerts related to client date of death for the Medicaid and SNAP programs.

Our review of 25 alerts generated from a State Data Exchange report of client death dates disclosed nine exceptions. DSS did not record the date of death for five client cases, did not close four client cases, and did not recoup \$8,147 in overpayments for nine client cases. This included \$564 in Medicaid and \$7,583 in SNAP benefits issued in the fiscal year ended June 30, 2025. For four single-member household SNAP clients, we noted that unauthorized persons used \$6,015 of the deceased client's SNAP benefits after the client's death.

## Context

During the fiscal year ended June 30, 2025, DSS received 1,329 IEVS alerts related to client date of death matches for Medicaid and SNAP. As of July 10, 2025, eligibility workers processed 998 alerts, and the ImpaCT system processed 171 alerts. DSS assigned each alert to a specific due date generated by the ImpaCT system that ranged from July 11, 2024, to June 28, 2025.

The sample was not statistically valid.

## Questioned Costs

We computed \$7,865 in questioned costs by applying the related federal financial participation rate to benefit payments associated with ineligible clients. These questioned costs included \$282 in Medicaid and \$7,583 in SNAP funds for the fiscal year ended June 30, 2025.

## Effect

DSS paid benefits that clients were not eligible to receive. Deceased client cases remained open, which created opportunities for medical providers and other unauthorized persons to misuse their Medicaid and SNAP benefits.

## Cause

DSS designed the ImpaCT system to mark IEVS alerts as complete when the department does not address them within a predetermined number of days. DSS lacked access to state death data for its staff to promptly verify and match dates of death.

**Prior Audit Finding** We previously reported this as finding 2024-018 and in 28 prior audits.

**Recommendation** The Department of Social Services should provide the necessary resources and institute procedures to ensure that it uses all information from eligibility, income, and death matches to ensure that it correctly issues benefits to or on behalf of eligible clients. DSS should return federal reimbursements for unallowable expenditures claimed under Medicaid and SNAP.

**Views of Responsible Officials** "The Department agrees with this finding. DSS staff is in the development phase of implementing new automated procedures to ensure timely and accurate action is taken to discontinue benefits of deceased clients when date of death information is received and matched to the Connecticut Department of Public Health's State Vital Records Office.

Action has been taken to correct the errors cited, including discontinuing the benefits of the individuals that were verified as deceased, and recouping the overpayments as appropriate."

## **Finding 2025-017**

### Eligibility

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<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTTANF and 2501CTTANF</b>

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**Background** Title 45 *U.S. Code of Federal Regulations* (CFR) Part 260.30 defines commingled state Temporary Assistance for Needy Families (TANF) expenditures as expenditures of state funds made within the TANF program and commingled with federal TANF funds.

A state should report an expenditure as commingled when it uses both federal award and maintenance of effort (MOE) funds for the benefit or service. Commingled funding of a benefit or service means that the expenditure is subject to all federal funding

restrictions, TANF requirements, and (MOE) limitations, or the most restrictive of these if they conflict.

Criteria	<p>Title 45 CFR Part 264.1(a)(1) provides that no state may use any of its federal TANF funds to provide assistance to a family that includes an adult head of household who has received federal assistance for a total of 60 cumulative months, whether or not consecutive.</p> <p>Section 8540.12 of the Department of Social Services (DSS) Uniform Policy Manual states that recipients that are not exempt from Temporary Family Assistance (TFA) time limits are subject to the 60-month time limit.</p>
Condition	<p>Our review of 40 TFA payments totaling \$28,263 disclosed that DSS paid \$685 in assistance for one month over the 60-month time limit for one non-exempt recipient.</p>
Context	<p>For the fiscal year ended June 30, 2025, DSS issued 67,383 federal claimable TFA payments totaling \$43,574,745. DSS claimed TFA payments as commingled MOE on its federal financial reports.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	<p>\$685</p>
Effect	<p>DSS did not comply with all restrictions, requirements, and limitations for TFA payments. A recipient received assistance beyond the program limits.</p>
Cause	<p>DSS eligibility workers did not create a TFA overpayment, and supervisory reviews did not identify the error. The department's eligibility system controls did not prevent the payment.</p>
Prior Audit Finding	<p>We have not previously reported this finding.</p>
Recommendation	<p>The Department of Social Services should strengthen internal controls to ensure that only eligible recipients receive temporary family assistance in accordance with federal laws and the Temporary Assistance for Needy Families State Plan.</p>
Views of Responsible	<p>"The Department agrees with this finding. The error occurred due to a system issue that did not trigger the discontinuance of benefits</p>

Officials

for a household that had received 60 months of time-limited benefits. The Department will take action to correct the system functionality to ensure incorrect payments are not made to households that have received 60 months of time-limited benefits. An overpayment has been created, and the recovery of the error amount is in process.”

**Finding 2025-018**

Performance Reporting – ACF-199 TANF Data Report

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<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTTANF and 2501CTTANF</b>

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Background

States must complete the ACF-199 TANF Data Report and submit it quarterly to the Department of Health and Human Services (DHHS). The report provides work participation data which serves as the basis for DHHS to determine whether a state met work participation rates.

Criteria

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 261.62 requires states to verify the accuracy of work participation data.

Title 45 CFR Part 261.65 requires the state to maintain adequate documentation, verification, or internal control procedures to ensure the accuracy of data used in calculating work participation rates.

Title 45 CFR Part 265.5 allows states to report data in the ACF-199 on all recipient families or on a sample of families using an acceptable sampling method approved by DHHS. The Department of Social Services (DSS) elected to report on a sample of families.

The DSS TANF Work Verification Plan describes the department’s internal controls that ensure consistent measurement of work

participation rates. According to the plan, DSS performs data validation and case reviews on each sampled case.

Condition	Our review of the ACF-199 for the quarters ended December 31, 2024, and June 30, 2025, and ten sampled cases disclosed that DSS did not perform data validation or case reviews for two cases for April 2025.
Context	<p>DSS submitted four quarterly ACF-199 TANF Data Reports during the fiscal year ended June 30, 2025. DSS submitted data transmission files to DHHS that contained 838 and 793 sampled cases for the quarters ended December 31, 2024, and June 30, 2025, respectively.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	\$0
Effect	DHHS may be using inaccurate data for program analysis, penalties, and decisions.
Cause	DSS staff did not perform the required data validation. Supervisory reviews did not identify the error.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls over performance reporting to ensure it performs data validation and case reviews for all sampled cases for the ACF-199 Temporary Assistance for Needy Families (TANF) Data Report in accordance with federal laws and the TANF Work Verification Plan.
Views of Responsible Officials	"The Department agrees with this finding and will create a tracking mechanism and a follow-up process to ensure it performs data validation and case reviews for all sampled cases for the ACF-199 TANF Data Report."

## Finding 2025-019

# Special Reporting – ACF 204, Annual Report on State Maintenance-of-Effort (MOE) Programs

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<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTTANF and 2501CTTANF</b>

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Criteria	<p>Title 45 <i>U.S. Code of Federal Regulations</i> (CFR) Part 265.9 requires states to file an annual report containing information on its Temporary Assistance for Needy Families (TANF) program and the state's maintenance-of-effort (MOE) programs each fiscal year.</p> <p>TANF Program Instruction No. TANF-ACF-PI-2008-06 requires the total number of families served under the program with MOE funds on Line 8 of the Annual Report on State MOE Programs (Form ACF-204).</p>
Condition	<p>Our review of Form ACF-204 for federal fiscal year ended September 30, 2024, disclosed that the Department of Social Services (DSS) understated the number of families served under the Safety Net Services (SNS) program with MOE funds by 528 families. DSS incorrectly reported 655 families served on Line 8 of Form ACF-204.</p>
Context	<p>The department's records showed that DSS served 1,183 unduplicated families under the Safety Net Services program in federal fiscal year 2024. Total state MOE expenditures under the Safety Net Services program totaled \$1,421,943.</p>
Questioned Costs	\$0
Effect	<p>Underreporting families served by 45% gives interested parties an inaccurate perception of DSS' efforts to assist families compared to the funds expended.</p>
Cause	<p>This condition resulted from a lack of management oversight.</p>

Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls to ensure accurate reporting on TANF Form ACF-204.
Views of Responsible Officials	“The Department agrees with this finding. The Department will strengthen internal controls to ensure accurate data is reported on the ACF-204. This will be done by adding a second reviewer of documentation received by each of the TANF agencies administering the program to confirm that all numbers entered on the ACF-204 match the numbers reported by the agency administering the program. The manager will also view the source documentation when reviewing the ACF-204 for accuracy before submission.”

## Finding 2025-020

### Special Reporting – Federal Funding Accountability and Transparency Act

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<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTTANF and 2501CTTANF</b>

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**Background**

The Department of Social Services (DSS) is the designated single state agency to administer Temporary Assistance for Needy Families (TANF) in accordance with Title 45 *U.S. Code of Federal Regulations* (CFR) Part 205.100. Connecticut administers certain aspects of TANF through several state agencies including the Department of Children and Families (DCF).

DSS and DCF have a memorandum of understanding (MOU) which specifies each agency's responsibilities for administering programs in the TANF State Plan. DSS claims the state's use of federal TANF funds for home and community-based services provided to DCF's TANF-eligible clients. DCF enters into agreements with these subrecipients and pays them quarterly advances.

DCF's responsibilities in the MOU include complying with the requirements of the Federal Funds Accountability and Transparency Act of 2006 (FFATA) in accordance with the terms found in Title 2 CFR Part 170.

DSS is the prime recipient of TANF grants and is responsible for submitting FFATA reports.

**Criteria**

Title 2 CFR Part 170 Appendix A requires states to report any action that obligates \$30,000 or more in federal funds for a subaward to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) no later than the end of the following month after making the obligation. Recipients are to accurately report key data elements such as subaward amounts and obligation dates. As of March 8, 2025, FSRS was retired and all subaward reporting data and functionality are now on the System for Award Management (SAM.gov).

**Condition**

Our review of ten DCF TANF subawards, totaling \$24,661,170, disclosed that DSS incorrectly entered the amounts for all ten subawards into FSRS/SAM. In addition, DSS reported five subawards 41 days late.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
10	0	5	10	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$24,661,170	\$0	\$23,586,427	\$24,661,170	\$0

**Context**

During the fiscal year ended June 30, 2025, DCF reported five TANF subaward obligations of \$4,298,968 to DSS. DSS submitted 39 TANF subaward obligation corrections to SAM totaling \$64,070,222. We reviewed the five subaward obligations made during the fiscal year and the five largest subaward obligation corrections.

The sample was not statistically valid.

**Questioned Costs**

\$0

**Effect**

DSS and DCF decreased public transparency regarding their spending of federal awards.

**Cause** The departments did not have adequate internal controls over subaward reporting. DCF initially provided some incorrect obligation amounts to DSS. DSS relied on these inaccurate amounts.

**Prior Audit Finding** We previously reported this as finding 2024-023 and in two prior audits.

**Recommendation** The Department of Social Services and Department of Children and Families should strengthen internal controls to ensure compliance with the Federal Funding Accountability and Transparency Act reporting requirements.

As the lead agency for the Temporary Assistance for Needy Families Program, the Department of Social Services should strengthen procedures to ensure that supporting state agencies fulfill their responsibilities in their memorandum of understanding and comply with all federal TANF requirements.

**Views of Responsible Officials** *Response provided by the Department of Children and Families:*  
"DCF agrees with this finding and will continue to work the DSS to strengthen internal controls to ensure compliance with the Federal Funding Accountability and Transparency Act (TANF) reporting requirements."

*Response provided by the Department of Social Services:*  
"The Department agrees with this finding and the response provided by the Department of Children and Families. DSS will continue to work with DCF to strengthen internal controls and procedures to ensure compliance in fulfilling the responsibilities of the Federal Funding Accountability and Transparency Act reporting requirements."

