



State of Connecticut Single Audit Report

For the Fiscal Year Ended June 30, 2021



AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ CLARK J. CHAPIN

STATE OF CONNECTICUT
Single Audit Report
For the Year Ended June 30, 2021

<u>Table of Contents</u>	<u>Section/Page</u>
<u>Letter of Transmittal</u>	1
 <u>State of Connecticut Financial Statements</u>	
Independent Auditors' Report	4
Management's Discussion and Analysis	8
Basic Financial Statements:	
Statement of Net Position	32
Statement of Activities.....	33
Governmental Fund Financial Statements	37
Proprietary Fund Financial Statements.....	41
Fiduciary Fund Financial Statements.....	44
Component Unit Financial Statements	46
Notes to Financial Statements.....	52
Required Supplementary Information.....	110
 <u>Compliance and Internal Control Over Financial Reporting</u>	
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 <i>Government Auditing Standards</i>	131
 <u>Compliance and Internal Control Over Requirements of Major Federal Programs</u>	
Independent Auditors' Report on Compliance For Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.....	134
<u>Schedule of Expenditures of Federal Awards</u>	139
 <u>Schedule of Findings and Questioned Costs</u>	
Index of Findings and Questioned Costs	192
Summary of Auditors' Results.....	197
Financial Statement Related Findings Required to be Reported in Accordance with <i>Government Auditing Standards</i>	200
Findings and Questioned Costs for Federal Awards.....	202

Letter of Transmittal

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

STATE CAPITOL

210 CAPITOL AVENUE

HARTFORD, CONNECTICUT 06106-1559

JOHN C. GERAGOSIAN

CLARK J. CHAPIN

September 20, 2022

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, 2021.

This report on that audit complies with state audit requirements and with those audit requirements placed upon the state as a condition of expending \$17,977,628,077 in federal financial assistance during the fiscal year ended June 30, 2021. This audit was performed 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, 2021. While only the basic financial statements are included, the complete [Annual Comprehensive Financial Report](#) can be obtained from the Office of the State Comptroller website.

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 many recommendations, all of which need to be addressed in order to ensure the proper administration of federal funds and their continued receipt at current or increased levels.

We would like to take this opportunity to express our appreciation to the Office of the State Comptroller, and the various state agencies that administer major federal programs, for their assistance and cooperation. That cooperation and assistance contributed greatly to the efficient completion of this Statewide Single Audit.

Finally, we wish to acknowledge the work done by our staff in planning for and carrying out this Statewide Single Audit. This audit work has been performed with dedication, creativity, and professionalism. We are pleased to deliver this report for the fiscal year ended June 30, 2021.

Respectfully submitted,



John C. Geragosian
State Auditor



Clark J. Chapin
State Auditor

State of Connecticut
Financial Statements

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

CLARK J. CHAPIN

INDEPENDENT AUDITORS' REPORT

The Honorable Ned Lamont, Governor
Members of the General Assembly

Report on the Financial Statements

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 year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the state's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit:

Government-wide Financial Statements

- the financial statements of the Special Transportation Fund account within the Transportation Fund, the Transportation Special Tax Obligations account within the Debt Service Fund, and the Transportation Restricted Grants Fund account within the Restricted Grants and Accounts Fund, which in the aggregate, represent 5% of the assets, 3% of the net position and 7% of the revenues of the Governmental Activities;
- the financial statements of the John Dempsey Hospital, UConn Medical Group and Finance Corporation accounts within the University of Connecticut and Health Center, the Connecticut State University System, the Connecticut Community Colleges, and the federal accounts for the Clean Water Fund and Drinking Water Fund, which in the aggregate, represent 58% of the assets, 38% of the net position and 19% of the revenues of the Business-Type Activities;
- the financial statements of the discretely presented component units.

Fund Financial Statements

- the financial statements of the Special Transportation Fund account, which represents 99% of the assets and 99% of the revenues of the Transportation Fund;
- the financial statements of the Transportation Special Tax Obligations account, which represents 100% of the assets and 100% of the revenues of the Debt Service Fund;
- the financial statements of the Transportation Restricted Grants Fund account, which represents 4% of the assets and 8% of the revenues of the Restricted Grants and Accounts Fund;
- the financial statements of the John Dempsey Hospital, UConn Medical Group, and Finance Corporation accounts within the University of Connecticut and Health Center, the Connecticut State University System, the Connecticut Community Colleges, and the federal accounts for the Clean Water Fund and Drinking Water Fund, which in the aggregate, represent 58% of the assets, 38% of the net position and 19% of the revenues of the Enterprise Funds;
- the financial statements of the Connecticut Paid Family and Medical Leave Insurance Authority, which represents .4% of the assets, .4% of the fund balance/net position and 1% of the revenues/additions of the aggregate remaining fund information.

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

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. In addition, the financial statements of the Special Transportation Fund, Transportation Special Tax Obligations Fund, Transportation Restricted Grants Fund, Clean Water Fund, Drinking Water Fund, Connecticut Housing Finance Authority, Connecticut Airport Authority, Materials Innovation and Recycling Authority, Connecticut Health and Educational Facilities Authority, Capital Region Development Authority, Connecticut Innovations Incorporated, Connecticut Green Bank, Connecticut Lottery Corporation, Connecticut Port Authority and Connecticut Paid Family and Medical Leave Insurance Authority were audited by other auditors in accordance with standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the University of Connecticut, the University of Connecticut Health Center, the Connecticut State University System, the Connecticut Community Colleges, and the University of Connecticut Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the financial statements, the State of Connecticut adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and 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, 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 and Other 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports 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 taken as a whole.

The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2022, 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 will be issued under separate cover in the *Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters for the Fiscal Year Ended June 30, 2021, State of Connecticut Annual Comprehensive Financial Report* and 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



Clark J. Chapin
State Auditor

February 24, 2022
State Capitol
Hartford, Connecticut



*MANAGEMENT'S
DISCUSSION AND
ANALYSIS*

THIS PAGE INTENTIONALLY LEFT BLANK

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, 2021. 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) increased \$1.6 billion (or 3.4 percent) as a result of this year's operations. Net position (deficit) of governmental activities increased by \$873.8 million (or 1.6 percent) and net position of business-type activities decreased by \$770.7 million (or -11.4 percent). At year-end, net position (deficit) of governmental activities and business-type activities totaled a negative \$55.3 billion and \$6.0 billion, respectively.

Component units reported net position of \$2.8 billion, an increase of \$354.5 million or 14.3 percent from the previous year. Most of the net position is attributable to the Connecticut Housing Finance Authority, a major component unit.

Fund Financial Statements

The governmental funds reported combined ending fund balance of \$11.5 billion, an increase of \$3.2 billion in comparison with the prior year. Of this total fund balance, \$243.3 million represents nonspendable fund balance, \$8.0 billion represents restricted fund balance, \$3.9 billion represents committed fund balance, and \$24.3 million represents assigned fund balance. A negative \$661.5 million unassigned fund balance offsets these amounts. This deficit belongs primarily to the General Fund which decreased by \$441.5 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 \$3.1 billion compared to the prior year's balance of \$3.0 billion. The primary reason for the increase as in the prior fiscal year, significant progress has been 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. For fiscal year 2021, the cap was just over \$3.4 billion for estimated and final income tax payments and revenue from the Pass-through Entity tax. At year-end, a volatility transfer of \$1.24 billion was made to the Budget Reserve Fund.

Prior to the close of fiscal year 2021, the balance in the Budget Reserve Fund was just over \$3.03 billion. Adding the \$1.24 billion volatility transfer brought the Budget Reserve Fund total to \$4.25 billion, or 20.5 percent of net General Fund appropriations for FY 2022. As a result, the Budget Reserve Fund was \$1.14 billion above the statutory 15 percent cap. According to CGS Section 40-30a(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 15 percent threshold as an additional contribution to the State Employee Retirement Fund (SERF) or to the Teachers' Retirement System (TRS). In late September, the State Treasurer elected to transfer \$903.6 million to TRS to reduce unfunded pension liability, with the remaining balance of \$238.8 million going to SERF. In December 2021, the General Fund surplus of \$475.9 million was transferred to SERF to reduce unfunded service liability.

When the excess \$1.14 billion is transferred from the Budget Reserve Fund to TRS and SERF this would bring the Budget Reserve Fund to just over \$3.1 billion or approximately 15 percent of net General Fund appropriations for fiscal year 2022. Achieving and surpassing the 15 percent threshold represents an important benchmark for Connecticut. Due to fiscal discipline and hard work, our state is in a much stronger position to provide critical services to those in need and to weather the public health and fiscal crisis brought on by the COVID-19 pandemic.

Tax revenues in the governmental funds increased \$2.6 billion or 15 percent. General fund tax revenues decreased \$2.5 billion or 15.2 percent.

State of Connecticut

The Enterprise funds reported net position of \$6.0 billion at year-end, a decrease of \$770.7 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 \$98.7 billion for governmental activities at year-end, of which \$28.1 billion was bonded debt.

Total long-term debt was \$2.9 billion for business-type activities at year-end, of which \$1.6 billion was bonded debt.

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 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 beginning on page 43 together 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 2021. 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 & Community Colleges), 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, and Connecticut Airport Authority.

State of Connecticut

Fund Financial Statements – Report the State’s Most Significant Funds

The fund financial statements beginning on page 48 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, all of which are considered major funds. Data from the other nineteen 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 proprietary 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 Colleges), 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 agency 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.

State of Connecticut

- **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, and Connecticut Airport 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 on pages 49 and 51 which 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.