**Finding 2025-021**  
Subrecipient Monitoring

<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>

Background	<p>The Department of Social Services (DSS) is the designated single state agency to administer Temporary Assistance for Needy Families (TANF) in accordance with Title 45 <i>U.S. Code of Federal Regulations</i> (CFR) Part 205.100. Connecticut administers certain aspects of TANF through several state agencies including the Department of Children and Families (DCF).</p> <p>DSS and DCF have a memorandum of understanding (MOU) which specifies each agency's responsibilities for administering programs in the TANF State Plan. DSS claims the state's use of federal TANF funds for home and community-based services provided to DCF's TANF-eligible clients. DCF enters into agreements with these subrecipients and pays them quarterly advances. DCF makes payments to Youth Service Bureaus claimed under the TANF program.</p>
Criteria	<p>Title 2 CFR Part 200.332(g) requires the pass-through entity to verify that subrecipients met their audit requirements for the fiscal year.</p>
Condition	<p>Our review of subrecipient monitoring over ten subrecipients that received \$6,672,958 in TANF funds disclosed that DCF did not complete four annual fiscal reviews to ensure that subrecipients met their audit requirements for the fiscal year. Two of the ten subrecipients and two of the four exceptions were Youth Service Bureaus. Further review disclosed that DCF lacked procedures to perform annual reviews for Youth Service Bureau subrecipients.</p>
Context	<p>During the fiscal year ended June 30, 2025, DSS claimed \$52,557,463 in DCF expenditures for various home and community-based services provided to 132 subrecipients, including \$3,785,630 in expenditures for 102 Youth Service Bureau subrecipients.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	<p>\$0</p>
Effect	<p>DSS and DCF have limited assurance that federal funds were used for allowable activities.</p>

Cause	DCF experienced staffing limitations and competing priorities. DCF lacked management oversight over Youth Service Bureau subrecipients.
Prior Audit Finding	We previously reported this as finding 2024-024 and in two prior audits.
Recommendation	<p>The Department of Children and Families should develop procedures to monitor payments to Youth Service Bureaus and strengthen internal controls to ensure compliance with the federal regulations for monitoring subrecipients of the Temporary Assistance for Needy Families program.</p> <p>As the lead agency for TANF, the Department of Social Services should strengthen procedures to ensure that supporting state agencies fulfill their responsibilities in their memorandum of understanding and comply with all federal TANF requirements.</p>
Views of Responsible Officials	<p><i>Response provided by the Department of Children and Families:</i></p> <p>"DCF agrees with this finding and will improve its internal review process to include Youth Services Bureaus and capture all subrecipients' federal single audits."</p> <p><i>Response provided by the Department of Social Services:</i></p> <p>"The Department agrees with this finding. As the lead agency for TANF, DSS will strengthen procedures by requiring DCF to complete and share activities that verify subrecipients meet their audit requirements each fiscal year.</p> <p>DSS worked with an outside agency to review and enhance its subrecipient monitoring procedures. The outcome of this collaboration included training for DSS staff on subrecipient monitoring requirements, communicating expectations to subrecipients about monitoring expectations, a standardized data request, and the creation of a subrecipient monitoring toolkit to be utilized by DSS and its partners."</p>

## Finding 2025-022

# Special Tests and Provisions – Child Support Non-Cooperation

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<b>Program Name:</b>	<b>Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTTANF and 2501CTTANF</b>

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### Background

The Department of Social Services (DSS) Office of Child Support Services utilizes the Connecticut Child Support Enforcement System to issue sanctions to a non-cooperating parent. A child support investigator notifies the Temporary Family Assistance (TFA) Unit of the sanction. A TFA eligibility worker records the sanction and denies TANF benefits in the Integrated Management of Public Assistance for Connecticut (ImpaCT) system. The eligibility worker will reverse the sanction when the Office of Child Support Services notifies the TFA Unit that the parent complied with program requirements.

### Criteria

Title 45 *U.S. Code of Federal Regulations* Part 264.30 provides that if a state agency administering TANF determines that an individual is not cooperating with child support requirements, the agency must deduct at least 25% of the amount of the assistance or deny the individual assistance.

Section 8540.65 of the DSS Uniform Policy Manual specifies that individuals who request assistance must cooperate in securing support from legally liable relatives for all members of the assistance unit unless the assistance unit is exempt or has good cause for not complying with such requirements. If an individual does not cooperate without good cause, the entire assistance unit is ineligible to receive assistance.

The TFA Office of Child Support Services Referral Guide states that Office of Child Support Services staff will notify TFA when it sanctions a client for non-cooperation and when it reverses a sanction upon compliance. Office of Child Support Services staff will email the appropriate TFA mailbox with the client's name, identification number, case number, referral reason, TFA

processing deadline, and attach a copy of the IV-A sanction notice. TFA staff will send a copy of the IV-A sanction notice to the DSS contractor for back scanning to ImpaCT upon completion of the sanction request.

**Condition** DSS could not provide an accurate and complete universe of sanction notices for child support noncooperation.

Our review of 15 sanction notices disclosed that TFA staff did not send seven notices to the DSS contractor for back scanning to ImpaCT.

**Context** For the fiscal year ended June 30, 2025, TFA processed 16 sanction notices for noncooperation with child support requirements in ImpaCT. However, the Office of Child Support Services universe showed a total of 398 unique sanctions. The Office of Child Support Services could not distinguish between child support noncooperation sanctions and other sanction types without individually researching each case. DSS could not reconcile the differences between the Office of Child Support Services universe of sanctions and the number of sanction notices processed by TFA. We used both reports to select our sample.

The sample was not statistically valid.

**Questioned Costs** \$0

**Effect** DSS lacks assurance that staff processed and documented all required sanctions. Clients could receive TANF benefits without complying with program requirements.

**Cause** ImpaCT and the Connecticut Child Support Enforcement System are disparate systems. DSS developed a multi-step manual sanction process between two units without adequate internal controls.

**Prior Audit Finding** We have not previously reported this finding.

**Recommendation** The Department of Social Services should strengthen internal controls over sanctions to ensure compliance with Temporary Assistance for Needy Families child support enforcement requirements.

Views of  
Responsible  
Officials

“The Department agrees with the finding. DSS Economic Security and Office of Child Support Services implemented a new child support non-cooperation referral process on November 25, 2025. It is task based, assures an accurate and complete universe of sanction notices for child support non-cooperation are provided, and assures staff process and document all required sanctions.”

## Finding 2025-023

### Activities Allowed or Unallowed – Benefit Payments

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<b>Program Name:</b>	<b>Money Follows the Person Rebalancing Demonstration (MFP) (Assistance Listing 93.791)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>1LICMS300142</b>

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#### Background

The Department of Social Services (DSS) is the designated single state agency to administer the Medicaid program in accordance with Title 42 *U.S. Code of Federal Regulations* (CFR) 431. Connecticut administers benefit payments for the Money Follows the Person Rebalancing Demonstration (MFP) program the same way it administers Medicaid benefit payments.

#### Criteria

Title 2 CFR Part 200.403 provides that to be allowable under federal awards, costs should be adequately documented.

The DSS Provider Enrollment Agreement requires the medical provider to only submit claims for medical goods and services they provided to the MFP recipient.

#### Condition

Our review of 40 MFP benefit payments totaling \$49,144, of which \$36,858 was federally reimbursed, disclosed that one medical provider submitted a claim with \$146 of services that the provider did not perform, of which \$110 was federally reimbursed.

#### Context

During the fiscal year ended June 30, 2025, DSS processed \$18,243,599 in MFP benefit payments and received \$13,682,699 in federal reimbursement.

The sample was not statistically valid.

**Questioned Costs** We computed questioned costs of \$110 by applying the applicable federal financial participation rate to the unallowed expenditures.

**Effect** DSS received federal reimbursement for unallowed expenditures.

**Cause** The medical provider billed for eight hours of services when they only performed two hours of services.

**Prior Audit Finding** We have not previously reported this finding.

**Recommendation** The Department of Social Services should conduct an audit of the medical provider in accordance with Section 17b-99 of the Connecticut General Statutes to ensure integrity of the Money Follows the Person Rebalancing Demonstration program.

The Department of Social Services should recoup any improper payments issued to medical providers and refund the corresponding federal reimbursements to the Centers for Medicare and Medicaid Services.

**Views of Responsible Officials** "The Department agrees with the finding. The improper payment has been recouped and the DSS Audit Division will open an audit of the provider."

## **Finding 2025-024**

### Activities Allowed or Unallowed - Individual Plans and Service Records

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<b>Program Name:</b>	<b>Money Follows the Person Rebalancing Demonstration (MFP) (Assistance Listing 93.791)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>1LICMS300142</b>

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Background	<p>The Department of Social Services (DSS) is the designated single state agency to administer the Money Follows the Person Rebalancing Demonstration (MFP) program. Connecticut administered certain aspects of MFP through several state agencies including the Department of Developmental Services (DDS).</p>
Criteria	<p>Title 2 <i>U.S. Code of Federal Regulations</i> (CFR) Part 200.403 provides that to be allowable under federal awards, costs should be adequately documented.</p> <p>Title 2 CFR Part 200.303 requires the non-federal entity to establish, document, and maintain effective internal controls over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the award.</p> <p>Procedure No. I.C.1.PR.002.a. of the DDS Operation Manual states that DDS should obtain agreements and approvals for the individual plan during the planning process. The case manager should document who participated in the planning process and obtain signatures on the individual plan. Participants typically include the recipient, parent, guardian, advocate, case manager, support brokers, private agency designee, and other DDS staff.</p>
Condition	<p>Our review of 25 MFP benefit payments totaling \$11,000, of which \$8,250 was federally reimbursed, disclosed that DDS did not have signatures of agreement and approval for six individual plans. Additionally, DDS could not obtain service records from one medical provider to support one \$46 payment, for which DSS received \$35 in federal reimbursement.</p>
Context	<p>During the fiscal year ended June 30, 2025, DSS processed \$4,978,654 in MFP benefit payments on behalf of 36 DDS recipients. DSS received \$3,733,990 in federal reimbursement.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	\$0
Effect	<p>The lack of signatures to indicate agreement and approval of an individual plan by relevant participants increases the risk of inadequate services for the recipient.</p>

	DSS received federal reimbursement for an unallowed expenditure.
Cause	Lack of management oversight contributed to the condition.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	<p>The Department of Developmental Services should strengthen internal controls to ensure it obtains the required signatures for the individual plan for all Money Follows the Person Rebalancing Demonstration recipients.</p> <p>The Department of Social Services should conduct an audit of the medical provider in accordance with Section 17b-99 of the Connecticut General Statutes to ensure integrity of the Money Follows the Person Rebalancing Demonstration program.</p>
Views of Responsible Officials	<p><i>Response provided by the Department of Developmental Services:</i></p> <p>“DDS agrees with the finding. The errors were attributed to current manual processes and case management oversight regarding documenting signatures when individual plan (IP) meetings are held remotely rather than in-person.</p> <p>Most of the deficiencies (5 of 6) were isolated to one case manager. The MFP division is small with 3-4 case managers, causing a higher error rate when extrapolated against the sample size.</p> <p>The missing support service records have been forwarded to the Department of Administrative Services for research.</p> <p>There are plans to improve the individual plan process to enhance internal controls through automation. In the interim, case managers and case manager supervisors will be reminded of the IP signature requirements.”</p> <p><i>Response provided by the Department of Social Services:</i></p> <p>“The Department agrees with this finding and the response provided by the Department of Developmental Services. Additional research is needed to determine whether the missing documentation was the provider's responsibility or was due to a billing issue. The Department of Developmental Services is coordinating with the Department of Administrative Services to research this further.”</p>

## Finding 2025-025

### Eligibility

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<b>Program Name:</b>	<b>Money Follows the Person Rebalancing Demonstration (MFP) (Assistance Listing 93.791)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>1LICMS300142</b>

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#### Background

The Department of Social Services (DSS) uses several systems to administer the Money Follows the Person Rebalancing Demonstration (MFP) program. The My Community Choices web portal is the primary system that maintains data about MFP applicants and participants, including client start and end dates. The DSS eligibility management system maintains client eligibility determinations for the program. The Medicaid Management Information System (MMIS) processes medical services payments and provides financial reports for federal reimbursement claims. Since the My Community Choices web portal does not interface with other systems, DSS staff must manually input client MFP program start and end dates into the DSS eligibility management system. The DSS eligibility management system interfaces with MMIS daily.

#### Criteria

Section 6071(b)(2) of Public Law 109-171 defines an eligible individual for the MFP demonstration project as a person who, immediately before beginning participation in the MFP demonstration project, resides in an inpatient facility, receives Medicaid benefits for inpatient services, continues to require the level of care provided in an inpatient facility, and who resides in a qualified residence beginning on the initial date of participation in the demonstration project.

Section 6071(b)(7) of Public Law 109-171 defines qualified expenditures by the state under its MFP demonstration project as home and community-based long-term care services for an eligible individual participating in the MFP demonstration project. However, this is only with respect to services furnished during the 12-month period beginning with the individual's discharge date from an inpatient facility.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200.403 provides that to be allowable under federal awards, costs should conform to any limitations or exclusions set forth in the federal award.

Title 2 CFR Part 200.303 requires the non-federal entity to establish and maintain effective internal controls over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the award.

Title 42 CFR Part 431.420 requires the state to comply with the terms and conditions of the MFP demonstration project. MFP terms and conditions require the state to ensure the availability of adequate resources for implementation and monitoring of the demonstration project including tracking participant enrollment, maintaining eligibility systems, and administering effective transition coordination.

MFP terms and conditions require the state to develop and amend an operational protocol that details how the state will adhere to statutory and program requirements. Section B of the MFP Operational Protocol includes the following policies and procedures.

- Determining MFP eligibility includes ensuring an individual's annualized cost of care in the community is equal to or less than the annualized rate paid for residing in an institution.
- The state will not provide an administrative hearing to an applicant for denied services due to the applicant's care plan exceeding the allowable cost of care in the community.
- The state will suspend MFP participation and services during any inpatient stay. Suspended MFP participants may continue MFP participation upon discharge from the inpatient facility.

## Condition

We reviewed 40 MFP claims, totaling \$49,144, of which \$36,858 was federally reimbursed, to determine if DSS properly granted eligibility. Our review disclosed the following:

1. DSS did not terminate MFP participation for two clients. DSS processed \$918 for the selected claims for these

clients. DSS processed \$184,088 in additional claims in fiscal year 2025 and \$270,274 in claims in prior fiscal years for periods when these clients were no longer eligible under the MFP program. DSS should have ended participation on April 5, 2018, and July 30, 2020, respectively.

2. DSS processed \$7,724 of ineligible MFP expenses for two clients during inpatient hospital or nursing facility stays ranging from 14 to 21 days. DSS did not properly track MFP participation dates for these clients in its systems. Additionally, DSS did not properly track participation dates for a third client for seven days of hospitalization.
3. DSS approved two applicant care plans that exceeded the cost of institutional care by \$1,530 (19%) and \$3,507 (39%) per month.
4. DSS did not perform or document a comparative cost analysis for one client to demonstrate that care plan costs did not exceed nursing facility costs.

#### Context

During the fiscal year ended June 30, 2025, DSS processed \$18,243,599 in payments on behalf of 824 MFP clients and received \$13,682,699 in federal reimbursement.

The sample was not statistically valid.

#### Questioned Costs

We computed questioned cost of \$347,253 by applying the applicable federal financial participation rate to the ineligible expenditures. Questioned costs were \$144,548 for fiscal year 2025 and \$202,705 for prior fiscal years.

#### Effect

DSS provided MFP benefits to ineligible individuals. DSS received federal reimbursement for unallowed expenditures.

#### Cause

The My Community Choices web portal did not interface with DSS eligibility and financial systems. DSS relied on staff to manually input client participation start and end dates in multiple systems. Management oversight did not identify input errors of client participation dates.

DSS management overrode applicant care plan costs. The MFP Operational Protocol has no written procedures to override program policies or federal regulations.

Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls to ensure that only eligible recipients receive Money Follows the Person Rebalancing Demonstration services in accordance with federal laws, award terms and conditions, and the Money Follows the Person Operational Protocol.
Views of Responsible Officials	<p>“The Department agrees in part with this finding.</p> <p>Condition #1: DSS agrees that participation end dates were not updated timely due to cross-system manual entry limitations. Reconciliation procedures and supervisory oversight will be strengthened.</p> <p>Condition #2: DSS agrees that participation suspensions were not consistently reflected across systems due to timing delays. Monitoring and real-time reconciliation controls will be enhanced.</p> <p>Condition #3: DSS agrees approved costs exceeded institutional thresholds in limited cases. Variances were clinically justified, reviewed, and authorized. DSS will strengthen documentation and internal protocols to ensure clearer policy alignment.</p> <p>Condition #4: DSS agrees that the documentation was incomplete in one instance. Internal review standards will be reinforced to ensure comparative cost analyses are consistently documented.</p> <p>Please note, the Department will not be returning the questioned costs associated with this finding. According to federal regulations, recoveries based on eligibility errors can only be pursued when identified by programs operating under Centers for Medicare and Medicaid Services’ (CMS) Payment Error Rate Measurement program, per section 1903(u) of the Social Security Act and regulations at Title 42 CFR Part 431, Subpart Q.”</p>
Auditors’ Concluding Comments	The Department of Social Services should amend its MFP Operational Protocol and seek approval from the Centers of Medicare and Medicaid Services if the department plans to continue to use management overrides of care plan costs.

## Finding 2025-026

# Performance Reporting – Semi-Annual Progress Report and Special Reporting – MFP Work Plan

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<b>Program Name:</b>	<b>Money Follows the Person Rebalancing Demonstration (MFP) (Assistance Listing 93.791)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>1LICMS300142</b>

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### Criteria

The Money Follows the Person (MFP) Rebalancing Demonstration federal award requires the state to provide programmatic reports in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.301. Title 2 CFR Part 200.301 requires the state to correlate financial data to performance accomplishments of the federal award. The state should also measure performance in a way that will help the United States Department of Health and Human Services (DHHS) and other non-federal entities to improve program outcomes, share lessons learned, and spread the adoption of promising practices.

Title 2 CFR Part 200.303 requires the non-federal entity to establish and maintain effective internal controls over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the award.

MFP terms and conditions require the state to submit a work plan that documents its progress on the use of initiatives designed to increase the use of home and community-based services rather than institutional long-term services and supports.

MFP terms and conditions require the state to submit semi-annual progress reports that present the state’s analysis and the status of various operational areas in reaching the objectives of the demonstration. The semi-annual progress report documents the state’s progress in meeting MFP operational procedures and processes, transition benchmarks, and program goals for expanding and enhancing home and community-based services.

Title 2 CFR Part 200.334 requires the state to retain financial and programmatic records to support reported information for three years from the date of submission.

Condition	Our review of the MFP work plan and semi-annual progress report for July 1 to December 31, 2024, disclosed that the Department of Social Services (DSS) did not maintain MFP program data to support figures reported for seven performance objectives in the work plan and 11 performance measures in the semi-annual progress report.
Context	DSS submitted two semi-annual progress reports and two work plans to DHHS during fiscal year 2025.  The sample was not statistically valid.
Questioned Costs	\$0
Effect	DSS may have submitted an inaccurate work plan and progress report. DHHS may be using unreliable data to identify promising practices and make future federal program decisions.
Cause	DSS lacked adequate controls to document and retain MFP data.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls over performance and special reporting for the Money Follows the Person Rebalancing Demonstration to ensure it maintains data to support figures reported to the Department of Health and Human Services.
Views of Responsible Officials	"The Department agrees with this finding and is taking steps to strengthen internal controls over performance monitoring and special reporting for the Money Follows the Person (MFP) Rebalancing Demonstration. DSS is implementing a secure SharePoint repository to centrally maintain, organize, and track all documentation supporting the MFP Work Plan and the MFP Semi-Annual Report."

## Finding 2025-027

### Eligibility

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<b>Program Name:</b>	<b>Summer Electronic Benefits Transfer Program for Children (Summer EBT) (Assistance Listing 10.646)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Agriculture</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>244CT833N1175</b>

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#### Background

The Department of Social Services (DSS) is the lead agency that administers the Summer EBT program and partners with the State Department of Education (SDE) to facilitate the program. DSS relies on the Integrated Management of Public Assistance for Connecticut (ImpaCT) system, the Connecticut Health Insurance Exchange (HIX) system, and third-party contractors when determining client eligibility. Additionally, SDE provides eligible client listings to DSS.

DSS issues Summer EBT benefits to clients in multiple iterations. The department's business systems and quality management divisions, and third-party contractors review the iterations. Each iteration requires a database change request prior to running the iteration. If the business systems division determines that it needs to make a change to the database change request, it will provide a formal approval.

#### Criteria

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the award.

Title 7 CFR Part 292.16(a)(5)(i) requires the state Summer EBT agency to establish a master issuance file which contains all information needed to identify eligible children, issue Summer EBT benefits, record the participation activity for each household, and supply all information necessary to fulfill reporting requirements.

Condition	<p>Our inquiry about the Summer EBT client eligibility population disclosed that DSS did not track which agency was responsible for each client’s eligibility determination.</p> <p>The DSS business systems division did not approve four out of seven benefit iterations, totaling \$993,840, and did not maintain sufficient documentation to support that it did not need to make a change to the database change request.</p>
Context	DSS issued Summer EBT benefits in seven iterations totaling \$30,362,441 during the fiscal year ended June 30, 2025.
Questioned Costs	\$0
Effect	DSS has reduced assurance over the accuracy and reliability of client eligibility determinations and oversight of Summer EBT benefit iterations.
Cause	<p>The department’s current methods of combining multiple sets of Summer EBT issuance data files lacked sufficient controls to determine the source of client eligibility.</p> <p>The business systems division relied on quality management’s approval and did not maintain documentation to confirm that it made no changes to some database change requests.</p>
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls to identify the agency responsible for each client’s eligibility determination and document benefit iteration approvals for the Summer Electronic Benefits Transfer Program for Children.
Views of Responsible Officials	<p>“The Department disagrees with this finding.</p> <p>Condition #1: Eligibility for the Summer EBT program is established through multiple pathways: receipt of Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Family Assistance (TFA), or HUSKY A coverage, and through applying for and receiving an eligibility determination for either the National School Lunch Program or the Summer EBT program itself.</p> <p>Determining eligibility is a shared responsibility between DSS and the State Department of Education (SDE), and children qualify</p>

through multiple pathways simultaneously. DSS maintains a record within its eligibility system and compiles reports of all eligible children. When eligibility is established through any additional means, the child's record is then analyzed against all previous issuances to ensure duplicate participation and double issuance does not occur.

Title 7 CFR Part 292.16 (a)(5)(i) requires the Summer EBT agency to establish a master issuance file which contains all information needed to identify eligible children, issue Summer EBT benefits, record the participation activity for each household and supply all information necessary to fulfill reporting requirements. The agency is not required to specify which program(s) were used to determine eligibility, which is reasonable given that there may be multiple overlapping avenues of eligibility. The implication that DSS is somehow not compliant or able to identify the source of eligibility is inaccurate. DSS can identify this information on an individual basis through reviewing the child's receipt of SNAP, TFA, HUSKY A, or through its ongoing coordination and communication with SDE.

Condition #2: It is not a requirement of the business systems division to request approval for each issuance. Each year the Department issues benefits for this program in a consistent manner. Since there were no changes to the process during the audit period, approval was not sought for the issuances. Business systems would only seek approval if there was a change to the process."

**Auditors' Concluding Comments**

Eligibility data at the summary and individual levels are both critical for an effective and efficient review of the program.

The department could not provide documentation to substantiate that it used existing database change request scripts and approval by the business systems division was not necessary.

**Finding 2025-028**  
Special Tests and Provisions – EBT Card Security

<b>Program Name:</b>	<b>Summer Electronic Benefits Transfer Program for Children (Summer EBT) (Assistance Listing 10.646)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Agriculture</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>

Background	The Department of Social Services (DSS) provides Summer Electronic Benefits Transfer (EBT) benefits through EBT cards. The department's financial services division tracks the status of returned EBT cards. The department's mailroom staff are responsible for EBT card destruction.
Criteria	<p>Title 2 U.S. Code of Federal Regulations (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.</p> <p>Title 7 CFR Part 292.16(h)(3)(i) requires the state Summer EBT agency to provide adequate security for EBT cards including secure storage, inventory control records, and periodic review and validation of inventory control records.</p> <p>Title 7 CFR Part 292.15(h)(1)(i) requires Summer EBT agencies to expunge Summer EBT benefits 122 calendar days after issuance.</p>
Condition	Our review of the status of returned Summer EBT cards disclosed that DSS destroyed returned EBT cards and did not maintain a log to record client information, disposition date, and reason for destruction.
Context	<p>DSS issued \$7,243,933 in Summer EBT refunds during fiscal year 2025. The refund amount included lost, stolen, or damaged EBT cards as well as expunged benefits.</p> <p>DSS destroyed seven 500-card tubes of returned EBT cards.</p>
Questioned Costs	We were unable to determine if there were questioned costs as DSS did not maintain disposition records for the returned EBT cards.
Effect	DSS has reduced assurance over the security and accountability of returned EBT cards.
Cause	DSS informed us that it did not maintain a log due to the large volume of returned EBT cards.

Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Social Services should strengthen internal controls to ensure that it consistently secures, tracks, and records returned cards for the Summer EBT program.
Views of Responsible Officials	“The Department agrees with this finding. However, the Department believes that there are proper internal controls to ensure the security of returned cards. There was no log maintained by the Department but the controls in place reduced the risk of benefits being used incorrectly to an acceptable level. The returned cards were destroyed, and all unused benefits were expunged.”
Auditors’ Concluding Comments	DSS did not implement sufficient internal controls for the Summer EBT card program compared to the department's other federal EBT card programs. DSS was unable to provide documentation to support which EBT cards it destroyed and that it expunged benefits on all cards prior to destruction.

## Finding 2025-029

### Eligibility

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<b>Program Name:</b>	<b>Children’s Health Insurance Program (CHIP) (Assistance Listing 93.767)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2023 and 2024</b>
<b>Federal Award Numbers:</b>	<b>2305CT3002 and 2405CT5021</b>

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**Background**

The Department of Social Services (DSS) is the designated single state agency to administer medical assistance programs and the Children’s Health Insurance Program (CHIP). CHIP provides health insurance to eligible children. DSS uses several systems to administer CHIP. The Access Health Connecticut (AHCT) web portal is the primary system that maintains applications and determines eligibility for CHIP enrollees. The Integrated Management of Public Assistance for Connecticut (ImpaCT) system maintains client data and eligibility status for state and federal programs administered by DSS. The Medicaid Management Information System (MMIS) processes payments for

medical services and provides financial reports used for federal reimbursement claims. AHCT interfaces with ImpaCT and ImpaCT interfaces with MMIS.

## Criteria

Title 42 *U.S. Code of Federal Regulations* (CFR) Part 457.310(b)(2)(ii) states that, to be eligible for CHIP, a targeted low-income child must not be covered under a group health plan or health insurance. The CHIP State Plan also provides that if a child has other insurance coverage, the child is not eligible for CHIP.

Title 42 CFR Part 457.320(a)(2) states that, to be eligible for CHIP, a targeted low-income child must be under, not including, the age of 19.

Title 42 CFR Part 457.310(b)(1) states that a targeted low-income child is a child who has a household income at or below 200% of the federal poverty level for a family of the size involved or has a household income that exceeds the Medicaid applicable income level but not by more than 50%.

## Condition

We reviewed 25 CHIP eligibility determinations. Our review included 15 CHIP eligibility determinations totaling \$2,068, of which \$1,344 was federally reimbursed and all paid claims for ten clients who had third-party insurance totaling \$16,621, of which \$10,804 was federally reimbursed. Our review disclosed the following:

1. MMIS improperly paid a \$10 claim for one client when AHCT and ImpaCT determined this client was not eligible for CHIP. Furthermore, DSS paid an additional \$1,808 in CHIP benefits for the ineligible client during fiscal year 2025.
2. The AHCT web portal improperly determined nine clients as eligible for CHIP when they had third-party insurance coverage at the time of enrollment. DSS paid \$16,537 in benefits for these clients.