Statistical Section

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

State of Connecticut

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Net Position

The combined net position deficit of the State increased \$1.6 billion or 3.4 percent. In comparison, last year the combined net position deficit increased \$1.4 billion or 3.1 percent. The net position deficit of the State's governmental activities increased \$873.8 million (1.6 percent) to \$55.3 billion during the current fiscal year.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
ASSETS						
Current and Other Assets	\$ 15,023	\$ 9,600	\$ 2,219	\$ 2,339	\$ 17,242	\$ 11,939
Noncurrent Assets	19,227	18,690	7,215	7,250	26,442	25,940
<i>Total Assets</i>	<u>34,250</u>	<u>28,290</u>	<u>9,434</u>	<u>9,589</u>	<u>43,684</u>	<u>37,879</u>
Deferred Outflows of Resources	<u>16,122</u>	<u>14,280</u>	<u>10</u>	<u>7</u>	<u>16,132</u>	<u>14,287</u>
LIABILITIES						
Current Liabilities	7,076	5,164	712	665	7,788	5,829
Long-term Liabilities	96,240	89,852	2,732	2,142	98,972	91,994
<i>Total Liabilities</i>	<u>103,317</u>	<u>95,016</u>	<u>3,444</u>	<u>2,807</u>	<u>106,761</u>	<u>97,823</u>
Deferred Inflows of Resources	<u>2,372</u>	<u>2,090</u>	<u>4</u>	<u>5</u>	<u>2,376</u>	<u>2,095</u>
NET POSITION						
Net Investment in Capital Assets	6,192	6,165	4,193	4,301	10,385	10,466
Restricted	7,385	5,245	1,085	952	8,470	6,197
Unrestricted	(68,894)	(65,946)	718	1,531	(68,176)	(64,415)
<i>Total Net Position (Deficit)</i>	<u>\$ (55,317)</u>	<u>\$ (54,536)</u>	<u>\$ 5,996</u>	<u>\$ 6,784</u>	<u>\$ (49,321)</u>	<u>\$ (47,752)</u>

Total investment in capital assets net of related debt was \$6.2 billion (buildings, roads, bridges, etc.); and \$7.4 billion was restricted for specific purposes, resulting in an unrestricted net position deficit of \$68.9 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 \$18.6 billion to finance various municipal grant programs (e.g., school construction) and \$2.2 billion issued to finance a contribution to a pension trust fund; and b) other long-term obligations in the amount of \$70.5 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 decreased \$770.7 million (-11.4 percent) to \$6.0 billion during the current fiscal year. Of this amount, \$4.2 billion was invested in capital assets and \$1.1 billion was restricted for specific purposes, resulting in unrestricted net position of \$718 million. 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, 2021 and 2020 were as follows:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>% change</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>21-20</u>
REVENUES							
Program Revenues							
Charges for Services	\$ 3,106	\$ 3,163	\$ 2,929	\$ 3,437	\$ 6,035	\$ 6,600	-8.6%
Operating Grants and Contributions	12,660	9,579	4,116	540	16,776	10,119	65.8%
Capital Grants and Contributions	986	782	12	2	998	784	27.3%
General Revenues							
Taxes	20,752	17,459	-	-	20,752	17,459	18.9%
Casino Gaming Payments	229	164	-	-	229	164	39.6%
Lottery Tickets	407	338	-	-	407	338	20.4%
Other	168	219	6	35	174	254	-31.5%
Total Revenues	38,308	31,704	7,063	4,014	45,371	35,718	27.0%
EXPENSES							
Legislative	139	131	-	-	139	131	6.1%
General Government	5,654	2,792	-	-	5,654	2,792	102.5%
Regulation and Protection	1,208	986	-	-	1,208	986	22.5%
Conservation and Development	1,478	1,190	-	-	1,478	1,190	24.2%
Health and Hospital	3,502	3,081	-	-	3,502	3,081	13.7%
Transportation	2,531	2,314	-	-	2,531	2,314	9.4%
Human Services	11,915	10,834	-	-	11,915	10,834	10.0%
Education, Libraries, and Museums	6,190	5,490	-	-	6,190	5,490	12.8%
Corrections	2,740	2,524	-	-	2,740	2,524	8.6%
Judicial	1,208	1,135	-	-	1,208	1,135	6.4%
Interest and Fiscal Charges	968	943	-	-	968	943	2.7%
University of Connecticut & Health Center	-	-	2,765	2,651	2,765	2,651	4.3%
Board of Regents	-	-	1,432	1,427	1,432	1,427	0.4%
Employment Security	-	-	5,201	1,651	5,201	1,651	215.0%
Clean Water	-	-	42	54	42	54	-22.2%
Other	-	-	43	50	43	50	-14.0%
Total Expenses	37,533	31,420	9,483	5,833	47,016	37,253	26.2%
Excess (Deficiency) Before Transfers	775	284	(2,420)	(1,819)	(1,645)	(1,535)	
Transfers	(1,649)	(1,348)	1,649	1,348	-	-	
Increase in Net Position	(874)	(1,064)	(771)	(471)	(1,645)	(1,535)	
<i>Net Position (Deficit) - Beginning (as restated)</i>	<i>(54,443)</i>	<i>(53,472)</i>	<i>6,767</i>	<i>7,255</i>	<i>(47,676)</i>	<i>(46,217)</i>	
Net Position (Deficit) - Ending	(55,317)	(54,536)	5,996	6,784	(49,321)	(47,752)	3.3%

Note: The beginning Net Position for Business-Type Activities was restated due to the reclassification of a proprietary fund to a Component Unit.

The beginning Net Position for Governmental Activities was due to the reclassification of a governmental fund to a Fiduciary Component Unit.

Changes in Net Position

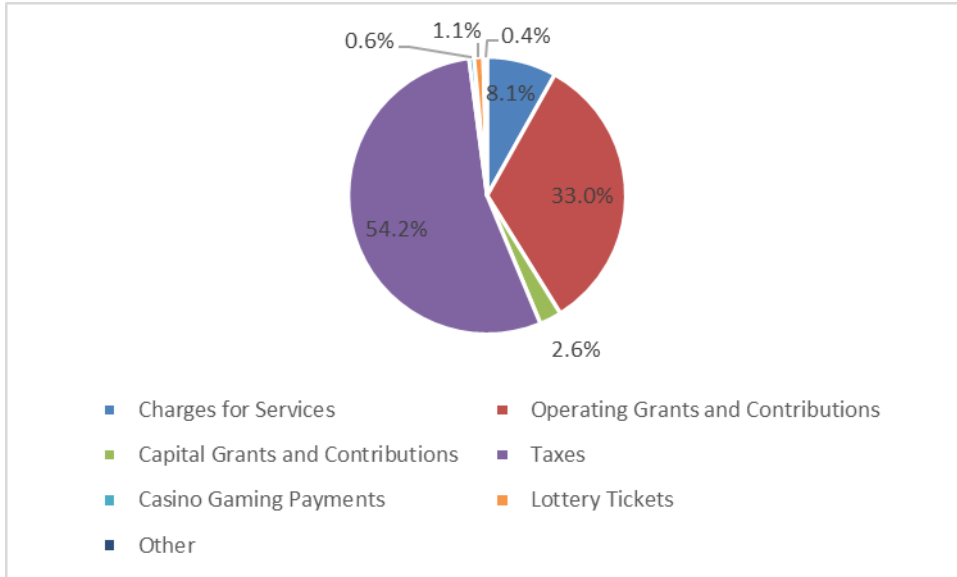
This year the State's governmental activities received 54.2 percent of its revenue from taxes and 35.6 percent of its revenues from grants and contributions. In the prior year, taxes accounted for 55.0 percent and grants and contributions were 32.7 percent of total revenues. Charges for services such as licenses, permits, and fees, rents and fines, and other miscellaneous collections comprised 10.2 percent of total revenue in fiscal year 2021, compared to 12.3 percent in fiscal year 2020.

State of Connecticut

Governmental Activities

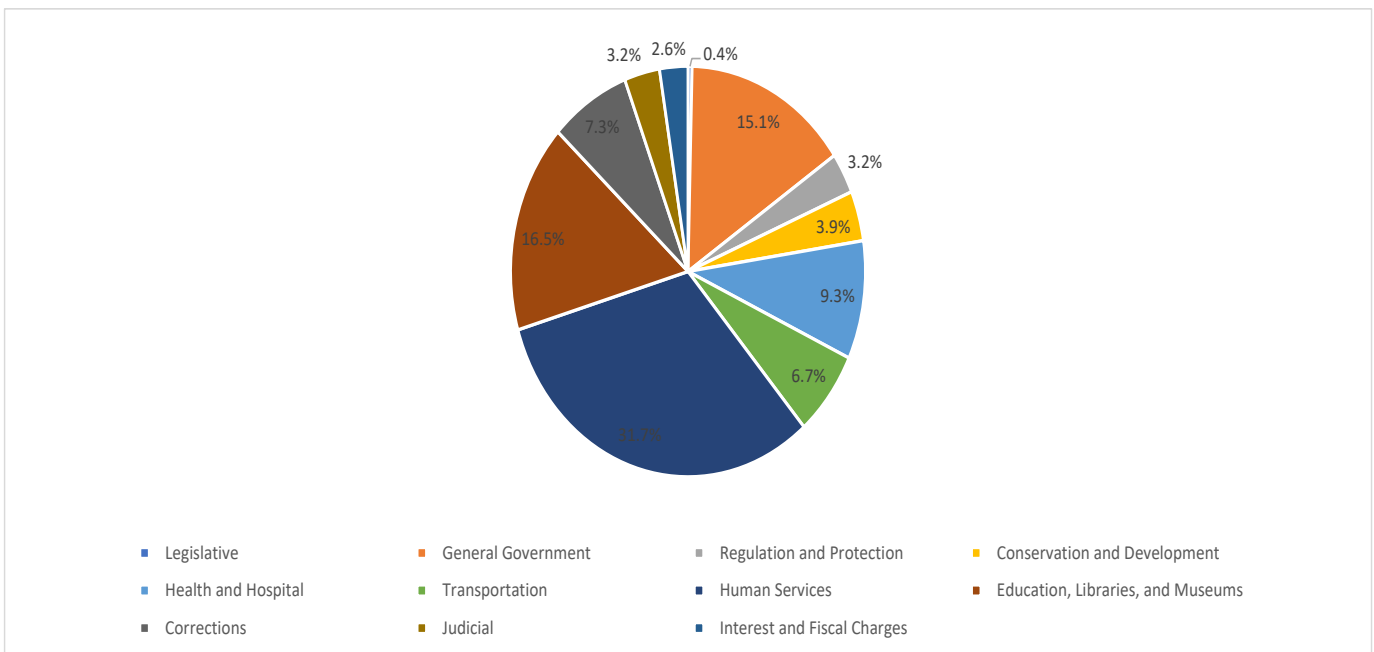
The following graph is a representation of the Statement of Activities revenues for governmental activities. Governmental activities revenues increased by \$6.6 billion, or 20.8 percent. This increase is primarily due to an increase of \$3.3 billion in taxes and \$3.1 billion in operating grants and contributions.

**Revenue by Source – Governmental Funds
Fiscal Year 2021**



The following graph is a representation of the Statement of Activities expenses for governmental activities. Governmental activities expenses increased by \$6.1 billion, or 19.4 percent.