Our analysis of CHIP data identified 326 clients who aged out of the program when they turned 19. DSS paid \$531,670 in benefits for these clients who were no longer eligible for CHIP.

## Context

During the fiscal year ended June 30, 2025, DSS claimed \$74,165,152 in expenditures for CHIP clients, of which \$48,207,349 was federally reimbursed.

The sample was not statistically valid.

**Questioned Costs** We computed \$357,516 in questioned costs by applying the applicable federal financial participation rate to the unallowed expenditures.

**Effect** DSS received federal reimbursement for unallowed expenditures.

**Cause** During the audit period, DSS lacked controls to verify third-party insurance of clients enrolled in CHIP. Although DSS contracts with a healthcare technology organization to help identify third-party liability for medical expenditures and the corresponding collections, the contract does not include review of third-party insurance for existing CHIP clients.

MMIS, AHCT, and ImpaCT did not consistently maintain time of service eligibility information for CHIP enrollees.

DSS lacked internal controls to discontinue CHIP eligibility for clients that turned 19.

**Prior Audit Finding** We previously reported this as finding 2024-019 and in five prior audits.

**Recommendation** The Department of Social Services should strengthen internal controls to ensure that each Children’s Health Insurance Program recipient is eligible for the program according to the state plan and federal regulations.

**Views of Responsible Officials** “The Department agrees with this finding.

Condition #1: This was a processing error and was independently addressed.

Condition #2: The findings were for cases that were granted prior to the implementation of the Department’s manual review process, which includes updating third-party information in the Health Insurance Exchange (HIX) system after verifying policy information. This process was officially started in May 2025. It is a post-enrollment function since it is permissible for clients to self-attest to having third-party liability (TPL) at the time of application. We expect to see a reduction in this type of error in future audits. There is an inevitable delay in DSS being notified of any discrepancies

with TPL details due to the timing of that information being updated from carriers and then provided to DSS. With our new process, we can close these cases as soon as that information is available to us.

Condition #3: There are multiple root causes related to this finding, including Premium Payment Module file transaction issues, reversing system functionality that was temporarily implemented during the COVID-19 Public Health Emergency which resulted in lingering enrollment issues, and staff processing errors. DSS regularly reviews age-out cases to take the necessary actions to close.

Please note, the Department will not be returning the questioned costs associated with this finding. According to federal regulations, recoveries based on eligibility errors can only be pursued when identified by programs operating under Centers for Medicare and Medicaid Services' (CMS) Payment Error Rate Measurement program, per section 1903(u) of the Social Security Act and regulations at Title 42 CFR Part 431, Subpart Q."

## **Finding 2025-030**

### Special Reporting – Federal Funding Accountability and Transparency Act

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<b>Program Name:</b>	<b>Low-Income Home Energy Assistance Program (LIHEAP) (Assistance Listing 93.568)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTLIEA, 2401CTLIEI, 2501CTLIEA, and 2501CTLIEI</b>

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#### Criteria

Title 2 *U.S. Code of Federal Regulations* Part 170 Appendix A requires that states report any action that obligates \$30,000 or more in federal funds for a subaward to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) no later than the end of the following month after making the obligation. As of March 8, 2025, FSRS was retired and all subaward reporting data and functionality are now on the System for Award Management (SAM.gov).

Condition

Our review of nine Low-Income Home Energy Assistance Program (LIHEAP) subawards, totaling \$71,001,106, disclosed that the Department of Social Services (DSS) reported nine subawards 15 days late.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
9	0	9	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$71,001,106	\$0	\$71,001,106	\$0	\$0

Context

During the fiscal year ended June 30, 2025, DSS obligated nine LIHEAP subawards totaling \$71,001,106.

Questioned Costs

\$0

Effect

DSS delayed its public transparency of its spending of federal awards.

Cause

The department did not have adequate internal controls to ensure prompt subaward reporting.

Prior Audit Finding

We previously reported this as finding 2024-021 and in three prior audits.

Recommendation

The Department of Social Services should strengthen internal controls regarding prompt subaward reporting to ensure compliance with the Federal Funding Accountability and Transparency Act.

Views of Responsible Officials

“The Department agrees with this finding. DSS has an internal process in place to review Federal Funding Accountability and Transparency Act reporting obligations monthly for timely reporting.”

## Finding 2025-031

### Subrecipient Monitoring

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<b>Program Name:</b>	<b>Low-Income Home Energy Assistance Program (LIHEAP) (Assistance Listing 93.568)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2023, 2024, and 2025</b>
<b>Federal Award Numbers:</b>	<b>2301CTLIEA, 2301CTLIEE, 2401CTLIEA, 2401CTLIEI, 2501CTLIEA, and 2501CTLIEI</b>

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Criteria	Title 2 <i>U.S. Code of Federal Regulations</i> (CFR) Part 200.332 provides that the pass-through entity shall monitor subrecipient activities as necessary to ensure that they comply with federal statutes, regulations, and the subaward's terms and conditions and ensure that they achieve performance goals and objectives. This includes a review of a pass-through entity's required financial and performance reports.
Condition	Our review of subrecipient monitoring over nine Low-Income Home Energy Assistance Program (LIHEAP) subrecipients disclosed that the Department of Social Services (DSS) did not conduct annual fiscal reviews for one subrecipient.
Context	During the fiscal year ended June 30, 2025, DSS provided nine subrecipients with \$75,417,156 of LIHEAP funds to administer the program.
Questioned Costs	\$0
Effect	DSS has limited assurance that federal funds were used for allowable activities.
Cause	Low staffing levels hindered the department. DSS lacks proper subrecipient monitoring procedures.
Prior Audit Finding	We previously reported this as finding 2024-022 and in one prior audit.
Recommendation	The Department of Social Services should strengthen internal controls to ensure it complies with federal subrecipient monitoring

requirements for the Low-Income Home Energy Assistance Program.

Views of  
Responsible  
Officials

“The Department agrees with this finding and is in the process of hiring an additional staff member to assist with subrecipient monitoring. The LIHEAP unit is developing collaboration and cross-training by incorporating program liaisons to monitor portions of the financial requirements which coincide with program fuel slip monitoring reviews. The Department is creating a financial review tool to ensure consistency in the review of data to document in the financial report output.”

## Finding 2025-032

### Subrecipient Monitoring

<b>Program Name:</b>	<b>Social Services Block Grant (SSBG) (Assistance Listing 93.667)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2301CTSOSR, 2401CTSOSR, and 2501CTSOSR</b>

#### Background

The Department of Social Services (DSS) is the designated single state agency in Connecticut for the allocation and administration of the Social Services Block Grant (SSBG) program. SSBG funds support programs of several state agencies including the Department of Housing (DOH).

#### Criteria

Title 2 *U.S. Code of Federal Regulations* Part 200.332 provides that the pass-through entity shall monitor subrecipient activities as necessary to ensure that they comply with federal statutes, regulations, and the subaward’s terms and conditions and ensure that they achieve performance goals and objectives. This includes a review of a pass-through entity’s required financial and performance reports.

#### Condition

Our review of subrecipient monitoring procedures over ten subrecipients that received \$3,941,010 in SSBG funds disclosed the following:

1. DOH did not monitor four subrecipients for overdue programmatic reports, three for overdue client satisfaction

surveys, five for overdue state single audits, and eight for overdue annual financial audits.

2. DOH did not adequately review expenditures in financial reports submitted by ten subrecipients.
3. DOH did not review state single audits for seven subrecipients.
4. DOH did not accurately complete administrative monitoring reports for three subrecipients.

**Context** During the fiscal year ended June 30, 2025, DOH provided 26 subrecipients with \$7,478,584 of SSBG funds to administer various programs for homeless individuals.

The sample was not statistically valid.

**Questioned Costs** \$0

**Effect** DSS and DOH have limited assurance that federal funds were used for allowable activities.

**Cause** The condition resulted from a lack of management oversight.

**Prior Audit Finding** We previously reported this as finding 2024-025 and in ten prior audits.

**Recommendation** The Department of Housing should strengthen internal controls to ensure compliance with federal requirements for monitoring subrecipients for the Social Services Block Grant program.

As the lead agency for SSBG, the Department of Social Services should strengthen procedures to monitor how other state agencies address known deficiencies identified in Statewide Single Audit reports.

**Views of Responsible Officials**

*Response provided by the Department of Housing:*

“DOH agrees with this finding. DOH did contract with a third-party entity to complete all programmatic monitoring and review of financial expenditures documented in the most recent financial report submitted by the provider to DOH and all agencies were monitored. Some agencies did not submit financial reports in a

timely manner. DOH did reach out multiple times to get these reports from the providers by the due date but we were unsuccessful. Due to staffing constraints, DOH was not able to schedule in person monitoring visits to those entities that did not submit timely financial reports. During FY-2025, we successfully transitioned to CORE-Uniform Chart of Accounts (UCOA) financial reporting. This transition will help both the provider with submitting timely reports and DOH reviewing it. Currently, CORE doesn't allow uploads of supported documentation. However, we are actively working with the Office of Policy and Management (OPM) on a solution and if successful, the task of financial review no longer needs to be outsourced to a third-party and it can be done internally."

*Response provided by the Department of Social Services:*

"The Department agrees with this finding and with DOH's proposed corrective action plan. The Department will schedule status meetings with DOH to ensure timely reporting in addition to the memorandum of agreement (MOA) year end reporting requirement. The Department will draft a corresponding quarterly report tracking tool to ensure reporting deliverable oversight and follow up of the DOH contractors."

# Department of Transportation

## Finding 2025-100

### Allowable Costs/Cost Principles – Consultant Payments

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<b>Program Name:</b>	<b>Federal-State Partnership for Intercity Passenger Rail (Assistance Listing 20.326)</b>
<b>Federal Award Agency:</b>	<b>Department of Transportation</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>69A36524520310FSPCT</b>

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**Background** The Department of Transportation (DOT) Consultant Design Administration Manual defines extra work as work the department orders beyond the scope of the agreement when such work is not reflected in the fee payments specified in the agreement.

**Criteria** Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.317 requires that when conducting procurement transactions under a federal award, a state must follow the same policies and procedures it uses for procurements with non-federal funds.

Title 2 CFR Part 200.403(c) and (g) provides that to be allowable under federal awards, costs must be consistent with established policies and procedures and adequately documented.

The DOT Consultant Design Administration Manual requires consultants to obtain written authorization from the department before they begin any extra work; otherwise, DOT is not obligated to compensate the consultant for that work.

**Condition** Our review of 11 transactions totaling \$46,543,994 disclosed that DOT made a \$47,870 payment for extra work performed by a consultant that it did not authorize before work began.

Context	<p>During the fiscal year ended June 30, 2025, non-payroll expenditures totaled \$105,024,824.</p> <p>We randomly selected ten payments to review, as well as one manual journal adjustment.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	\$47,870
Effect	Failure to comply with DOT's policies regarding extra work performed by consultants may result in unauthorized costs.
Cause	A lack of management oversight contributed to this condition.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Transportation should strengthen internal controls over consultant payments for extra work.
Views of Responsible Officials	"We agree with this finding."

## **Finding 2025-101**

### Special Tests and Provisions – Wage Rate Requirements

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<b>Program Name:</b>	<b>Highway Planning and Construction (Assistance Listing 20.205)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Transportation</b>
<b>Award Years:</b>	<b>Various</b>
<b>Federal Award Numbers:</b>	<b>693JJ22240000RPF4CT0015147, 693JJ22230000Y001CT0015147, 693JJ22230000Y001CT0951384, and 693JJ22430000Y001CT0032217</b>

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Background	The Davis-Bacon and Related Acts require contractors and subcontractors working on federally funded contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works to pay their
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laborers and mechanics no less than the locally prevailing wages and fringe benefits for corresponding work.

Criteria

Title 29 U.S. Code of Federal Regulations Part 5.5(a)(3) requires the contractor or subcontractor to submit weekly certified payrolls and a statement of compliance to the Department of Transportation (DOT) for each week in which it performs any Davis-Bacon and Related Acts covered work. If the contractor or subcontractor fails to submit the required records, DOT may, after written notice to the contractor, suspend any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, may be grounds for debarment action.

The special provisions in every contract contain the requirements and instructions for the submission of certified payrolls and statements of compliance. The prime contractor is responsible for ensuring that all subcontractors furnish the required records for each project.

The DOT Construction Manual prescribes that the department shall notify the contractor of deficiencies in a timely manner. First notification may be by telephone, email, or a noncompliance notice allowing the contractor 14 days to correct any deficiencies. If a second notification is required, the district should draft a letter to the contractor, alerting them to the deficiency and providing them with an additional 14 days to respond. The district should send a copy of the letter to the Division of Construction Operation.

Condition

Our review of 15 randomly selected construction projects totaling \$75,757,182 disclosed that three subcontractors failed to submit certified payrolls and statements of compliance for the weeks in which they performed Davis-Bacon and Related Acts covered work. DOT did not promptly take corrective action when the subcontractors failed to submit the required records.

Context

During the fiscal year ended June 30, 2025, construction contract expenditures totaled \$613,627,954.

The sample was not statistically valid.

Questioned Costs

\$0

Effect	DOT has reduced assurance that contractors and subcontractors complied with prevailing wage laws on federally funded construction projects.
Cause	A lack of management oversight contributed to this condition.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Department of Transportation should strengthen internal controls to ensure that contractors and subcontractors submit required payroll records when performing Davis-Bacon and Related Acts covered work and should promptly take corrective action when a contractor or subcontractor fails to submit the required records.
Views of Responsible Officials	"We agree with this finding. The actions identified in the Corrective Action Plan should improve the clarity of procedures to ensure compliance with the submission of payrolls in a timely manner."

# Department of Public Health

## Finding 2025-200

### Cash Management

<b>Program Name:</b>	<b>HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) (Assistance Listing 93.917)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>6 X07HA00022-34-01</b>

**Background** The Department of Public Health (DPH) receives rebates for pharmaceuticals and records them as revenue for the Ryan White HIV/AIDS Program Part B to reduce the program's cash needs. DPH uses a drawdown tool to determine the timing and amount of its federal drawdowns.

**Criteria** Title 31 *U.S. Code of Federal Regulations* (CFR) Part 205.11(a) provides that a state must minimize the time elapsing between the transfer of funds from the United States Treasury and the state's payout of funds for federal assistance program purposes, whether the transfer occurs before or after the payout of funds.

Title 2 CFR Part 200.303 requires the non-federal entity to establish and maintain effective internal control over federal awards that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

**Condition** We reviewed DPH's drawdown tool and determined that it was not effective in monitoring the department's cash needs. The tool understated expenditures by \$29,208,717. As a result, the cash-on-hand amounts were not reliable.

**Context** DPH drew down \$8,881,530 for expenditures during the audited period.

Questioned Costs	\$0
Effect	Ineffective monitoring of cash needs increases the risk that federal drawdowns will not occur in accordance with the department's immediate cash requirements to administer the program.
Cause	A lack of management oversight contributed to the condition.
Prior Audit Finding	We previously reported this as finding 2024-200.
Recommendation	The Department of Public Health should strengthen internal controls over cash management to ensure that federal drawdowns align with the immediate cash needs to administer the program.
Views of Responsible Officials	"We agree with this finding. The Fiscal Department, in collaboration with Management Assurance, has implemented enhanced internal controls to strengthen oversight of cash management activities. Together, the teams developed and formalized enhanced control measures within the Drawdown Tool. These enhancements include daily transaction-level monitoring, integration of rebate offsets, application of a multi-SID tiered allocation structure, and the addition of 90-day liquidation period. The controls have been clearly documented to address identified gaps in operational effectiveness and ensure a balanced approach between automation and manual oversight. This framework provides increased transparency and reliability in managing the timely and accurate drawdown of Ryan White Part B funds while ensuring strong standards and best practices."

## **Finding 2025-201**

### Subrecipient Monitoring

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<b>Program Name:</b>	<b>HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) (Assistance Listing 93.917)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Year:</b>	<b>Federal Fiscal Year 2024</b>
<b>Federal Award Numbers:</b>	<b>5 X07HA00022-33-00 and 6 X07HA00022-34-01</b>

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Criteria	<p>Title 2 <i>U.S. Code of Federal Regulations</i> (CFR) Part 200.332(e) provides that the pass-through entity must monitor the activities of the subrecipient as necessary to ensure that the subrecipient used the subaward for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward and ensure that they achieve performance goals. This includes reviewing financial and performance reports required by the pass-through entity.</p> <p>The Ryan White HIV/AIDS Program Part B Manual requires an annual on-site financial review of all subrecipients to ensure compliance with federal and state requirements and the terms and conditions of the department’s contract.</p>
Condition	<p>Our review of the Department of Public Health (DPH) monitoring procedures for six not-for-profit and one for-profit subrecipients disclosed that the department did not conduct annual on-site financial review visits for any of the six not-for-profit subrecipients.</p>
Context	<p>During the fiscal year ended June 30, 2024, DPH provided \$4,262,325 to six not-for-profit subrecipients and \$21,633,283 to a for-profit subrecipient for AIDS health care and support services. We selected all seven fiscal year 2024 subrecipients for review as DPH had not completed the monitoring site visits for fiscal year 2025 funds. During the fiscal year 2025, the department provided \$13,216,793 to subrecipients.</p>
Questioned Costs	\$0
Effect	<p>DPH had reduced assurance that its subrecipients used federal funds for allowable activities.</p>
Cause	<p>The department did not complete the financial reviews for fiscal year 2024 because staff lacked proper training, which was necessary due to new federal compliance requirements and DPH’s recent implementation of new audit software.</p>
Prior Audit Finding	<p>We previously reported this as finding 2024-201 and in one prior audit.</p>
Recommendation	<p>The Department of Public Health should strengthen internal controls to ensure compliance with federal requirements for monitoring subrecipients of the Ryan White HIV/AIDS Program Part B.</p>

Views of  
Responsible  
Officials

"We agree with this finding. With the implementation of the new auditing software, Management Assurance will create a comprehensive, trackable financial review program and will ensure the reviews are completed in accordance with Federal guidance. We anticipate having the software fully implemented and the financial review program operational by March 01, 2026; the financial reviewer will be trained on the software and the program requirements no later than May 01, 2026. The financial reviews will begin as soon as possible after the reviewer completes their training; we intend to have a completed financial review for all Ryan White regional leads by year-end 2026."

# State Department of Education

## Finding 2025-300

### Special Reporting – Federal Funding Accountability and Transparency Act

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**Program Name:** School Breakfast Program (Assistance Listing 10.553)  
**Federal Award Agency:** United States Department of Agriculture  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Numbers:** 244CT300N1099, 244CT300N1199, 254CT300N1099, and 254CT300N1199

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**Program Name:** National School Lunch Program (Assistance Listing 10.555)  
**Federal Award Agency:** United States Department of Agriculture  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Numbers:** 244CT300N1099, 244CT300N1199, 254CT300N1099, and 254CT300N1199

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**Program Name:** Special Milk Program for Children (Assistance Listing 10.556)  
**Federal Award Agency:** United States Department of Agriculture  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Numbers:** 244CT300N1099, 244CT300N1199, 254CT300N1099, and 254CT300N1199

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**Program Name:** Summer Food Service Program for Children (Assistance Listing 10.559)  
**Federal Award Agency:** United States Department of Agriculture  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Numbers:** 244CT300N1099, 244CT300N1199, 254CT300N1099, and 254CT300N1199

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**Program Name:** Fresh Fruit and Vegetable Program (Assistance Listing 10.582)  
**Federal Award Agency:** United States Department of Agriculture  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Numbers:** 244CT300L1603 and 254CT300L1603

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**Criteria** Title 2 U.S. Code of Federal Regulations Part 170 Appendix A requires that states report any action that obligates \$30,000 or more in federal funds for a subaward to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) no later than the end of the following month after making the obligation. As of March 8, 2025, FSRS was retired and all subaward reporting data and functionality are now on the System for Award Management (SAM.gov).

**Condition** The State Department of Education (SDE) did not report its subawards for the Child Nutrition Cluster in FSRS or SAM.gov during the audited period.

**Context** During the fiscal year ended June 30, 2025, SDE provided the following subawards:

ALN	Program Name	Subawards
10.553	School Breakfast Program	\$50,932,018
10.555	National School Lunch Program	\$153,719,291
10.556	Special Milk Program for Children	\$65,417
10.559	Summer Food Service Program for Children	\$5,215,157
10.582	Fresh Fruit and Vegetable Program	\$3,379,356

**Questioned Costs** \$0

**Effect** SDE decreased its public transparency regarding its spending of federal awards.

**Cause** SDE informed us that it is still awaiting guidance from the United States Department of Agriculture on how it should report these awards.

**Prior Audit Finding** We previously reported this as finding 2024-301 and in three prior audits.

**Recommendation** The State Department of Education should continue to pursue guidance from the U.S. Department of Agriculture to ensure it

complies with the Federal Funding Accountability and Transparency Act reporting requirements.

Views of  
Responsible  
Officials

"We agree with this finding.

Following guidance from the U.S. Department of Agriculture, we have taken corrective actions to achieve compliance. Federal Funding Accountability and Transparency Act (FFATA) reporting has been completed for awards issued during fiscal years 2024 and 2025, with the exception of three entities that are currently experiencing delays in obtaining their respective Unique Entity Identifiers. FFATA reporting for fiscal year 2026 is currently underway, and reporting for fiscal years 2021, 2022, and 2023 will be completed as soon as all required data elements are obtained. We anticipate being fully compliant with past reporting by June 30, 2026."

# Department of Emergency Services and Public Protection

## Finding 2025-350

### Reporting - Federal Funding Accountability and Transparency Act

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<b>Program Name:</b>	<b>Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Homeland Security</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2020 - 2025</b>
<b>Federal Award Numbers:</b>	<b>4087DRCTP00000001, 4500DRCTP00000001, and 4820DRCTP00000001</b>

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#### Background

The Disaster Grants - Public Assistance program provides funding to state and local governments and certain types of private nonprofit organizations so that communities can quickly respond to and recover from presidentially declared disasters and emergencies. The Department of Emergency Services and Public Protection (DESPP) is the primary recipient for the State of Connecticut and is responsible for working with the Federal Emergency Management Agency (FEMA) throughout the disaster response and recovery process. In coordination with FEMA, DESPP receives and distributes funding to subrecipients for all projects within the state.

#### Criteria

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 2 CFR Part 170 Appendix A requires that states report any action that obligates \$30,000 or more in federal funds for a subaward to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) no later than the end of the following month after making the obligation. Recipients are to accurately report key data elements such as subaward numbers, amounts, and obligation dates. As of March 8, 2025, FSRS was retired and all subaward reporting data and functionality are now on the System for Award Management (SAM.gov).

**Condition**

DESPP did not establish effective internal controls over Federal Funding Accountability and Transparency Act (FFATA) reporting. The same individual entered subawards into FSRS and SAM.gov and reviewed the entries for accuracy and completeness. There was no documented management review process to verify the accuracy, completeness, and timeliness of FFATA reporting.

We randomly selected ten subawards of \$30,000 or more, totaling \$12,224,700, and identified the following conditions:

- DESPP entered two subawards, totaling \$435,831, into FSRS 18 and 580 days late.
- DESPP did not maintain adequate documentation to support the date it reported two subawards, totaling \$9,556,735. As a result, we could not determine if DESPP reported the subawards on time.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
10	0	2	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$12,224,700	\$0	\$435,831	\$0	\$0

**Context**

During the fiscal year ended June 30, 2025, DESPP made 68 subawards of \$30,000 or more, totaling \$38,215,595.

The sample was not statistically valid.

**Questioned Costs**

\$0

Effect	There is an increased risk for inaccurate, incomplete, and untimely FFATA reporting. Additionally, DESPP decreased its public transparency regarding its spending of federal awards.
Cause	Management did not adequately monitor the internal control system or promptly remediate internal control deficiencies identified during prior audits, which contributed to the identified conditions.
Prior Audit Finding	We previously reported this as finding 2024-350 and in three prior audits.
Recommendation	The Department of Emergency Services and Public Protection should strengthen internal controls and promptly report subawards in compliance with the Federal Funding Accountability and Transparency Act.
Views of Responsible Officials	<p>“DESPP does not agree with this finding.</p> <p>DESPP utilizes the federally designated FFATA reporting system (SAM.gov) for all FFATA reporting. This system does not possess the capability for any layered review or approval of information prior to upload or post submission. The system has no reporting mechanism to review information input into this system. Further, the system does not maintain capability to track the dates of changes and it records over upload dates at future submission timeframes. These issues have been repeatedly brought to the attention of both SAM.gov administrators at the federal level and DESPP’s FEMA funding agencies. In response to a similar finding by FEMA, DESPP provided the attached information, after which FEMA closed the DESPP finding. DESPP will continue to attempt to work with SAM.gov administrators to advocate for modifications to the FFATA reporting system to address these concerns, but is unable to address them unilaterally without federal agency intervention.”</p>
Auditors’ Concluding Comments	DESPP should maintain sufficient documentation outside of SAM.gov to demonstrate compliance with reporting requirements and approvals by agency personnel.

# Office of Policy and Management

## Finding 2025-400

### Allowable Costs/Cost Principles – Evidence of Services Provided by Part-Time and Extension Credit Lecturers

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<b>Program Name:</b>	<b>Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing 21.027)</b>
<b>Federal Award Agency:</b>	<b>Department of the Treasury</b>
<b>Award Year:</b>	<b>Federal Fiscal Year 2025</b>
<b>Federal Award Number:</b>	<b>N/A</b>

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#### Background

The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the Coronavirus State and Local Fiscal Recovery Funds and reporting to the federal government. OPM allocated funds to the CT State Community College and other state agencies to assist with carrying out the program’s objectives.

CT State Community College contracts with part-time and extension credit lecturers who teach a term or class at a flat rate. The college pays them in equal installments based on the terms of individual contracts.

#### Criteria

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 2 CFR Part 200.430(g) provides that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Such records must be supported by a system of internal control which provides reasonable assurance

that the charges are accurate, allowable, and properly allocated, and comply with the established accounting policies and procedures of the recipient.

Sections 3-117(b) and 3-119(a) of the Connecticut General Statutes require state entities to certify services are received and documented before paying contractors and state employees.