**Expenses by Type – Governmental Funds
Fiscal Year 2021**

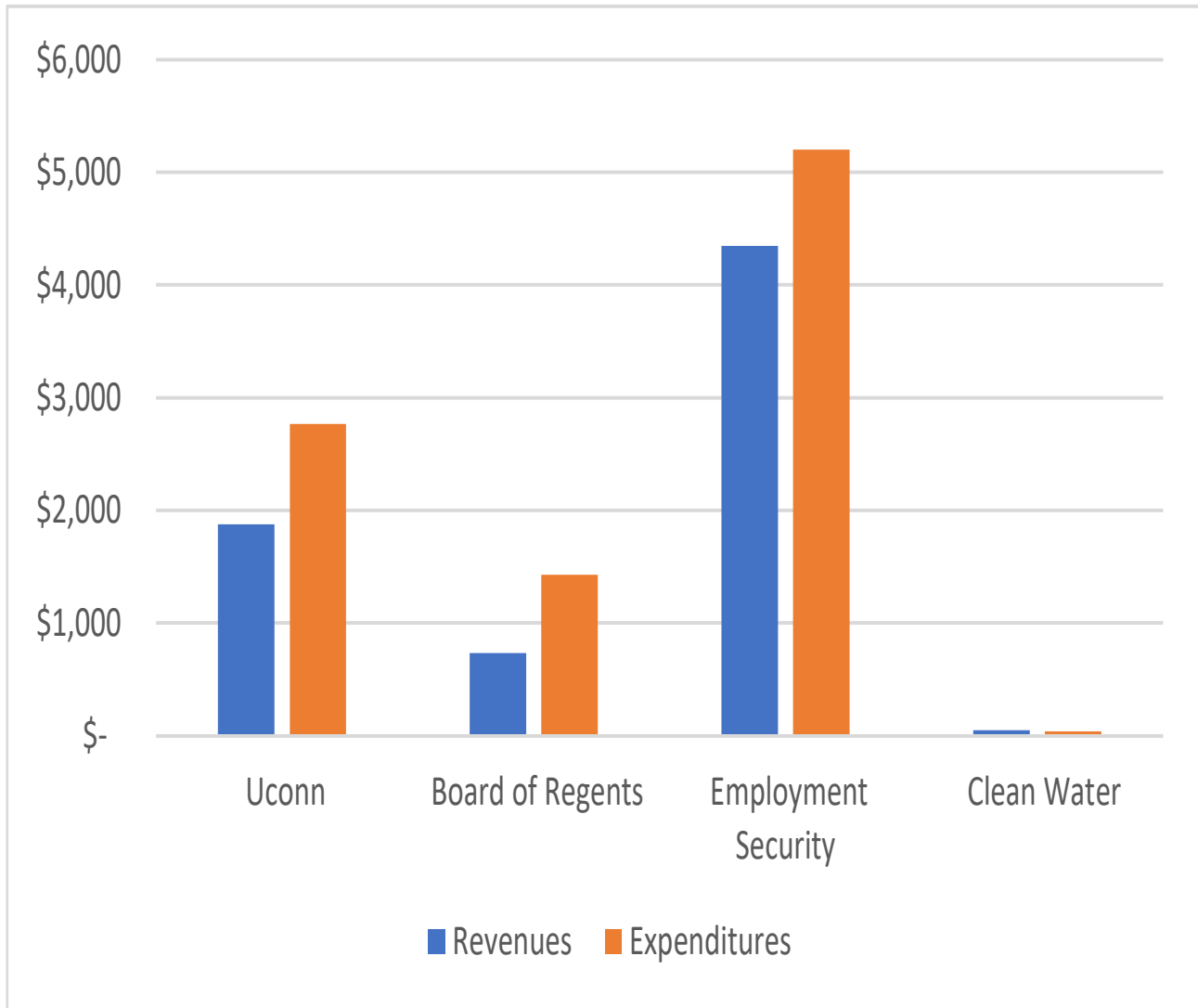


State of Connecticut

Business-Type Activities

Net position of business-type activities decreased by \$770.7 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, 2021
(Dollars in Millions)**



During the year, total revenues of business-type activities increased 76.0 percent to \$7.1 billion, while total expenses increased 62.6 percent to \$9.5 billion. In comparison, last year total revenues increased 17.9 percent, while total expenses increased 26.5 percent. The increase in total expenses of \$3.7 billion was due mainly to an increase in Employment Security expenses of \$3.6 billion or 215.0 percent. Although total expenses exceeded total revenues by \$2.4 billion, this deficiency was reduced by transfers of \$1.6 billion, resulting in a decrease in net position of \$770.7 million. The increase in Employment Security was the result of additional unemployment expenses related to the COVID-19 pandemic.

State of Connecticut

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 \$11.5 billion, an increase of \$3.2 billion over the prior year ending fund balances. Of the total governmental fund balances, \$8.0 billion represents fund balance that is considered restricted for specific purposes by external constraints or enabling legislation; \$243.3 million represents fund balance that is non-spendable and \$3.9 billion represents fund balance that is committed or assigned for specific purposes. A negative \$661.5 million 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 \$3.3 billion, an increase of \$990.4 million in comparison with the prior year. Of this total fund balance, \$3.9 billion represents non-spendable fund balance, committed or assigned for specific purposes, leaving a deficit of \$660.7 million in unassigned fund balance.

Specific changes to the General Fund balance included the following:

- Non-spendable fund balance increased by 8.6 million or 12.6 percent.
- Committed fund balance increased by \$718.4 million or 22.8 percent. The primary reason for the increase as in the prior fiscal year, 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 \$144.4 million.
- Unassigned fund balance deficit decreased by \$411.5 million.

At the end of fiscal year 2021, General Fund revenues were 14.6 percent, or \$2.9 billion, higher than fiscal year 2020 revenues. This change in revenue results from increases of \$3.0 billion primarily attributable to taxes (\$2.5 billion), lottery tickets (\$69.8 million), licenses, permits, and fees (\$29.7 million), fines, forfeits, and rents (\$16.7 million), casino gaming payments (\$64.7 million), and federal grants (321.2 million). These increases were offset by decreases of \$55.1 million primarily attributable to charges for services (\$3.2 million), investment earnings (45.8 million) and other revenue (6.1 million).

At the end of fiscal year 2021, General Fund expenditures were 10.6 percent, or \$2.0 billion, higher than fiscal year 2020. This was primarily attributable to increases in general government (\$1.7 billion), human services (\$108.7 million), and education (\$42.6 million).

Debt Service Fund

At the end of fiscal year 2021, the Debt Service Fund had a fund balance of \$1.1 billion, all of which was restricted, an increase of \$78.5 million in comparison with the prior year.

Transportation Fund

The State's Transportation Fund had a fund balance of \$323.7 million at the end of fiscal 2021. Of this amount, \$27.2 million was in non-spendable form and \$296.5 million was restricted or committed for specific purposes. Fund balance increased by 54.2 million during the current fiscal year.

At the end of fiscal year 2021, Transportation Fund revenues increased by \$205.9 million, or 13.2 percent, and expenditures decreased by \$3.1 million, or -.30 percent. The increase in revenue was primarily due to an increase in licenses, permits, and fees.

Restricted Grants and Accounts Fund

At the end of fiscal year 2021, the Restricted Grants and Accounts Fund had a fund balance of \$3.6 billion, all of which was restricted for specific purposes, an increase of \$1.7 billion in comparison with the prior year.

Total revenues were 30.5 percent, or \$2.9 billion, higher than in fiscal year 2020. Overall, total expenditures were 29.1 percent, or \$2.5 billion, higher than fiscal year 2020.

Grant and Loan Programs

As of June 30, 2021, the Grant and Loan Programs Fund had a fund balance of \$866.4 million, all of which was restricted or committed for specific purposes, an increase of \$75.4 million in comparison with the prior year.

State of Connecticut

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 Trust funds, a Fiduciary Component Unit, an Investment Trust fund, a Private-Purpose Trust fund, and Custodial Funds. The net positions of the State's Fiduciary funds totaled \$48.9 billion, an increase of \$10.6 billion when compared to the prior 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,' is 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.

The General Fund ended Fiscal Year 2021 with a surplus of \$475,864,135 on the statutory basis of accounting. In a typical year, once the audit is completed, the surplus would be transferred to the Budget Reserve Fund (BRF). However, the balance in the BRF has reached the statutory limit of 15 percent of current year net General Fund appropriations. Therefore, a separate provision of the Connecticut General Statutes (CGS) will apply as described below.

In FY 2021, for the fourth consecutive year, significant progress was made toward building the balance of the BRF. This was primarily due to the revenue volatility cap, first implemented in FY 2018. This statutory provision requires revenues above a certain threshold to be transferred to the BRF. For FY 2021, the cap was just over \$3.4 billion for estimated and final income tax payments and revenue from the Pass-through Entity tax. At year-end, a volatility transfer of \$1.24 billion was made to the BRF.

Prior to the close of FY 2021, the balance of the BRF was just over \$3.03 billion. Adding the \$1.24 billion volatility transfer brought the BRF total to \$4.25 billion, or 20.5 percent of net General Fund appropriations for FY 2022. As a result, the BRF was \$1.14 billion above the statutory 15 percent cap. According to CGS Section 4-30a (c)(1)(A), no further transfers will be made to BRF. Instead, the State Treasurer decides what is in the best interest of the state, whether to transfer the balance above the 15 percent threshold as an additional contribution to the State Employee Retirement Fund (SERF) or to the Teachers' Retirement System (TRS). In late September the State Treasurer elected to transfer \$903.6 million to TRS, with the remaining balance of \$238.8 million going to SERF. Based on the State Treasurer's decision, the General Fund surplus of \$475.9 million has also been transferred to SERF to reduce unfunded pension liability.

Achieving and surpassing the 15 percent threshold represents an important benchmark for Connecticut. Due to fiscal discipline and hard work, our state is in a much stronger position to provide critical services to those in need and to weather the public health and fiscal crisis brought on by the COVID-19 pandemic.

State of Connecticut

Similar to the pattern in the prior fiscal year, the General Fund budget projections varied widely throughout FY 2021 resulting from the COVID-19 pandemic and its anticipated impact on the state's economy. The FY 2021 budget plan as initially formulated included a built-in General Fund surplus of \$166.2 million. However, revenue estimates were revised significantly downward shortly after the start of the year. This reflected the results of the previous quarter when U.S. economic activity saw its largest drop on record due to COVID-related lock downs and job losses. Amid the uncertainty of the pandemic, the revised revenue schedule reflected a worst-case scenario for the General Fund and a deficit of over \$2.0 billion (or 10.3 percent) was projected at the beginning of the year.

With each passing month, however, the revenue forecasts improved as the economy recovered, supported by significant Federal relief efforts. At the same time, General Fund spending growth was largely held in check. One of the main factors for this was the enhanced Federal Medical Assistance Percentage (FMAP), or matching rate for Medicaid expenditures. As a high-income state, Connecticut's FMAP is typically 50 percent, with the General Fund and Federal funding sources each covering half of the costs. In FY 2021 due to pandemic-related relief provisions, the state received an enhanced Federal reimbursement rate of 56.2 percent, which reduced pressure on the General Fund Medicaid appropriation, the single largest line item in the state budget. In addition, the state began recovering jobs over the course of FY 2021 and the stock market continued its strong performance in the second half of calendar 2020. After the release of the January 15th consensus revenue forecast reached by OPM and the Office of Fiscal Analysis, a modest surplus was reported for the General Fund for the first time in FY 2021.

In the last quarter of the fiscal year, the projected surplus increased as revenue growth continued to exceed expectations in both the April 30th consensus revenue forecast and in the statutory tax accruals. In the end, the General Fund surplus was reduced due to significant carry-forward amounts totaling \$758.4 million that were included in the budget plan for 2022-2023. In other words, amounts that would have lapsed at year-end were instead continued into FY 2022 and 2023 and earmarked for specific purposes.