Condition	CT State Community College made \$70,175,519 in salary and fringe benefit payments for 2,796 part-time and extension credit lecturers without verifying the lecturers provided the contractual services or documenting supervisory approval.
Context	During the fiscal year ended June 30, 2025, CT State Community College charged \$70,624,749 in payroll and fringe benefit costs to Coronavirus State and Local Fiscal Recovery Funds, of which \$70,175,519 was attributed to contracted faculty members.
Questioned Costs	\$0
Effect	CT State Community College could pay part-time and extension lecturers for services they did not provide.
Cause	CT State Community College lacks policies and procedures to ensure compensation for part-time and extension credit lecturers is contingent on fulfillment of contractual obligations.
Prior Audit Finding	We previously reported this as finding 2024-400.
Recommendation	CT State Community College should strengthen internal controls to ensure that part-time and extension credit lecturer payroll and fringe benefits costs are based on actual time worked and are properly approved.
Views of Responsible Officials	<p><i>Response provided by CT State Community College:</i></p> <p>"Management agrees with this finding and work towards a viable long-term solution for workload review at the campus level is underway. As noted in previous audits, controls were implemented in Banner as part of the Payroll Exception review process that was initiated by the Audit Advisory Committee. These reports are currently unavailable due to limitations that will be resolved soon.</p>

Once resolved, the reports will be shared with the appropriate academic reviewer for confirmation of services received.”

Views of  
Responsible  
Officials

*Response provided by the Office of Policy and Management:*

“The Office of Policy and Management has no additional response beyond that offered by the CT State Community College.”

# Judicial Branch

## Finding 2025-575

### Subrecipient Monitoring

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<b>Program Name:</b>	<b>Crime Victim Assistance (Assistance Listing 16.575)</b>
<b>Federal Award Agency:</b>	<b>Department of Justice</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2021, 2022, and 2023</b>
<b>Federal Award Numbers:</b>	<b>15POVC-21-GG-00615-ASSI, 15POVC-22-GG-00715-ASSI, and 15 POVC-23-GG-00433-ASSI</b>

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#### Background

The Crime Victim Assistance program provides financial support and various services and resources to crime victims, including crisis counseling, criminal justice support and advocacy, shelter, and therapy. The Judicial Branch provides grants to subrecipients to provide these services.

Title 28 *U.S Code of Federal Regulations* (CFR) Part 94.118 provides that subrecipients shall contribute not less than 20% of the total cost of each project. Subrecipients shall derive these contributions from non-federal sources. Each subrecipient shall maintain records that clearly show the source and amount of the matching contributions.

#### Criteria

Title 2 CFR Part 200.303 requires the non-federal entity to establish and maintain effective internal control over federal awards that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 2 CFR Part 200.332(e) provides that the pass-through entity shall monitor subrecipient activities as necessary to ensure that they comply with federal statutes, regulations, and the terms and conditions of the subaward.

Title 28 CFR Part 94.106 provides that the state administering agency shall conduct regular desk monitoring of all subrecipients as well as on-site monitoring of all subrecipients at least once every

two years during the award period. The state shall maintain a copy of site visit results and other documents related to compliance.

Title 2 CFR Part 200.306(b) provides that the pass-through entity must accept any cost sharing funds as part of the subrecipient's contributions to a program when the funds are verifiable in the subrecipient's records.

Condition	The Judicial Branch did not perform regular subrecipient desk reviews or site visits at least once every two years during the award period as required by federal regulations. The branch does not complete reviews until the award period ends. As a result, it did not promptly examine subrecipients' underlying documentation such as invoices, timesheets, or support for expenditures or matching contributions. The branch's monitoring process was limited to monthly reviews of budget-to-actual summaries.
Context	During the fiscal year ended June 30, 2025, the branch made \$8,759,482 in reimbursements to 40 subrecipients.
Questioned Costs	\$0
Effect	The Judicial Branch has limited assurance that subrecipients used federal funds for allowable activities and met the mandatory matching requirements. This could potentially lead to future disallowed costs and federal repayment obligations.
Cause	Due to a lack of adequate staffing, the Judicial Branch prioritized reviewing supporting documentation for prior award periods rather than the current period.
Prior Audit Finding	We have not previously reported this finding.
Recommendation	The Judicial Branch should strengthen internal controls to ensure it complies with federal subrecipient monitoring requirements for the Crime Victim Assistance program.
Views of Responsible Officials	"The Judicial Branch Office of Victim Services (OVS) agrees to strengthen its internal controls as described below to comply with federal subrecipient monitoring requirements for the Victims of Crime Act Assistance (VOCA) Program.

In 2025, OVS performed site visits for four VOCA-funded programs and completed financial-desk reviews of monthly or quarterly financial reports for all programs. That year, OVS experienced personnel turnover in its three-employee Fiscal Services Unit, notably the separation from state service of a Program Manager and a Court Planner, who together performed OVS' programmatic site visits of VOCA-funded programs. Also, there was a significant increase in workload resulting from OVS' contributions to the 2024-2025 VOCA request-for-proposal process. In response, staff outside the unit contributed while managing other assigned duties, a Program Manager and Grants and Contract Specialist were hired to restore the unit to its three-employee configuration, the new employees received training on subrecipient monitoring policies and procedures, and a revised subrecipient site visit plan was developed and has begun being implemented.

To strengthen internal controls, OVS has developed a revised site visit plan for the remaining VOCA-funded programs scheduled to receive site visits in 2025. April 15, 2026, is the anticipated date for OVS to complete the site visits. OVS has completed sending letters to the subrecipients operating the VOCA-funded programs. The letters request supporting documentation, which is programmatic and financial in nature, in accordance with OVS administrative policy and procedure. Also, the letters inform subrecipients that site visits will commence in accordance with a revised site visit plan."

# Student Financial Assistance Cluster – Connecticut State Colleges and Universities

## Finding 2025-650

### Special Tests and Provisions – National Student Loan Data System Reporting

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<b>Program Name:</b>	<b>Federal Pell Grant Program (Assistance Listing 84.063)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Education</b>
<b>Award Year:</b>	<b>Federal Fiscal Year 2025</b>
<b>Federal Award Number:</b>	<b>Western Connecticut State University - P063P241214</b>

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<b>Program Name:</b>	<b>Federal Direct Student Loans (Assistance Listing 84.268)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Education</b>
<b>Award Year:</b>	<b>Federal Fiscal Year 2025</b>
<b>Federal Award Number:</b>	<b>Western Connecticut State University - P268K251214</b>

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#### Background

The National Student Loan Data System (NSLDS) is the U.S. Department of Education's central database for federal student aid disbursed under Title IV of the Higher Education Act of 1965, as amended. Among other things, NSLDS monitors information for all instructional programs and the enrollment status of Title IV aid recipients.

#### Criteria

Title 34 *U.S. Code of Federal Regulations* (CFR) Parts 685.309(b) and 690.83(b)(2) require institutions to accurately report enrollment information under the Pell Grant and Direct Loan programs via the NSLDS. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS enrollment reporting process.

Institutions should report published program length based on the definition of “normal time” to completion per Title 34 CFR Part 668.41(a) as follows:

- If the institution has published in its catalog, on its website, or in any promotional materials, the length of the program in weeks, months, or years, the program length reported must be the same as the program length that the school has published.
- If the school has not published a program length and the program is other than an associate or bachelor’s degree program, the program length is based on the school’s determination of how long, in weeks, months, or years, the program is designed for a full-time student to complete.

**Condition**

We randomly selected ten students who received \$34,044 in Pell grants and \$64,741 in Direct Loans. Our review disclosed that Western Connecticut State University did not accurately report the enrollment information for one student who received \$20,284 in Direct Loans. The university reported the published program length for a master's degree as six years, instead of two years. Further inquiry revealed that the university reported the published program length for all advanced degree programs as six years and did not base them on actual published lengths or intended completion times.

**Context**

During the fiscal year ended June 30, 2025, there were 528 students with enrollment status changes who received \$1,428,424 in Pell grants and \$3,518,924 in Direct Loans for aid year 2024-2025.

The sample was not statistically valid.

**Questioned Costs**

\$0

**Effect**

Failure to accurately report enrollment status changes to the NSLDS could impact student eligibility under the Pell Grant and Direct Loan programs.

**Cause**

The condition appears to be due to a lack of management oversight.

Prior Audit Finding We previously reported this as finding 2024-656 and in one prior audit.

Recommendation Western Connecticut State University should strengthen internal controls to ensure that it submits enrollment status changes to the National Student Loan Data System in accordance with federal regulations.

Views of Responsible Officials "We agree with this finding."

# Department of Housing

## Finding 2025-725

### Allowable Costs/Cost Principles – Assistance Payments

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<b>Program Names:</b>	<b>COVID-19 Section 8 Housing Choice Vouchers (Assistance Listing 14.871) Section 8 Housing Choice Vouchers (Assistance Listing 14.871)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>ACC CT 901 VO</b>

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<b>Program Name:</b>	<b>Mainstream Vouchers (Assistance Listing 14.879)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>ACC CT 901 DVO</b>

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#### Background

The United States Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers Program provides rental assistance to help very low-income families afford decent, safe, and sanitary housing. Section 3202 of the American Rescue Plan Act of 2021 provided for new incremental Emergency Housing Vouchers. Office of Public and Indian Housing (PIH) notice PIH 2021-25 provides that public housing agencies (PHA) should report Emergency Housing Vouchers under the Section 8 Housing Choice Vouchers Program. The Mainstream Vouchers Program enables families to lease affordable private housing when the head, spouse, or co-head is a person with disabilities. Public housing agencies are authorized to administer the programs locally and make housing assistance payments on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered locally by over 40

public housing agencies and statewide by the Department of Housing (DOH) and its contracted vendor. DOH advances program funds to its contractor that disburses the funds to landlords and participants.

## Criteria

Title 2 U.S. Code of Federal Regulations (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 24 CFR Part 982.158 provides that the PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a prompt and effective audit.

Title 24 CFR Part 982.305 provides that the PHA must execute a HAP contract no later than 60 calendar days from the beginning of the lease term. The PHA must not pay any housing assistance payment to the owner until it has executed the contract. If the PHA executes the HAP contract during the period of 60 calendar days from the beginning of the lease term, it will pay housing assistance payments after the execution of the HAP contract. Any HAP contract executed after the 60-day period is void, and the PHA may not pay any housing assistance payment to the owner.

Title 24 CFR Part 982.503 requires the PHA to adopt a payment standard schedule that establishes voucher payment standard amounts for each fair market rent area in the PHA jurisdiction. For each fair market rent area, the PHA must establish payment standard amounts for each unit size. Unit size is measured by the number of bedrooms.

Title 24 CFR Part 982.505 states that a payment standard is used to calculate the monthly housing assistance payment for a family. The payment standard for the family is the lower of the payment standard amount for the family unit size or the payment standard amount for the size of the dwelling unit rented by the family.

Title 24 CFR Part 982.516 requires the PHA to conduct a reexamination of family income and composition at least annually. The PHA must obtain and document in the tenant file third-party verifications of reported family annual income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income, or must

document why third-party verification was not available. At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the HAP.

Title 24 CFR Part 982.517 requires the PHA to maintain a utility allowance schedule for all tenant-paid utilities (except telephone), for tenant supplied refrigerators and ranges, and for other tenant paid housing services (e.g., trash collection). The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. The PHA must review its schedule each year and must revise its allowance for a utility category if there has been a change of ten percent or more in the utility rate since the last time the utility schedule was revised.

## Condition

Our review of 60 housing assistance payments and utility reimbursements, totaling \$99,286 and \$2,813, respectively, disclosed that in 14 cases, payments were incorrectly calculated. Some cases had multiple errors.

- In two cases, the PHA incorrectly calculated the tenant's total annual adjusted income.
- In eight cases, the PHA incorrectly calculated the tenant's total annual income.
- In three cases, the PHA did not use the correct payment standard.
- In two cases, the PHA incorrectly calculated the utility allowance or did not use the correct utility allowance schedule.

These errors resulted in \$1,211 in housing assistance and utility reimbursement overpayments and \$49 in underpayments for the tested benefit months. Further review noted an additional \$8,495 in housing assistance and utility reimbursement overpayments, and \$379 in underpayments during the audited period.

We also noted that in two cases, the PHA paid \$37,233 under housing assistance payment contracts that were void because they were not executed within 60 calendar days from the beginning of the lease term.

## Context

During the fiscal year ended June 30, 2025, housing assistance payment transactions and utility reimbursements for the Section 8

Housing Choice Vouchers and Mainstream Vouchers programs totaled \$127,656,361.

The sample was not statistically valid.

**Questioned Costs** Our review identified questioned costs totaling \$41,491 for the Section 8 Housing Choice Vouchers program.

**Effect** DOH has reduced assurance of the accuracy of housing assistance payments and utility reimbursements.

**Cause** The conditions are due to a lack of management oversight.

**Prior Audit Finding** We have not previously reported this finding.

**Recommendation** The Department of Housing should strengthen internal controls to ensure that it properly calculates Section 8 Housing Choice Vouchers and Mainstream Vouchers housing assistance and utility benefit payments.

**Views of Responsible Officials** "We agree with the finding. DOH did contract with a third-party entity to provide these services; however, DOH retains overall responsibility for the program. Recently, DOH established a Section 8 division within DOH to provide more oversight over the program and the contractor. We are working closely with the contractor to strengthen their internal control, develop policies and procedures. DOH will continue collaborating with the contractor to enhance system controls and minimize the risk of future issues. All identified errors in this finding have been corrected including the questionable cost, and the software now includes a new feature designed to prevent similar problems going forward. DOH remains committed to continuous improvement and effective oversight of the program and contractor."