In FY 2021, General Fund expenditures totaled \$19,436,204,469 on the statutory basis of accounting. This represented an increase of \$247.6 million, or 1.3 percent above FY 2020 spending levels. As noted, one of the primary reasons for the modest growth was a \$119.7 million reduction in General Fund Medicaid spending, a decrease of 4.7 percent compared with the prior year that was largely due to the enhanced FMAP. There was also \$19.7 million (-40.9%) in lower spending from the non-appropriated Adjudicated Claims account, which pays claims against the state. The primary reason was lower payments associated with the SEBAC v. Rowland settlement in FY 2021 compared with FY 2020.

There were significant reductions in several other General Fund accounts in FY 2021. Spending for the General Fund portion of Temporary Assistance to Needy Families (TANF) was lower by \$12.7 million (-22.7%) due to a longer-term trend of caseload decreases that carried into FY 2021. The Care4Kids childcare portion of TANF was lower by \$22.9 million (-29.4%), but this partly reflected a change from gross to net budgeting, where a portion of these expenditures were moved from the General Fund to a Federal grant account. Expenditures for the Board and Care for Children – Foster Care account decreased by \$26.1 million (-19.1%), which reflected pandemic-related spending reductions. For example, due to the COVID-19, fewer children went to day care due to closures or stayed in home settings to reduce the risk of infection. Furthermore, Foster Care transportation costs were lower since many schools went to full time remote learning for significant portions of the year.

Other appropriations saw large spending increases that accounted for much of the growth in FY 2021. The General Fund employer contribution to the State Employee Retirement System (SERS) increased by a net \$119.9 million or 10.0 percent driven entirely by an increase in payments toward unfunded pension liability. This was followed by a \$66.2 million increase in higher education operating expenditures and a \$50.2 million increase in education cost sharing grants to Connecticut cities and towns. The employer contribution to the Teachers' Retirement System grew by \$41 million.

Overall, employee salaries grew modestly in FY 2021. General Fund salary and wage costs (from all appropriations) totaled \$2.83 billion in FY 2021. This represented an increase of \$66.6 million or growth of 2.4 percent compared with FY 2020.

Despite pessimistic projections early in the fiscal year, General Fund revenues finished the year by outperforming their targets. Realized revenues totaled \$20,531,418,459 and came in a net \$278.9 million or 1.4 percent above the FY 2021

State of Connecticut

budget plan. When compared with the FY 2020's realized amounts, revenues performed even better, finishing \$1.3 billion or 7.0 percent above the prior year's levels.

For FY 2021, collections in the six largest tax categories all ended the year above their budget targets. The strongest performer was the Pass-Through Entity Tax (PET) which is levied on Partnerships and S-Corporations. PET receipts ended the year \$699.7 million or 45.2 percent above the budget plan. Due to the strong results in the financial markets, estimated and final income tax collections finished \$259.7 million or 8.4 percent over target. Despite the pandemic and its impact on households, the Sales and Use Tax came in \$204.3 million or 4.3 percent above the budget plan. This was partly the result of significant Federal relief efforts, including several rounds of direct relief payments to households that helped stimulate the economy after the pandemic induced recession hit. The Corporations Tax outperformed its target by \$70.6 million or 6.1 percent and the Health Provider Tax came in slightly ahead of budget by \$4.1 million or 0.4 percent.

Despite historic job losses at the start of the pandemic, the withholding portion of the income tax still finished the year \$75.3 million or 1.0 percent above its budget target. Compared with prior year realized amounts, FY 2021 withholding receipts increased by \$428.6 million or 6.3 percent. Growth in withholding reflected several factors, including the concentration of employment losses in the lower wage service sector, the economy regaining jobs throughout the year and having income tax withheld on enhanced unemployment benefits, including the additional \$600 per week that was part of the Federal pandemic relief efforts.

On a statutory basis of accounting, Special Transportation Fund (STF) spending totaled \$1,698,510,251 in FY 2021, increasing by \$28.7 million or 1.7 percent compared with the prior fiscal year. In aggregate expenditure growth was quite modest, but there were significant shifts between budget line items. The three appropriations with the highest dollar increases were Personal Services, the primary account for salaries, which grew by \$18.3 million (+8.6%); debt service on Special Transportation Obligation bonds, which increased \$13.4 million (+2.1%); and the STF employer contribution for SERS retirement, which rose a net \$9.2 million (6.2%) driven by the unfunded liability portion of the payment. Salary increases were caused by a combination of a higher position count in the Transportation Fund, employee wage increases as well as higher overtime costs for snow removal and clean-up activities related to Tropical Storm Isaias in August 2020. Two public transportation-related appropriations had significant spending decreases in FY 2021 due to COVID-19 related reductions in ridership. These included Rail Operations, which dropped by \$15.1 million (-6.5%) and the ADA Para-Transit Program, which decreased by \$7.3 million (-17.8%). In addition, the pandemic slowed the pace of maintenance projects funded by the Pay-As-You-Go Transportation line item, which saw a decline of \$4.5 million or 24.4 percent.

The Transportation Fund had revenue of \$ \$1,777,716,829 on the statutory basis of accounting, which was \$103.1 million or 5.5 percent below the budget plan for FY 2021. Both the Motor Fuel Tax (-\$29.9 million) and the Oil Companies Tax (-\$101.1 million) came in significantly below their budget targets based on a combination of lower oil prices for portions of the year and less consumption due to pandemic-related shutdowns. By contrast, the Sales and Use Tax and Sales Tax - DMV categories each over-perform the budget plan by \$28.8 million and \$31.1 million, 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, 2021, totaled \$22.1 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress. The net increase in the State's investment in capital assets for the fiscal year was \$551 million.

Major capital asset events for governmental activities during the fiscal year include additions to buildings, land, and construction in progress of \$786 million and depreciation expense of \$718 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		Business-Type		Total	
	Activities		Activities		Primary Government	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 1,946	\$ 1,899	\$ 79	\$ 79	\$ 2,024	1,978
Buildings	2,945	2,913	4,046	3,954	6,991	6,867
Improvements Other Than Buildings	44	66	406	363	450	429
Equipment	46	44	335	358	382	402
Infrastructure	5,848	6,073	-	-	5,848	6,073
Construction in Progress	6,124	5,417	300	404	6,424	5,821
Total	<u>\$ 16,953</u>	<u>\$ 16,412</u>	<u>\$ 5,166</u>	<u>\$ 5,157</u>	<u>\$ 22,120</u>	<u>\$ 21,569</u>

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 \$29.8 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 (in millions)						
General Obligation and Revenue Bonds						
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
General Obligation Bonds	\$ 18,563	\$ 18,480	\$ -	\$ -	\$ 18,563	\$ 18,480
Direct Borrowings & Direct Placement	268	329	-	-	268	329
Transportation Related Bonds	6,959	6,425	-	-	6,959	6,425
Revenue Bonds	-	-	1,449	1,588	1,449	1,588
Premiums and Deferred Amounts	2,354	2,140	177	204	2,531	2,344
Total	<u>\$ 28,144</u>	<u>\$ 27,374</u>	<u>\$ 1,626</u>	<u>\$ 1,792</u>	<u>\$ 29,770</u>	<u>\$ 29,166</u>

The State's total bonded debt increased by \$604.1 million (2.1 percent) during the current fiscal year. This increase resulted mainly from an increase in Transportation related bonds of \$534.6 million.

State of Connecticut

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 February 2021 the State had a debt incurring margin of \$5.3 billion.

Other Long-Term Debt

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

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>		<u>Primary Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net Pension Liability	\$ 42,551	\$ 39,841	\$ -	\$ -	\$ 42,551	\$ 39,841
Net OPEB Liability	26,040	23,023	-	-	26,040	23,023
Compensated Absences	578	531	213	196	791	727
Workers Compensation	813	797	-	-	813	797
Nonexchange Financial Guarantee	453	488	-	-	453	488
Other	91	88	323	305	414	393
Total	<u>\$ 70,526</u>	<u>\$ 64,768</u>	<u>\$ 536</u>	<u>\$ 501</u>	<u>\$ 71,062</u>	<u>\$ 65,269</u>

The State's other long-term obligations increased by \$5.8 billion (8.9 percent) during the fiscal year. This increase was due mainly to an increase in the Net Pension Liability and Net OPEB Liability (Governmental activities) of \$5.7 billion or 9.1 percent. Additional information on the State's long-term debt can be found in Notes 16 and 17 of this report.

State of Connecticut

ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

Connecticut's budget results are ultimately dependent upon the performance of the national and state economies. Overall, FY 2021 was characterized by the continued recovery from the recession caused by the COVID-19 pandemic. However, the recovery remains uneven with analysts describing it as K-shaped. This unequal nature of the recovery can be seen by its impact on different industry sectors and various income groups—some recovering quickly while others lag. Individuals and households that were able to work from home, typically white-collar workers, fared much better than lower wage service sector employees who lost jobs due to business closures. While millions remained unemployed nationally, a strong stock market has bolstered wealthier households. As the fiscal year ended, a pattern emerged: economic progress remained largely reliant on the course of the coronavirus.

In the beginning of the fiscal year, Connecticut's unemployment rate stood at 11.3 percent. This was among the highest unemployment rates in more than 40 years. According to the Connecticut Department of Labor, nonfarm payroll employment totaled 1,525,000, while 213,900 residents remained unemployed. Weekly initial unemployment claims averaged 10,794 and continued claims jumped to 251,926. These economic circumstances were unlike anything Connecticut had seen in decades. By historical standards, the recession was severe, yet conditions rebounded faster than normal. By the third quarter of 2020, conditions improved rapidly.

As the fiscal year closed, Connecticut's unemployment rate dropped to 7.7 percent. Nonfarm payroll employment reached 1,590,900, but 139,000 residents remained unemployed. Weekly initial unemployment claims dropped to an average of 4,524 while continued claims fell to 59,763. By June of 2021, the state recovered 64.6 percent of the 292,400 jobs lost in March and April of 2020. Over the fiscal year, six industry sectors experienced growth while four declined. Leisure and hospitality, the industry most affected by the pandemic, had the greatest net change in employment.

On a national level, over the course of FY 2021, the U.S. added 6.3 million jobs and the unemployment rate fell from 10.2 percent to 5.9 percent. According to the U.S. Bureau of Labor Statistics, the total number of unemployed persons fell from 16,308,000 to 9,484,000. Job growth over the period was strong but is still down by 6.8 million, or 4.4 percent, from pre-pandemic levels. All industry sectors grew over FY 2021, and notable job gains occurred in leisure and hospitality, professional and business services, and information.

As COVID-19 vaccines became available to the public in early 2021, fears of the virus eased and by June 2021 approximately 60 percent of Connecticut residents were fully vaccinated. The Conference Board reported the U.S. Consumer Confidence Index showed an upward trend during the year starting at 97.1 and ending at 128.9 the highest level since March of 2020. Consumers during this period were increasingly optimistic about business and labor market conditions. Since then, vaccination rates have continued to improve steadily (with Connecticut ranking top 5 for fully vaccinated residents), but the emergence of the COVID-19 Delta and Omicron variants have caused confidence levels to drop amid the increased uncertainty.

In FY 2021, U.S. Gross Domestic Product (GDP) showed continued growth after falling significantly in the first and second quarters of 2020. The Bureau of Economic Analysis (BEA) reported real U.S. GDP increased at an annual rate of 33.8 percent in the third quarter and 4.5 percent in fourth quarter of 2020. In the first two quarters of 2021, U.S. GDP advanced at annual rates of 6.3 percent and 6.7 percent, respectively.

Connecticut followed national GDP trends in FY 2021, growing 33 percent in the third quarter and 6.8 percent in the fourth quarter of 2020. These results reflected the continued economic recovery, reopening of establishments, and continued government response to the COVID-19 pandemic. BEA second quarter state level data showed growth in all 50 states and the District of Columbia. Connecticut's GDP growth rate of 5.9 percent ranked 29th in the U.S. and came in below the national average of 6.7 percent and the New England regional average of 7.1 percent. The Connecticut industries experiencing the largest gains on a percentage basis were accommodation and food services, information, and professional, scientific, and technical services.

After a major plunge in March of 2020, the stock market rallied and shifted to a bull market, erasing most losses by August 2020. Expansionary fiscal policy in response to the pandemic encouraged spending and investing, while Federal Reserve monetary policy kept interest rates low, making it less expensive to borrow. Throughout the year, the stock market proved

State of Connecticut

to be volatile, fluctuating as news of COVID-19 outbreaks and variants emerged. However, as the fiscal year closed, all three major market indices (S&P 500, NASDAQ, Dow Jones) reached historic highs.

During FY 2021, the housing market boomed due to work-from-home requirements, low-interest rates, and an exodus from cities to suburbs. In Connecticut, between June 2020 and June 2021, sales of all property types increased 32.44 percent, according to Berkshire Hathaway Home Services while the median sales price increased 21.79 percent. Average days on the market decreased over 50 percent to 37 days. At the same time, the average sales price of properties sold in Connecticut was higher than the list price. While this was good news for existing homeowners, rapidly increasing prices excluded many first-time homebuyers from the market.

Inflation ramped up in FY 2021, reaching highs last seen during the 2008 financial crisis. The consumer price index came in at an annual rate of one percent in July 2020 and grew to 5.4 percent by June 2021. Prices of automobiles (including new, used, and rental cars) gasoline, lumber, airfare, lodging, and food away from home all increased substantially in 2021. Growth in inflation was largely due to increased demand coupled with supply-chain issues, scarcity of materials, and labor shortages. The Federal Reserve, which is tasked with managing inflation, initially labeled the increases as transitory. However, price growth has become broad-based and continues into FY 2022, indicating it may be a longer-term trend.

Connecticut has traditionally ranked among the wealthiest states in the nation and continues to be based on the most recent information available. BEA reported that in 2020, Connecticut had a per capita personal income (PCPI) of \$78,609. This PCPI ranked second in the United States to the District of Columbia and was 132 percent of the national average of \$59,510. The United States 2020 PCPI reflected an increase of 6.2 percent from 2019, while Connecticut's increase was only 3.7 percent. Connecticut's income growth in the previous decade was also slower than the national average. In 2010, the PCPI of Connecticut was \$61,762 and ranked second in the United States to the District of Columbia. However, the state's 2010-2020 compound annual growth rate of PCPI was 2.4 percent compared with 3.9 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, 39.3 percent of Connecticut's population age 25 and over has a bachelor's degree or higher, which was fifth in the nation among U.S. states. In addition, Connecticut ranked third in the country for the percentage of the population with advanced degrees.

Bloomberg published its annual U.S. State Innovation Index for 2020. Connecticut was ranked the fourth most innovative state economy in the nation for the second year in a row. The innovation index is based on six equally weighted metrics: research and development intensity; productivity; clusters of companies in technology; jobs in science, technology, engineering, and mathematics (STEM); proportion of the population with degrees in science and engineering; and patent activity. On these innovation index measures, Connecticut showed strength across all six categories. Connecticut ranked second in patent activity and was ranked eighth in the nation in research and development (R&D) intensity and productivity. On the remaining measures Connecticut ranked 11th in technology company density and 12th for both science and engineering degree holders and the concentration of STEM professionals in the workforce.

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

- Connecticut ranks fourth in the United States for the most fully vaccinated population (75.7%) according to the Center for Disease Control and Prevention.
- Connecticut ranked second in the U.S. Prosperity Index by the Legatum Institute.
- Connecticut ranked fourth best state to live in by 24/7 Wall St.
- Connecticut ranked first in college readiness and is home to 38 top colleges and universities according to U.S. News & World Report in 2021.
- Connecticut ranked third best state for healthcare access, quality, and public health by U.S. News and World Report in 2021.

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 state's Office of Military

State of Connecticut

Affairs (OMA), Connecticut ranked sixth overall in total defense spending, third in defense spending as a percentage of state gross domestic product (GDP), and second in defense spending per capita. OMA's Annual Report for Fiscal Year 2020-2021 notes that contracts awarded to Connecticut defense manufacturers was the fourth highest since 2007, totaling \$18.3 billion. The largest was a \$9.5 billion contract to Electric Boat for construction of the lead and second Columbia-class submarines. Electric Boat is the prime contractor for design and construction of the twelve Columbia-class submarines, which will replace the aging Ohio-class ballistic missile submarines.

Halfway through FY 2022, Connecticut is experiencing positive economic trends in key areas such as job growth, unemployment, and GDP. As of November 2021, the state has recovered 75.3 percent of the 292,400 jobs lost in March and April 2020 due to the COVID-19 lockdown, and the unemployment rate dropped to 6.0 percent. November 2021 job growth marked 11 straight months of employment gains. Significant gains have been made in the leisure and hospitality sector, which was hardest hit by pandemic-related business closures. Connecticut's 2021 third quarter GDP growth rate of 2.7 percent ranked 15th, coming in above the national growth rate of 2.3 percent and the New England regional average of 2.6 percent. Finance, insurance, and real estate (FIRE) continues to be an important industry grouping for Connecticut that represented 30 percent of the state's real gross domestic product (GDP) in 2020.

The state's population remains understandably concerned about the ever-changing nature of COVID-19 and what it means in their everyday lives, but the underlying economic conditions should instill confidence moving forward. Due to the highly educated, productive workforce, capacity for innovation, and prudent response to the COVID-19 pandemic, Connecticut remains well positioned to create a strong economy moving into the future.

Connecticut has made significant progress striving for recovery amid the ongoing COVID-19 pandemic. The most recent consensus revenue forecast for FY 2022 on January 18 showed continued improvement in each of the State's major tax categories. Current forecasts show the General Fund is on track to end FY 2022 with a surplus of \$1.48 billion. 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 fixed costs and debt service 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.

THIS PAGE INTENTIONALLY LEFT BLANK



*BASIC
FINANCIAL
STATEMENTS*

THIS PAGE INTENTIONALLY LEFT BLANK



*GOVERNMENT-WIDE
FINANCIAL
STATEMENTS*

THIS PAGE INTENTIONALLY LEFT BLANK

State of Connecticut

STATEMENT OF NET POSITION

June 30, 2021

(Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 10,565,869	\$ 864,841	\$ 11,430,710	\$ 319,299
Deposits with U.S. Treasury	-	319,397	319,397	-
Investments	139,068	86,189	225,257	707,458
Receivables, (Net of Allowances)	4,342,509	677,876	5,020,385	75,570
Due from Primary Government	-	-	-	7,210
Inventories	53,810	18,886	72,696	5,572
Restricted Assets	-	132,768	132,768	1,673,265
Internal Balances	(95,647)	95,647	-	-
Other Current Assets	17,494	23,592	41,086	28,080
Total Current Assets	15,023,103	2,219,196	17,242,299	2,816,454
Noncurrent Assets:				
Cash and Cash Equivalents	-	718,514	718,514	-
Due From Component Units	56,216	-	56,216	-
Investments	-	55,376	55,376	294,834
Receivables, (Net of Allowances)	1,114,747	998,044	2,112,791	166,482
Restricted Assets	1,103,038	263,791	1,366,829	5,624,400
Capital Assets, (Net of Accumulated Depreciation)	16,953,414	5,166,319	22,119,733	908,600
Other Noncurrent Assets	-	12,783	12,783	100,720
Total Noncurrent Assets	19,227,415	7,214,827	26,442,242	7,095,036
Total Assets	\$ 34,250,518	\$ 9,434,023	\$ 43,684,541	\$ 9,911,490
Deferred Outflows of Resources				
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ -	\$ -	\$ -	\$ 12,672
Unamortized Losses on Bond Refundings	34,359	5,091	39,450	116,988
Related to Pensions	16,088,140	-	16,088,140	144,210
Other Deferred Outflows	-	5,193	5,193	2,488
Total Deferred Outflows of Resources	\$ 16,122,499	\$ 10,284	\$ 16,132,783	\$ 276,358
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 2,828,863	\$ 389,393	\$ 3,218,256	\$ 155,013
Due to Component Units	7,210	-	7,210	-
Due to Primary Government	-	-	-	56,216
Due to Other Governments	681,731	1,416	683,147	-
Due to Trustee	1,450	-	1,450	-
Current Portion of Long-Term Obligations	2,430,095	152,792	2,582,887	523,657
Amount Held for Institutions	-	-	-	296,531
Unearned Revenue	24,412	39,486	63,898	3,651
Medicaid Liability	582,234	-	582,234	-
Liability for Escheated Property	433,797	-	433,797	-
Other Current Liabilities	86,383	129,266	215,649	35,576
Total Current Liabilities	7,076,175	712,353	7,788,528	1,070,644
Noncurrent Liabilities:				
Non-Current Portion of Long-Term Obligations	96,240,989	2,731,830	98,972,819	6,196,819
Total Noncurrent Liabilities	96,240,989	2,731,830	98,972,819	6,196,819
Total Liabilities	\$ 103,317,164	\$ 3,444,183	\$ 106,761,347	\$ 7,267,463
Deferred Inflows of Resources				
Related to Pensions	\$ 2,391,163	\$ -	\$ 2,391,163	\$ 84,062
Other Deferred Inflows	(18,788)	4,282	(14,506)	1,073
Total Deferred Inflows of Resources	\$ 2,372,375	\$ 4,282	\$ 2,376,657	\$ 85,135
Net Position				
Net Investment in Capital Assets	\$ 6,192,401	\$ 4,193,263	\$ 10,385,664	\$ 493,455
Restricted For:				
Transportation	130,553	-	130,553	-
Debt Service	1,103,038	-	1,103,038	11,214
Federal Grants and Other Accounts	3,626,039	-	3,626,039	-
Capital Projects	951,004	82,405	1,033,409	118,386
Grant and Loan Programs	882,733	-	882,733	-
Clean Water and Drinking Water Projects	-	809,697	809,697	-
Bond Indenture Requirements	-	-	-	1,042,947
Loans	-	2,225	2,225	-
Permanent Investments or Endowments:				
Expendable	-	-	-	22,496
Nonexpendable	142,505	14,722	157,227	770,526
Other Purposes	548,872	176,012	724,884	226,636
Unrestricted (Deficit)	(68,893,667)	717,518	(68,176,149)	149,590
Total Net Position (Deficit)	\$ (55,316,522)	\$ 5,995,842	\$ (49,320,680)	\$ 2,835,250