## **Finding 2025-726**

### Eligibility

**Program Names:** COVID-19 Section 8 Housing Choice Vouchers (Assistance Listing 14.871)  
Section 8 Housing Choice Vouchers (Assistance Listing 14.871)

**Federal Award Agency:** United States Department of Housing and Urban Development  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Number:** ACC CT 901 VO

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**Program Name:** Mainstream Vouchers (Assistance Listing 14.879)  
**Federal Award Agency:** United States Department of Housing and Urban Development  
**Award Years:** Federal Fiscal Years 2024 and 2025  
**Federal Award Number:** ACC CT 901 DVO

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## Background

The United States Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers Program provides rental assistance to help very low-income families afford decent, safe, and sanitary housing. Section 3202 of the American Rescue Plan Act of 2021 provided for new incremental Emergency Housing Vouchers. Office of Public and Indian Housing (PIH) notice PIH 2021-25 provides that public housing agencies (PHA) should report Emergency Housing Vouchers under the Section 8 Housing Choice Vouchers Program. The Mainstream Vouchers Program enables families to lease affordable private housing when the head, spouse, or co-head is a person with disabilities. Public housing agencies are authorized to administer the programs locally and make housing assistance payments on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered locally by over 40 public housing agencies and statewide by the Department of Housing (DOH) and its contracted vendor. DOH advances program funds to its contractor that disburses the funds to landlords and participants.

## Criteria

Title 2 U.S. Code of Federal Regulations (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 24 CFR Part 982.158 provides that the PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a prompt and effective audit.

Title 24 CFR Part 5.233 requires PHAs to use the Enterprise Income Verification system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations of family compositions and income.

Office of Public and Indian Housing (PIH) notice PIH 2018-18 provides that PHAs maintain the report and documentation of any follow up in the tenant file. The PHAs are also required to maintain copies of the Enterprise Income Verification income and Income Validation Tool reports used to confirm family reported income within 120 days of the Inventory Management Public and Indian Housing Information Center submission date.

Office of Public and Indian Housing (PIH) notice PIH 2012-28 provides that PHAs adopt procedures at admission and at annual recertification/reexamination to prevent lifetime registered sex offenders from receiving federal housing assistance. If the tenant or a member of the tenant's household engages in criminal activity (including sex offenses) while living in HUD-assisted housing, the PHA should pursue eviction or termination.

## Condition

Our review of 60 housing assistance payments and utility reimbursements, totaling \$99,286 and \$2,813, respectively, disclosed the following:

- In four cases, the PHA did not have Income Validation Tool reports on file to support tenant employment and income.
- In two cases, the PHA did not receive all required source documents prior to completing the initial/annual reexaminations.
- In one case, the PHA did not verify the tenant's employment and income noted on the Income Validation Tool.
- In one case, the PHA did not verify household members were not lifetime registered sex offenders or check their criminal record during the annual reexamination.

## Context

During the fiscal year ended June 30, 2025, housing assistance payment transactions and utility reimbursements for the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs totaled \$127,656,361.

The sample was not statistically valid.

Questioned Costs	\$0
Effect	There is an increased risk that DOH provides financial assistance to ineligible individuals.
Cause	The conditions are due to a lack of management oversight.
Prior Audit Finding	We previously reported this as finding 2024-727 and in two prior audits.
Recommendation	The Department of Housing should properly monitor its contractor to ensure that it only awards benefits to eligible recipients.
Views of Responsible Officials	"We agree with the finding. DOH did contract with a third-party entity to provide these services. The contractor has been experiencing technical difficulties accessing the HUD system. We are aware of this current situation, and we are working with HUD to resolve this issue as soon as possible. "

## **Finding 2025-727**

### Reporting - Financial Assessment Subsystem for Public Housing

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<b>Program Name:</b>	<b>Section 8 Housing Choice Vouchers (Assistance Listing 14.871)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>ACC CT 901 VO</b>

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<b>Program Name:</b>	<b>Mainstream Vouchers (Assistance Listing 14.879)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Number:</b>	<b>ACC CT 901 DVO</b>

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**Background** The United States Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers Program provides rental assistance to help very low-income

families afford decent, safe, and sanitary rental housing. The Mainstream Vouchers Program enables families to lease affordable private housing when the head, spouse, or co-head is a person with disabilities. Public housing agencies (PHA) are authorized to administer the programs locally and make housing assistance payments on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered locally by over 40 public housing agencies and statewide by the Department of Housing (DOH) and its contracted vendor. DOH advances program funds to its contractor that disburses the funds to landlords and participants.

Criteria	Title 24 <i>U.S. Code of Federal Regulations</i> Part 5.801 requires PHAs to submit financial information (prepared in accordance with Generally Accepted Accounting Principles) annually. Unaudited financial statements are required 60 days after the PHA's fiscal year end, and audited financial statements are then required no later than nine months after the PHA's fiscal year end. The PHA should submit financial information through the HUD Financial Assessment Subsystem for Public Housing (FASS-PH).
Condition	Our review disclosed that DOH did not submit required financial information for the fiscal years ended June 30, 2020, 2021, 2022, 2023, and 2024.
Context	The department is unable to submit subsequent reports until HUD approves the prior year's submission. In August 2025, DOH submitted audited information for the fiscal year ended June 30, 2019.
Questioned Costs	\$0
Effect	HUD uses financial information submitted through the FASS-PH to monitor and oversee the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs. Without the timely submission of information, HUD may not have the data necessary to make informed decisions about the programs.
Cause	The department has not devoted the resources necessary to complete the federal financial reports.

**Prior Audit Finding** We previously reported this as finding 2024-729 and in eight prior audits.

**Recommendation** The Department of Housing should promptly submit required financial information to the Department of Housing and Urban Development in accordance with Title 24 U.S. Code of Federal Regulations Part 5.801.

**Views of Responsible Officials** "We agree with the finding. The Department of Housing (DOH) submitted its 2019 audit in August 2025 and is currently awaiting the Auditor's approval. With the new established Section-8 Division, the additional support has made a great impact, and it has helped expedite this work. However, the process is time consuming because we cannot submit audits for subsequent years until the prior year's audit is approved. Once the 2019 audit is approved, we will begin work on the 2020 audit and continue sequentially until we are fully up to date. Our goal is to be fully caught up by December 31, 2027. "

## **Finding 2025-728**

### Special Tests and Provisions – Housing Assistance Payments

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**Program Names:** COVID-19 Section 8 Housing Choice Vouchers (Assistance Listing 14.871)  
Section 8 Housing Choice Vouchers (Assistance Listing 14.871)

**Federal Award Agency:** United States Department of Housing and Urban Development

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Number:** ACC CT 901 VO

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**Program Name:** Mainstream Vouchers (Assistance Listing 14.879)

**Federal Award Agency:** United States Department of Housing and Urban Development

**Award Years:** Federal Fiscal Years 2024 and 2025

**Federal Award Number:** ACC CT 901 DVO

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**Background** The United States Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers

Program provides rental assistance to help very low-income families afford decent, safe, and sanitary housing. Section 3202 of the American Rescue Plan Act of 2021 provided for new incremental Emergency Housing Vouchers. Office of Public and Indian Housing (PIH) notice PIH 2021-25 provides that public housing agencies (PHA) should report Emergency Housing Vouchers under the Section 8 Housing Choice Vouchers Program. The Mainstream Vouchers Program enables families to lease affordable private housing when the head, spouse, or co-head is a person with disabilities. Public housing agencies are authorized to administer the programs locally and make housing assistance payments on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered locally by over 40 public housing agencies and statewide by the Department of Housing (DOH) and its contracted vendor. DOH advances program funds to its contractor that disburses the funds to landlords and participants.

## Criteria

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Title 24 CFR Part 982.158 provides that the PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a prompt and effective audit.

Title 24 CFR Part 982.516 requires the PHA to conduct a reexamination of family income and composition at least annually. The PHA must obtain and document in the tenant file third-party verifications of reported family annual income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income, or must document why third-party verification was not available. At the effective date of a regular or interim reexamination, the PHA must make appropriate adjustments in the HAP.

## Condition

Our review of ten housing assistance payments and utility reimbursements totaling \$17,721 and \$351, respectively, disclosed that in one case, the PHA incorrectly calculated the payment. The PHA incorrectly calculated the tenant's total annual

income and total allowance/deductions. These errors resulted in an overpayment of \$49 for the tested benefit month.

Context	<p>During the fiscal year ended June 30, 2025, housing assistance payment transactions and utility reimbursements for the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs totaled \$127,656,361.</p> <p>The sample was not statistically valid.</p>
Questioned Costs	<p>Our review identified questioned costs totaling \$49 for the Section 8 Housing Choice Vouchers program.</p>
Effect	<p>DOH has reduced assurance of the accuracy of housing assistance payments and utility reimbursements.</p>
Cause	<p>The condition was due to a lack of management oversight.</p>
Prior Audit Finding	<p>We have not previously reported this finding.</p>
Recommendation	<p>The Department of Housing should strengthen internal controls to ensure that it properly calculates and supports Section 8 Housing Choice Vouchers and Mainstream Vouchers housing assistance and utility benefit payments.</p>
Views of Responsible Officials	<p>"We agree with the finding. DOH did contract with a third-party entity to provide these services; however, DOH retains overall responsibility for the program. Recently, DOH established a Section 8 division within DOH to provide more oversight over the program and contractor. We are working closely with the contractor to strengthen their internal control, develop policies and procedures. DOH will continue collaborating with the contractor to enhance system controls and minimize the risk of future issues. All identified errors in this finding have been corrected including the questionable cost. DOH remains committed to continuous improvement and effective oversight of the program and contractor. "</p>

# Office of Early Childhood

## Finding 2025-775

### Eligibility - Verification Process - Care 4 Kids Program

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<b>Program Names:</b>	<b>Child Care and Development Block Grant (Assistance Listing 93.575) COVID-19 Child Care and Development Block Grant (Assistance Listing 93.575)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2021, 2023, and 2024</b>
<b>Federal Award Numbers:</b>	<b>2101CTCDC6, 2301CTCCDD, and 2401CTCCDD</b>

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<b>Program Name:</b>	<b>Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF) (Assistance Listing 93.596)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>2401CTCCDM, 2401CTCCDF, 2501CTCCDM, and 2501CTCCDF</b>

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#### Criteria

The Office of Early Childhood (OEC) administers the Care 4 Kids Child Care Assistance Program (CCAP) in accordance with Title 45 *U.S. Code of Federal Regulations* Part 98. This program provides financial assistance for childcare to low-income families. OEC contracted with a third party for eligibility processing. Sections 17b-749a through 17b-749l of the General Statutes and corresponding Regulations of Connecticut State Agencies (RCSA) govern CCAP.

RCSA 17b-749-02(b)(1) requires parents and providers to supply all requested forms, information, and verification needed to determine eligibility and calculate the amount of benefits within 15 days of the initial request or the date specified by the department.

RCSA 17b-749-05(d) requires gross income calculations to be based on the best estimate of the income the family is expected to receive. Income is annualized based on the amount received in the

four-week period immediately prior to the date of the income calculation. If income is received regularly according to a schedule, the income is annualized based on such schedule. OEC has a policy which requires eligibility caseworkers to verify pay stubs for the most recent month.

RCSA 17b-749-13(f)(1) states, in part, that the parent shall be responsible for all costs not reimbursed by the CCAP on behalf of the parent. In addition, families with employment earnings shall be responsible for paying a portion of the authorized cost of care based on a monthly sliding fee scale.

OEC utilizes the State's Integrated Management of Public Assistance for Connecticut (ImpaCT) system to process eligibility determinations and maintain client case files.

Condition

We reviewed 25 cases with expenditures of \$19,647 and identified the following errors:

**Income Verification/Calculation**

In five cases, we could not verify the gross income calculations, or the calculations did not agree with supporting paystubs.

**Family Fee**

In six cases, we could not verify the family cost share (family fee) due to lack of supporting documentation, or the fee did not agree with existing support documentation.

These errors resulted in \$139 in overpayments and \$360 in underpayments for the tested benefit months.

Context

The audit universe consisted of \$269,292,104 in subsidy payments.

The sample was not statistically valid.

Questioned Costs

Errors resulted in \$139 of questioned costs for the tested benefit months. Further review noted an additional \$616 in questioned costs during the audited period. We could not determine the amount of questioned costs associated with each grant award.

Effect

There is reduced assurance that case workers determining client eligibility properly obtained and verified applications, parent

provider agreements, and supporting documentation and that OEC charged clients correct family fees.

**Cause** OEC did not adequately ensure that caseworkers followed proper eligibility determination procedures due to a lack of management oversight.

**Prior Audit Finding** We previously reported this as finding 2024-776 and in five prior audits.

**Recommendation** The Office of Early Childhood should strengthen internal controls over its program eligibility verification process to ensure compliance with all federal and state regulations.

**Views of Responsible Officials** “We agree with this finding.

The Office of Early Childhood (OEC) agrees in the five selected cases--under income verification/calculation--the gross income calculations could not be verified (or the calculations did not agree with the supporting paystubs). Under family fee, OEC agrees in the six selected cases, the family cost share (family fee) could not be verified due to lack of supporting documentation or the fee did not agree with the existing support documentation.