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

Functions/Programs	Program Revenues			
	Expenses	Charges for Services, Fees, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
Legislative	\$ 139,468	\$ 2,636	\$ 81	\$ -
General Government	5,653,974	1,065,741	2,015,347	-
Regulation and Protection	1,207,579	823,384	326,425	-
Conservation and Development	1,478,657	282,396	503,894	-
Health and Hospitals	3,502,081	740,129	546,910	-
Transportation	2,530,536	64,521	-	986,644
Human Services	11,914,912	(39,441)	7,997,042	-
Education, Libraries, and Museums	6,189,985	26,156	1,063,591	-
Corrections	2,739,688	6,728	169,249	-
Judicial	1,208,207	133,567	37,563	-
Interest and Fiscal Charges	968,304	-	-	-
Total Governmental Activities	37,533,391	3,105,817	12,660,102	986,644
Business-Type Activities:				
University of Connecticut & Health Center	2,765,468	1,589,796	277,085	11,640
Board of Regents	1,431,493	671,877	65,185	-
Employment Security	5,201,294	592,659	3,754,181	-
Clean Water	41,606	40,228	9,447	-
Other	43,127	34,681	10,285	-
Total Business-Type Activities	9,482,988	2,929,241	4,116,183	11,640
Total Primary Government	\$ 47,016,379	\$ 6,035,058	\$ 16,776,285	\$ 998,284
Component Units				
Connecticut Housing Finance Authority (12/31/20)	\$ 195,820	\$ 143,111	\$ -	\$ -
Connecticut Lottery Corporation	1,506,158	1,497,907	-	-
Connecticut Airport Authority	107,692	107,658	-	5,079
Other Component Units	272,473	269,638	12,210	10,862
Total Component Units	\$ 2,082,143	\$ 2,018,314	\$ 12,210	\$ 15,941
General Revenues:				
Taxes:				
Personal Income				
Corporate Income				
Sales and Use				
Other				
Restricted for Transportation Purposes:				
Motor Fuel				
Other				
Casino Gaming Payments				
Tobacco Settlement				
Lottery Tickets				
Unrestricted Investment Earnings				
Transfers-Internal Activities				
Total General Revenues, Contributions, and Transfers				
Change in Net Position				
Net Position (Deficit)- Beginning (as restated)				
Net Position (Deficit)- Ending				

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

Net (Expense) Revenue and Changes in Net Position

		Primary Government					
Governmental Activities		Business-Type Activities		Total	Component Units		
\$	(136,751)	\$	-	\$	(136,751)	\$	-
	(2,572,886)		-		(2,572,886)		-
	(57,770)		-		(57,770)		-
	(692,367)		-		(692,367)		-
	(2,215,042)		-		(2,215,042)		-
	(1,479,371)		-		(1,479,371)		-
	(3,957,311)		-		(3,957,311)		-
	(5,100,238)		-		(5,100,238)		-
	(2,563,711)		-		(2,563,711)		-
	(1,037,077)		-		(1,037,077)		-
	(968,304)		-		(968,304)		-
	<u>(20,780,828)</u>		<u>-</u>		<u>(20,780,828)</u>		<u>-</u>
	-		(886,947)		(886,947)		-
	-		(694,431)		(694,431)		-
	-		(854,454)		(854,454)		-
	-		8,069		8,069		-
	-		1,839		1,839		-
	-		<u>(2,425,924)</u>		<u>(2,425,924)</u>		<u>-</u>
	<u>(20,780,828)</u>		<u>(2,425,924)</u>		<u>(23,206,752)</u>		<u>-</u>
	-		-		-		(52,709)
	-		-		-		(8,251)
	-		-		-		5,045
	-		-		-		<u>20,237</u>
	-		-		-		<u>(35,678)</u>
	9,147,622		-		9,147,622		-
	2,925,675		-		2,925,675		-
	4,779,902		-		4,779,902		-
	2,612,691		-		2,612,691		-
	698,146		-		698,146		-
	588,312		-		588,312		-
	228,883		-		228,883		-
	133,121		-		133,121		-
	407,353		-		407,353		-
	35,316		5,754		41,070		389,728
	<u>(1,649,959)</u>		<u>1,649,463</u>		<u>(496)</u>		<u>496</u>
	<u>19,907,062</u>		<u>1,655,217</u>		<u>21,562,279</u>		<u>390,224</u>
	(873,766)		(770,707)		(1,644,473)		354,546
	<u>(54,442,756)</u>		<u>6,766,549</u>		<u>(47,676,207)</u>		<u>2,480,704</u>
\$	<u>(55,316,522)</u>	\$	<u>5,995,842</u>	\$	<u>(49,320,680)</u>	\$	<u>2,835,250</u>

THIS PAGE INTENTIONALLY LEFT BLANK



*FUND FINANCIAL
STATEMENTS*

State of Connecticut

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2021

(Expressed in Thousands)

	<u>General</u>	<u>Debt Service</u>	<u>Transportation</u>	<u>Restricted Grants & Accounts</u>	<u>Grant & Loan Programs</u>	<u>Other Funds</u>	<u>Total Governmental Funds</u>
Assets							
Cash and Cash Equivalents	\$ 4,779,392	\$ -	\$ 102,922	\$ 3,355,983	\$ 561,220	\$ 1,752,828	\$ 10,552,345
Investments	-	-	-	-	-	139,068	139,068
Securities Lending Collateral	-	-	-	-	-	17,232	17,232
Receivables:							
Taxes, Net of Allowances	2,313,291	-	223,847	-	-	-	2,537,138
Accounts, Net of Allowances	579,450	-	36,726	83,325	17,214	66,059	782,774
Loans, Net of Allowances	3,412	-	-	193,607	352,259	565,469	1,114,747
From Other Governments	296,275	-	-	703,974	-	22,141	1,022,390
Interest	-	25	19	-	-	-	44
Other	-	-	-	-	-	3	3
Due from Other Funds	56,167	-	25	227	-	11,621	68,040
Due from Component Units	52,937	-	-	2,638	-	641	56,216
Inventories	20,842	-	27,182	-	-	-	48,024
Restricted Assets	-	1,103,038	-	-	-	-	1,103,038
Total Assets	<u>\$ 8,101,766</u>	<u>\$ 1,103,063</u>	<u>\$ 390,721</u>	<u>\$ 4,339,754</u>	<u>\$ 930,693</u>	<u>\$ 2,575,062</u>	<u>\$ 17,441,059</u>
Liabilities, Deferred Inflows, and Fund Balances							
Liabilities							
Accounts Payable and Accrued Liabilities	\$ 452,730	\$ -	\$ 34,315	\$ 282,782	\$ 47,566	\$ 87,908	\$ 905,301
Due to Other Funds	1,700,682	25	-	5,173	34	69,211	1,775,125
Due to Component Units	52	-	-	7,158	-	-	7,210
Due to Other Governments	679,869	-	-	1,862	-	-	681,731
Due to Trustee	-	-	-	1,450	-	-	1,450
Unearned Revenue	11,429	-	-	-	-	12,983	24,412
Medicaid Liability	215,210	-	-	367,024	-	-	582,234
Liability For Escheated Property	433,797	-	-	-	-	-	433,797
Securities Lending Obligation	-	-	-	-	-	17,232	17,232
Other Liabilities	48,873	-	-	20,278	-	-	69,151
Total Liabilities	<u>3,542,642</u>	<u>25</u>	<u>34,315</u>	<u>685,727</u>	<u>47,600</u>	<u>187,334</u>	<u>4,497,643</u>
Deferred Inflows of Resources							
Receivables to be Collected in Future Periods	1,272,277	-	32,751	73,594	16,679	57,219	1,452,520
Fund Balances							
Nonspendable:							
Inventories/Long-Term Receivables	77,192	-	27,182	-	-	-	104,374
Permanent Fund Principal	-	-	-	-	-	138,879	138,879
Restricted For:							
Debt Service	-	1,103,038	-	-	-	-	1,103,038
Transportation Programs	-	-	258,166	-	-	-	258,166
Federal Grant and State Programs	-	-	-	3,580,433	-	-	3,580,433
Grants and Loans	-	-	-	-	866,414	-	866,414
Other	-	-	-	-	-	2,168,090	2,168,090
Committed For:							
Continuing Appropriations	758,445	-	38,307	-	-	-	796,752
Budget Reserve Fund	3,111,959	-	-	-	-	-	3,111,959
Assigned To:							
Other	-	-	-	-	-	24,255	24,255
Unassigned (Deficit)							
Total Fund Balances	<u>(660,749)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(715)</u>	<u>(661,464)</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 8,101,766</u>	<u>\$ 1,103,063</u>	<u>\$ 390,721</u>	<u>\$ 4,339,754</u>	<u>\$ 930,693</u>	<u>\$ 2,575,062</u>	<u>\$ 17,441,059</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

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

June 30, 2021

(Expressed in Thousands)

Total Fund Balance - Governmental Funds \$ 11,490,896

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:

Cost of capital assets (excluding internal service funds)	34,178,470	
Less: Accumulated depreciation (excluding internal service funds)	(17,271,461)	
Net capital assets		16,907,009

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. 1,471,308

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. 34,359

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). 16,088,140

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	(18,562,830)	
Transportation bonds payable	(6,959,265)	
Direct Borrowings & Direct Placements	(268,425)	
Unamortized premiums	(2,354,396)	
Accrued interest payable	(301,688)	
Net long-term debt		(28,446,604)

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

Net pension liability	(42,551,460)	
Net OPEB liability	(26,040,226)	
Obligations for worker's compensation	(812,645)	
Capital leases payable	(16,511)	
Compensated absences (excluding internal service funds)	(576,302)	
Claims and judgments payable	(44,008)	
Landfill postclosure care	(29,587)	
Nonexchange Financial guarantee	(453,185)	
Total other liabilities		(70,523,924)

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). (2,391,163)

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. 53,457

Total Net Position - Governmental Activities \$ (55,316,522)

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

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

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

	General	Debt Service	Transportation	Restricted Grants & Accounts	Grant & Loan Programs	Other Funds	Total Governmental Funds
Revenues							
Taxes	\$ 18,849,644	\$ -	\$ 1,293,377	\$ -	\$ -	\$ -	\$ 20,143,021
Licenses, Permits, and Fees	325,296	-	402,124	14,454	-	145,709	887,583
Tobacco Settlement	-	-	-	-	-	133,121	133,121
Federal Grants and Aid	2,814,104	-	11,957	10,695,507	-	120,822	13,642,390
Assessments	1,997	-	-	-	-	-	1,997
State Grants	-	-	-	4,356	-	-	4,356
Lottery Tickets	407,353	-	-	-	-	-	407,353
Charges for Services	22,876	-	39,940	-	-	403	63,219
Fines, Forfeits, and Rents	97,190	-	16,661	-	-	35	113,886
Casino Gaming Payments	228,883	-	-	-	-	-	228,883
Investment Earnings	2,939	1,057	345	2,882	8,789	19,233	35,245
Interest on Loans	-	-	-	-	-	71	71
Miscellaneous	240,060	-	6,281	1,722,977	39,274	138,716	2,147,308
Total Revenues	<u>22,990,342</u>	<u>1,057</u>	<u>1,770,685</u>	<u>12,440,176</u>	<u>48,063</u>	<u>558,110</u>	<u>37,808,433</u>
Expenditures							
Current:							
Legislative	117,319	-	-	2,235	-	-	119,554
General Government	2,985,787	-	8,557	1,348,030	540,987	75,763	4,959,124
Regulation and Protection	490,267	-	119,448	233,015	4,407	201,759	1,048,896
Conservation and Development	249,177	-	5,151	535,897	339,103	166,033	1,295,361
Health and Hospitals	1,777,118	-	-	1,200,842	17,399	81,613	3,076,972
Transportation	-	-	916,277	986,486	30,659	-	1,933,422
Human Services	5,371,494	-	-	5,114,618	-	2,425	10,488,537
Education, Libraries, and Museums	4,339,043	-	-	1,076,776	14,831	1,731	5,432,381
Corrections	2,158,589	-	-	229,361	1,071	1,735	2,390,756
Judicial	956,322	-	-	41,816	-	55,214	1,053,352
Capital Projects	-	-	-	-	-	988,692	988,692
Debt Service:							
Principal Retirement	1,530,831	339,585	-	-	-	-	1,870,416
Interest and Fiscal Charges	734,027	308,760	275	123,478	3,618	6,060	1,176,218
Total Expenditures	<u>20,709,974</u>	<u>648,345</u>	<u>1,049,708</u>	<u>10,892,554</u>	<u>952,075</u>	<u>1,581,025</u>	<u>35,833,681</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,280,368</u>	<u>(647,288)</u>	<u>720,977</u>	<u>1,547,622</u>	<u>(904,012)</u>	<u>(1,022,915)</u>	<u>1,974,752</u>
Other Financing Sources (Uses)							
Bonds Issued (Retired)	(2,275)	-	-	-	975,764	1,459,466	2,432,955
Premiums on Bonds Issued	-	34,021	-	-	94,775	314,809	443,605
Transfers In	1,372,057	726,270	1,172	143,388	-	73,451	2,316,338
Transfers Out	(2,665,405)	(1,543)	(669,889)	(8)	(91,158)	(538,294)	(3,966,297)
Refunding Bonds Issued	-	300,045	-	-	-	-	300,045
Payment to Refunded Bond Escrow Agent	-	(333,044)	-	-	-	-	(333,044)
Capital Lease Obligations	5,646	-	-	-	-	-	5,646
Total Other Financing Sources (Uses)	<u>(1,289,977)</u>	<u>725,749</u>	<u>(668,717)</u>	<u>143,380</u>	<u>979,381</u>	<u>1,309,432</u>	<u>1,199,248</u>
Net Change in Fund Balances	<u>990,391</u>	<u>78,461</u>	<u>52,260</u>	<u>1,691,002</u>	<u>75,369</u>	<u>286,517</u>	<u>3,174,000</u>
Fund Balances - Beginning (restated)	2,292,784	1,024,577	269,464	1,889,431	791,045	2,043,992	8,311,293
Change in Reserve for Inventories	3,672	-	1,931	-	-	-	5,603
Fund Balances - Ending	<u>\$ 3,286,847</u>	<u>\$ 1,103,038</u>	<u>\$ 323,655</u>	<u>\$ 3,580,433</u>	<u>\$ 866,414</u>	<u>\$ 2,330,509</u>	<u>\$ 11,490,896</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

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, 2021

(Expressed in Thousands)

Net change in fund balances - total governmental funds \$ 3,174,000

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	(2,432,955)	
Refunding bonds issued	(300,045)	
Premium on bonds issued	(443,600)	
Accretion on Capital Appreciation Bonds	(22,768)	

Principal repayment:

Principal Retirement	1,870,416	
Payments to refunded bond escrow agent	328,836	
Capital lease payments	4,266	

Net debt adjustments	(995,850)	
----------------------	-----------	--

Some capital assets acquired this year were financed with capital 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

(5,645)

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)	1,251,644	
Depreciation expense (excluding internal service funds)	(713,135)	
Net capital outlay adjustments	538,509	

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.

5,603

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	(8,486)	
Amortization of bond premium	229,241	
Amortization of loss on debt refunding's	(12,757)	
Increase in Net OPEB Liability & Net pension liability	(5,727,699)	
Increase in net deferred inflows related to OPEB & pensions	(301,456)	
Increase in net deferred outflows related to OPEB & pensions	1,758,839	
Increase in compensated absences	(45,815)	
Increase in workers compensation	(15,481)	
Increase in claims and judgments	(4,583)	
Decrease in landfill post closure cost	2,516	
Decrease in non-exchange financial guarantees	34,470	
Net expense accruals	(4,091,211)	

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.

501,151

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.

(323)

Change in net position - governmental activities \$ (873,766)

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

June 30, 2021

(Expressed in Thousands)

	Business-Type Activities						Governmental
	Enterprise Funds						Activities
	University of Connecticut & Health Center	Board of Regents	Employment Security	Clean Water	Other Funds	Total	Internal Service Funds
Assets							
Current Assets:							
Cash and Cash Equivalents	\$ 498,272	\$ 308,656	\$ -	\$ 5,290	\$ 52,623	\$ 864,841	\$ 13,524
Deposits with U.S. Treasury	-	-	319,397	-	-	319,397	-
Investments	697	85,492	-	-	-	86,189	-
Receivables:							
Accounts, Net of Allowances	153,389	38,791	178,573	460	5,194	376,407	160
Loans, Net of Allowances	1,979	1,360	-	211,000	59,722	274,061	-
Interest	-	-	-	3,945	1,833	5,778	-
From Other Governments	-	18,023	3,207	-	400	21,630	-
Due from Other Funds	37,414	94,859	1,277	-	-	133,550	4,315
Inventories	18,886	-	-	-	-	18,886	5,786
Restricted Assets	132,768	-	-	-	-	132,768	-
Other Current Assets	15,908	7,684	-	-	-	23,592	262
Total Current Assets	<u>859,313</u>	<u>554,865</u>	<u>502,454</u>	<u>220,695</u>	<u>119,772</u>	<u>2,257,099</u>	<u>24,047</u>
Noncurrent Assets:							
Cash and Cash Equivalents	-	142,221	-	454,444	121,849	718,514	-
Investments	20,194	33,165	-	2,017	-	55,376	-
Receivables:							
Loans, Net of Allowances	3,459	4,616	-	849,166	140,803	998,044	-
Restricted Assets	494	-	-	231,123	32,174	263,791	-
Capital Assets, Net of Accumulated Depreciation	3,230,579	1,935,740	-	-	-	5,166,319	46,405
Other Noncurrent Assets	12,650	133	-	-	-	12,783	-
Total Noncurrent Assets	<u>3,267,376</u>	<u>2,115,875</u>	<u>-</u>	<u>1,536,750</u>	<u>294,826</u>	<u>7,214,827</u>	<u>46,405</u>
Total Assets	<u>\$ 4,126,689</u>	<u>\$ 2,670,740</u>	<u>\$ 502,454</u>	<u>\$ 1,757,445</u>	<u>\$ 414,598</u>	<u>\$ 9,471,926</u>	<u>\$ 70,452</u>
Deferred Outflows of Resources							
Unamortized Losses on Bond Refundings	\$ -	\$ -	\$ -	\$ 4,970	\$ 121	\$ 5,091	\$ -
Other Deferred Outflows	128	5,065	-	-	-	5,193	-
Total Deferred Outflows of Resources	<u>\$ 128</u>	<u>\$ 5,065</u>	<u>\$ -</u>	<u>\$ 4,970</u>	<u>\$ 121</u>	<u>\$ 10,284</u>	<u>\$ -</u>
Liabilities							
Current Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 223,533	\$ 145,821	\$ 351	\$ 10,806	\$ 8,882	\$ 389,393	\$ 2,454
Due to Other Funds	35,340	344	2,219	-	-	37,903	12,297
Due to Other Governments	1,390	-	26	-	-	1,416	-
Current Portion of Long-Term Obligations	69,995	29,242	-	46,020	7,535	152,792	95
Unearned Revenue	-	39,486	-	-	-	39,486	-
Other Current Liabilities	113,384	15,882	-	-	-	129,266	-
Total Current Liabilities	<u>443,642</u>	<u>230,775</u>	<u>2,596</u>	<u>56,826</u>	<u>16,417</u>	<u>750,256</u>	<u>14,846</u>
Noncurrent Liabilities:							
Noncurrent Portion of Long-Term Obligations	564,540	429,271	725,073	861,721	151,225	2,731,830	2,149
Total Noncurrent Liabilities	<u>564,540</u>	<u>429,271</u>	<u>725,073</u>	<u>861,721</u>	<u>151,225</u>	<u>2,731,830</u>	<u>2,149</u>
Total Liabilities	<u>\$ 1,008,182</u>	<u>\$ 660,046</u>	<u>\$ 727,669</u>	<u>\$ 918,547</u>	<u>\$ 167,642</u>	<u>\$ 3,482,086</u>	<u>\$ 16,995</u>
Deferred Inflows of Resources							
Other Deferred Inflows	\$ 4,282	\$ -	\$ -	\$ -	\$ -	\$ 4,282	\$ -
Total Deferred Inflows of Resources	<u>\$ 4,282</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,282</u>	<u>\$ -</u>
Net Position (Deficit)							
Net Investment in Capital Assets	\$ 2,510,651	\$ 1,682,612	\$ -	\$ -	\$ -	\$ 4,193,263	\$ 46,405
Restricted For:							
Clean and Drinking Water Projects	-	-	-	632,168	177,529	809,697	-
Capital Projects	82,405	-	-	-	-	82,405	-
Nonexpendable Purposes	14,164	558	-	-	-	14,722	-
Loans	2,225	-	-	-	-	2,225	-
Other Purposes	26,992	149,020	-	-	-	176,012	-
Unrestricted (Deficit)	<u>477,916</u>	<u>183,569</u>	<u>(225,215)</u>	<u>211,700</u>	<u>69,548</u>	<u>717,518</u>	<u>7,052</u>
Total Net Position	<u>\$ 3,114,353</u>	<u>\$ 2,015,759</u>	<u>\$ (225,215)</u>	<u>\$ 843,868</u>	<u>\$ 247,077</u>	<u>\$ 5,995,842</u>	<u>\$ 53,457</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