To ensure that case workers follow proper eligibility determination procedures, during the Fall of 2020, the OEC and the contractor’s Care 4 Kids Program Quality Assurance (QA) staff implemented a real-time monthly case review process. Two dedicated QA staff reviewed the 23 cases from Report 823 (The Administration for Children and Families (ACF) Improper Payments) to identify any error trends and develop action plans to address the errors. The process also includes monthly meetings between the OEC and the contractor’s team to discuss the reviews. These regular meetings allowed the OEC and the contractor’s team to work closely to streamline business processes to assist in reducing case processing errors.

The contractor’s review team continued the real-time review process but took a pause in March 2024 to conduct the 2023-2024 federal improper payments review. The real-time review resumed in November 2025 (it had been noted during the 2023-2024 federal improper payments review cycle that despite the processes that have been implemented eligibility staff were still making errors with calculation of income resulting in incorrect family fees).

To strengthen internal controls over the Care 4 Kids program eligibility verification process, identify error trends, and to ensure compliance with all federal and state regulations, the contractor has its own internal QA process; however, the OEC has added real time case reviews and an ongoing second layer monthly review to this process.

The following corrective action measures have been approved and implemented by the OEC to better identify, prevent, and remedy these errors:

1. The QA Team uses a randomizer to select 10 cases completed by the Eligibility Service Specialists in the last 30 days. These cases consist of applications, redeterminations and supporting documents. The data elements reviewed focus on income and family fee calculation to identify error trends. The error trends are tracked and a quarterly report submitted to the OEC. The quarterly reports will identify the reasons for the errors, which will inform tools that can be made readily available to mitigate the errors, and provide more frequent staff training.
2. The QA Team reviews 13 sample cases from Report 823 (ACF Improper Payment Report), the similar process of the Federal Improper Payment review."

# Department of Mental Health and Addiction Services

## Finding 2025-800

### Eligibility

<b>Program Name:</b>	<b>Continuum of Care Program (Assistance Listing 14.267)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>Various</b>

#### Background

The Department of Mental Health and Addiction Services (DMHAS) utilizes private nonprofit providers and state operated local mental health authorities to provide its Continuum of Care (CoC) program services. Title 24 *U.S. Code of Federal Regulations* (CFR) Part 578.3 defines these CoC entities as the group organized to carry out the program's responsibilities. It is composed of representatives of organizations, including nonprofit providers and mental health agencies, that serve homeless and formerly homeless persons and veterans to the extent these groups are represented within the geographic area and are available to participate. The program typically serves the chronically homeless, which the regulations define as homeless individuals with disabilities. However, in certain instances, disabled clients who are homeless, but not chronically homeless as defined in federal regulations, may enter the program if there are no other interested individuals who meet the eligibility criteria. DMHAS requires the entities to submit a Coordinated Access Network (CAN) Referral Form, which provides attestation the client entering the program was appropriate and there were no other interested clients higher on the priority list.

#### Criteria

Title 24 CFR Part 578.103(a) provides that the recipient must establish and maintain sufficient records to enable the United States Department of Housing and Urban Development to determine whether the recipient is meeting recordkeeping requirements. It also provides that recipients must maintain

acceptable evidence of the participants' homelessness status as defined in Title 24 CFR Part 576.500(b), which requires that the recipient must maintain and follow written intake procedures to ensure compliance with the homeless definition in Title 24 CFR Part 576.2.

Title 24 CFR Part 578.77(c) provides that each program participant on whose behalf rental assistance payments are made must pay a contribution toward rent in accordance with Section 3(a)(1) of the U.S. Housing Act of 1937. The program participant's income must be calculated in accordance with 24 CFR Parts 5.609 and 5.611(a). Recipients must initially examine a program participant's income to determine their contribution toward the rental payment. They must annually reexamine the participants' income in subsequent years.

## Condition

Our review of eligibility for 40 clients receiving CoC rental assistance disclosed the following:

- DMHAS did not properly and adequately document eligibility for two clients. DMHAS did not have sufficient documentation on file to support the clients' reported homelessness history on the Homelessness Verification Form.
- DMHAS overstated the housing assistance payments for three clients by \$657 for the benefit months tested. Further review noted an additional \$2,627 in overpayments during the audited period.

## Context

During the fiscal year ended June 30, 2025, DMHAS processed 18,451 rental assistance payments totaling \$24,992,830. We reviewed 40 rental assistance payments, totaling \$194,548. We randomly selected 38 payments for clients that enrolled in the program during the state fiscal year 2025. We also randomly selected two clients that enrolled in the program during the state fiscal year 2024, but their payments did not start until state fiscal year 2025.

The sample was not statistically valid.

## Questioned Costs

We identified \$1,850 in questioned costs for grant award CT0285L1E032308, \$853 in questioned costs for grant award CT0172L1E052311, and \$581 in questioned costs for grant award CT0054L1E052316.

Effect	<p>The department may be providing housing assistance to ineligible clients.</p> <p>Program participants may not be contributing the required amounts toward their rental assistance payments.</p>
Cause	<p>DMHAS did not ensure its providers adequately documented client eligibility.</p> <p>Rental payments were inaccurate due to clerical or preparer errors where all applicable income was not included in the rent calculations and a lack of supervisory oversight.</p>
Prior Audit Finding	<p>We previously reported this as finding 2024-800 and in seven prior audits.</p>
Recommendation	<p>The Department of Mental Health and Addiction Services should strengthen internal controls to ensure providers maintain sufficient documentation to support participant eligibility and accurately calculate client income and rental assistance payments in the Continuum of Care Program.</p>
Views of Responsible Officials	<p>“We agree with this finding. In 2026, DMHAS will continue to conduct trainings on CoC Fiscal Requirements. As in the past, these trainings will be recorded and available for viewing on the Connecticut Balance of State Continuum of Care (CTBOS) website.</p> <p>DMHAS Housing and Homeless Services Unit staff conduct mandatory in-person and virtual Technical Assistance visits for the funded agencies to provide guidance and training on the United States Department of Housing and Urban Development (HUD) required eligibility regulations Income Calculation and Documentation.</p> <p>On November 1, 2023, DMHAS implemented a Microsoft Excel Workbook that is fully inclusive of the DMHAS required paperwork, including the income calculation, lease, contract, as well as initial and recertification which standardizes the documents for each participant. On December 19, 2025, the workbook was updated to enhance internal controls over the use of Rent Reasonableness forms and calculations of client income and rental assistance payments.</p>

The DMHAS Housing and Homeless Services Unit will continue to work with the DMHAS Fiscal Services Bureau to ensure payments are made accurately, correctly and on-time.”

## **Finding 2025-801**

### Special Tests and Provisions – Rent Reasonableness

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<b>Program Name:</b>	<b>Continuum of Care Program (Assistance Listing 14.267)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Housing and Urban Development</b>
<b>Award Years:</b>	<b>Federal Fiscal Years 2024 and 2025</b>
<b>Federal Award Numbers:</b>	<b>Various</b>

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#### Background

The Department of Mental Health and Addiction Services (DMHAS) utilizes private nonprofit providers and state operated local mental health authorities to provide its Continuum of Care (CoC) program services. Housing providers at these entities are responsible for determining the reasonableness of rental rates.

Title 24 *U.S. Code of Federal Regulations* (CFR) Part 578.3 defines these CoC entities as the group organized to carry out the program’s responsibilities. It is composed of representatives of organizations, including nonprofit providers and mental health agencies, that serve homeless and formerly homeless persons and veterans to the extent these groups are represented within the geographic area and are available to participate.

#### Criteria

Title 24 *U.S. Code of Federal Regulations* Part 578.51(g) provides that the United States Department of Housing and Urban Development (HUD) will only provide rental assistance for a unit if the rent is reasonable. The recipient or subrecipient must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents charged for comparable unassisted units, considering the location, size, type, quality, amenities, facilities, and management and maintenance of each unit. Reasonable rent must not exceed the rent the same owner currently charges for comparable unassisted units.

The HUD Exchange provides that recipients and subrecipients must establish their own written procedures for documenting comparable rents to establish transparency and consistency across all projects. In addition, recipients and subrecipients should have a procedure in place to ensure it documents compliance with rent reasonableness standards prior to executing the lease for an assisted unit. Recipients and subrecipients can check comparable rents by using a market study of rents charged for units of different sizes in different locations or by reviewing advertisements for comparable rental units. Providers must maintain documentation on file (e.g., unit rent/description, evidence the units share the same features, etc.).

## Condition

Our review of reasonable rent certifications for ten rental assistance payments disclosed the following:

- In two cases, DMHAS' providers did not maintain sufficient documentation to support the reasonableness of rents paid. The providers did not preserve dated market studies, printouts of three comparable rents, and the units' descriptions and features.
- In two cases, DMHAS' providers did not complete the clients' rent reasonableness checklist and certification worksheets until 14 and 16 days after the move-in date.
- In one case, DMHAS' provider did not sign or date the client's rent reasonableness checklist and certification worksheet.

## Context

During the fiscal year ended June 30, 2025, DMHAS processed 18,451 rental assistance payments totaling \$24,992,830. Of these payments, the department made 1,114 rental payments totaling \$1,530,492 on behalf of 150 clients that enrolled in the program during the fiscal year ended June 30, 2025. We randomly selected ten clients from our eligibility testing who enrolled in the program during the fiscal year ended June 30, 2025. We randomly selected these clients from three of five providers. We selected three or four clients from each provider. The department paid \$11,736 in rental assistance payments for these clients during the audited period.

The sample was not statistically valid.

Questioned Costs \$0

Effect	The department may be overpaying rental subsidies.
Cause	DMHAS did not ensure its providers maintained documentation to support rental rates or promptly approved rent reasonableness checklists and certification worksheets.
Prior Audit Finding	We previously reported this as finding 2024-801.
Recommendation	The Department of Mental Health and Addiction Services should strengthen internal controls to ensure providers maintain sufficient and current documentation to support the reasonableness of rent for the Continuum of Care Program.
Views of Responsible Officials	“We agree with this finding. DMHAS Housing and Homeless Services Unit verbally instructed providers that they must complete, prior to client move-in, accurately, sign and retain documentation regarding the comparable units when completing the Rent Reasonableness on December 17, 2024. On December 24, 2024 and December 19, 2025, these instructions were sent to the providers via email. On February 4, 2025 DMHAS updated the CoC Operations Guide with the full instructions for completing the Rent Reasonableness and the retention of supporting documentation. DMHAS will continue to randomly review a sample of Rent Reasonable documents throughout the year and will provide training and technical assistance to providers on the completion and retention of Rent Reasonableness documentation.”

## Finding 2025-802

### Cash Management – Excessive Drawdown

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<b>Program Name:</b>	<b>Block Grants for Prevention and Treatment of Substance Use (Assistance Listing 93.959)</b>
<b>Federal Award Agency:</b>	<b>United States Department of Health and Human Services</b>
<b>Award Year:</b>	<b>Federal Fiscal Year 2024</b>
<b>Federal Award Number:</b>	<b>1B08TI087029-01</b>

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Criteria	Title 31 <i>U.S. Code of Federal Regulations</i> (CFR) Part 205.33(a) provides that a state must minimize the time between the
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drawdown of federal funds from the federal government and their disbursement for federal program purposes. The timing and amount of funds transferred must be as close as is administratively feasible to a state's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

**Condition** The Department of Mental Health and Addiction Services (DMHAS) drew down \$2,531,132 of excess cash.

**Context** During the fiscal year ended June 30, 2025, DMHAS drew down federal funds for the reimbursement of program expenditures three times totaling \$10,233,553 from the federal award number 1B08TI087029-01 grant. For this grant, we calculated a running balance of expenditures and drawdowns within the period of performance and found that the \$3,993,693 drawdown on September 25, 2024 exceeded program expenditures by \$2,531,132. The department recorded \$2,531,132 in program expenditures the following month.

**Questioned Costs** \$0

**Effect** DMHAS did not comply with cash handling requirements and drew down more federal funds than they expended on program activities.

**Cause** When DMHAS drew down federal funds on September 25, 2024, it did not account for funds it previously drew down on September 4, 2024.

**Prior Audit Finding** We have not previously reported this finding.

**Recommendation** The Department of Mental Health and Addiction Services should strengthen internal controls over cash management to ensure federal funds it draws down for the Block Grant for Prevention and Treatment of Substance Use program are supported by expenditures.

**Views of Responsible Officials** "We agree with this finding and are committed to ensuring that all future drawdowns are handled accurately and in accordance with federal guidelines. To address this issue and prevent its recurrence, management is implementing the following corrective actions:

1. Enhanced Reconciliation Procedures: The Department will strengthen the monthly and pre-drawdown reconciliation process to ensure that all draw requests are fully supported by corresponding program expenditures before submission. This revised process will help prevent errors in future drawdowns and ensure compliance with cash handling requirements.
2. Updated Written Procedures: Written procedures for drawdowns will be updated to clearly define drawdown eligibility criteria, documentation requirements, and approval responsibilities. These revisions will provide clear guidance to staff involved in the drawdown process.
3. Training and Staff Development: Management will conduct training for all relevant staff members involved in the drawdown and reconciliation process. This training will focus on the importance of compliance with federal requirements, internal controls, and the proper documentation needed for drawdowns.”