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

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

	Business-Type Activities					Governmental Activities	
	Enterprise Funds						Internal Service Funds
	University of Connecticut & Health Center	Board of Regents	Employment Security	Clean Water	Other Funds		
Operating Revenues							
Charges for Sales and Services (Net of allowances & discounts \$325,945)	\$ 1,148,543	\$ 430,329	\$ -	\$ -	\$ -	\$ 1,578,872	\$ 46,076
Assessments	-	-	580,591	-	27,636	608,227	-
Federal Grants, Contracts, and Other Aid	215,732	30,341	3,732,424	-	-	3,978,497	-
State Grants, Contracts, and Other Aid	16,364	22,077	21,757	-	-	60,198	-
Private Gifts and Grants	44,989	12,767	-	-	-	57,756	-
Interest on Loans	-	-	-	23,042	4,168	27,210	-
Other	123,531	7,137	12,068	-	736	143,472	504
Total Operating Revenues	<u>1,549,159</u>	<u>502,651</u>	<u>4,346,840</u>	<u>23,042</u>	<u>32,540</u>	<u>6,454,232</u>	<u>46,580</u>
Operating Expenses							
Salaries, Wages, and Administrative	2,563,370	1,293,059	-	801	10,680	3,867,910	32,053
Unemployment Compensation	-	-	5,201,294	-	-	5,201,294	-
Claims Paid	-	-	-	-	22,978	22,978	-
Depreciation and Amortization	193,070	102,816	-	-	-	295,886	15,705
Other	-	26,892	-	-	2,731	29,623	-
Total Operating Expenses	<u>2,756,440</u>	<u>1,422,767</u>	<u>5,201,294</u>	<u>801</u>	<u>36,389</u>	<u>9,417,691</u>	<u>47,758</u>
Operating Income (Loss)	<u>(1,207,281)</u>	<u>(920,116)</u>	<u>(854,454)</u>	<u>22,241</u>	<u>(3,849)</u>	<u>(2,963,459)</u>	<u>(1,178)</u>
Nonoperating Revenue (Expenses)							
Interest and Investment Income	825	1,047	-	3,418	464	5,754	900
Interest and Fiscal Charges	(9,028)	(8,726)	-	(40,805)	(6,738)	(65,297)	-
Other - Net	317,722	234,411	-	17,186	2,141	571,460	(45)
Total Nonoperating Revenues (Expenses)	<u>309,519</u>	<u>226,732</u>	<u>-</u>	<u>(20,201)</u>	<u>(4,133)</u>	<u>511,917</u>	<u>855</u>
Income (Loss) Before Capital Contributions, Grants, and Transfers	<u>(897,762)</u>	<u>(693,384)</u>	<u>(854,454)</u>	<u>2,040</u>	<u>(7,982)</u>	<u>(2,451,542)</u>	<u>(323)</u>
Capital Contributions	11,640	-	-	-	-	11,640	-
Federal Capitalization Grants	-	-	-	9,447	10,285	19,732	-
Transfers In	928,588	726,770	-	297	192	1,655,847	-
Transfers Out	-	-	(6,384)	-	-	(6,384)	-
Change in Net Position	42,466	33,386	(860,838)	11,784	2,495	(770,707)	(323)
Total Net Position (Deficit) - Beginning (as restated)	<u>3,071,887</u>	<u>1,982,373</u>	<u>635,623</u>	<u>832,084</u>	<u>244,582</u>	<u>6,766,549</u>	<u>53,780</u>
Total Net Position (Deficit) - Ending	<u>\$ 3,114,353</u>	<u>\$ 2,015,759</u>	<u>\$ (225,215)</u>	<u>\$ 843,868</u>	<u>\$ 247,077</u>	<u>\$ 5,995,842</u>	<u>\$ 53,457</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

	Business-Type Activities					Governmental Activities	
	Enterprise Funds						
	University of Connecticut & Health Center	Board of Regents	Employment Security	Clean Water	Other		Totals
Cash Flows from Operating Activities							
Receipts from Customers	\$ 1,340,905	\$ 419,105	\$ 709,090	\$ 324,130	\$ 55,447	\$ 2,848,677	\$ 46,830
Payments to Suppliers	(701,164)	(333,958)	-	-	(2,731)	(1,037,853)	(15,833)
Payments to Employees	(1,576,858)	(978,556)	-	(607)	(10,058)	(2,566,079)	(11,543)
Other Receipts (Payments)	289,253	63,134	(821,180)	(116,688)	(46,112)	(631,593)	(24)
Net Cash Provided by (Used in) Operating Activities	(647,864)	(830,275)	(112,090)	206,835	(3,454)	(1,386,848)	19,430
Cash Flows from Noncapital Financing Activities							
Retirement of Bonds and Annuities Payable	(40,249)	-	-	(90,284)	(11,701)	(142,234)	-
Interest on Bonds and Annuities Payable	(26,197)	-	-	(41,579)	(6,916)	(74,692)	-
Transfers In	595,074	632,735	-	(163)	192	1,227,838	-
Transfers Out	-	-	(6,384)	-	-	(6,384)	-
Other Receipts (Payments)	225,878	236,326	-	-	-	462,204	(45)
Net Cash Flows from Noncapital Financing Activities	754,506	869,061	(6,384)	(132,026)	(18,425)	1,466,732	(45)
Cash Flows from Capital and Related Financing Activities							
Additions to Property, Plant, and Equipment	(214,327)	(101,065)	-	-	-	(315,392)	(18,570)
Proceeds from Sale of Bonds	199,320	(3,201)	-	-	-	196,119	-
Principal Paid on Capital Debt	(108,465)	(18,345)	-	-	-	(126,810)	-
Interest Paid on Capital Debt	(68,533)	(11,372)	-	-	-	(79,905)	-
Transfer In	134,289	86,811	-	-	-	221,100	-
Federal Grant	-	-	-	9,447	10,115	19,562	-
Other Receipts (Payments)	14,850	-	-	-	-	14,850	-
Net Cash Flows from Capital and Related Financing Activities	(42,866)	(47,172)	-	9,447	10,115	(70,476)	(18,570)
Cash Flows from Investing Activities							
Proceeds from Sales and Maturities of Investments	-	49,340	-	-	-	49,340	-
Purchase of Investment Securities	(167)	(27,663)	-	-	-	(27,830)	-
Interest on Investments	1,286	1,176	-	3,694	483	6,639	900
(Increase) Decrease in Restricted Assets	-	-	-	(3,806)	-	(3,806)	-
Other Receipts (Payments)	(10)	-	-	(84,154)	8,160	(76,004)	-
Net Cash Flows from Investing Activities	1,109	22,853	-	(84,266)	8,643	(51,661)	900
Net Increase (Decrease) in Cash and Cash Equivalents	64,885	14,467	(118,474)	(10)	(3,121)	(42,253)	1,715
Cash and Cash Equivalents - Beginning of Year	566,650	436,410	118,474	5,300	55,744	1,182,578	11,809
Cash and Cash Equivalents - End of Year	\$ 631,535	\$ 450,877	\$ -	\$ 5,290	\$ 52,623	\$ 1,140,325	\$ 13,524
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities							
Operating Income (Loss)	\$ (1,207,281)	\$ (920,116)	\$ (860,838)	\$ 22,241	\$ (3,849)	\$ (2,969,843)	\$ (1,178)
Adjustments not Affecting Cash:							
Depreciation and Amortization	193,070	102,816	-	-	-	295,886	15,705
Other	297,748	-	6,384	-	-	304,132	-
Change in Assets and Liabilities:							
(Increase) Decrease in Receivables, Net	(8,914)	(24,231)	13,494	184,594	(1,819)	163,124	(41)
(Increase) Decrease in Due from Other Funds	9,403	(393)	2,097	-	-	11,107	794
(Increase) Decrease in Inventories and Other Assets	30,953	(523)	-	-	1,146	31,576	(527)
Increase (Decrease) in Accounts Payables & Accrued Liabilities	42,381	12,172	724,985	-	1,068	780,606	4,677
Increase (Decrease) in Due to Other Funds	(5,224)	-	1,788	-	-	(3,436)	-
Total Adjustments	559,417	89,841	748,748	184,594	395	1,582,995	20,608
Net Cash Provided by (Used In) Operating Activities	\$ (647,864)	\$ (830,275)	\$ (112,090)	\$ 206,835	\$ (3,454)	\$ (1,386,848)	\$ 19,430
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets							
Cash and Cash Equivalents - Current	\$ 498,272	\$ 308,656					
Cash and Cash Equivalents - Noncurrent	-	142,221					
Cash and Cash Equivalents - Noncurrent Restricted	494	-					
Cash and Cash Equivalents - Current Restricted	132,768	-					
	\$ 631,534	\$ 450,877					
Noncash Investing, Capital, and Financing Activities:							
Proceeds from refunding bonds	\$ 141,384						
Amortization of premiums, discounts, and net loss on debt refunding's	22,129						
Acquisition of software license under long term purchase contract	4,799						
Capital assets acquired through gifts	694						
Unrealized gain (loss) on investment	4,226						
Loss on disposal of capital assets	(199)						
Mortgage proceeds held by Trustee in construction escrow account	27						
In kind Coronavirus relief donation	59						
Change in endowment	300						

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

June 30, 2021

(Expressed in Thousands)

	Pension & Other Employee Benefit <u>Trust Funds</u>	Investment <u>Trust Fund</u> External Investment <u>Pool</u>	Private- Purpose <u>Trust Fund</u> Escheat <u>Securities</u>	Fiduciary Component <u>Unit</u> Paid Family Medical Leave <u>Authority</u>	Custodial <u>Funds</u>	<u>Total</u>
Assets						
Current:						
Cash and Cash Equivalents	\$ 333,970	\$ -	\$ -	\$ 103,650	\$ 318,655	\$ 756,275
Receivables:						
Accounts, Net of Allowances	49,572	-	-	104,532	2,750	156,854
From Other Governments	60	-	-	-	-	60
From Other Funds	1,620,250	-	-	1,073	-	1,621,323
Interest	773	322	-	-	1	1,096
Investments (See Note 3)	44,415,019	1,754,745	-	-	-	46,169,764
Securities Lending Collateral	2,548,811	-	-	-	-	2,548,811
Other Assets	-	19	-	147	339,800	339,966
Noncurrent:						
Due From Employers	13,386	-	-	-	-	13,386
Capital Assets, Net of Accumulated Depreciation	-	-	-	6,769	-	6,769
Other Assets	-	-	15,588	-	-	15,588
Total Assets	<u>\$48,981,841</u>	<u>\$ 1,755,086</u>	<u>\$ 15,588</u>	<u>\$ 216,171</u>	<u>\$ 661,206</u>	<u>\$ 51,629,892</u>
Deferred Outflows of Resources						
Related to Pensions & Other Postemployment Benefits	\$ -	\$ -	\$ -	\$ 1,017	\$ -	\$ 1,017
Total Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,017</u>	<u>\$ -</u>	<u>\$ 1,017</u>
Liabilities						
Accounts Payable and Accrued Liabilities	\$ 66,082	\$ 39	\$ -	\$ 492	\$ 89,103	155,716
Securities Lending Obligation	2,548,811	-	-	-	-	2,548,811
Compensated Absences	-	-	-	134	-	134
Due to Other Funds	1,903	-	-	-	-	1,903
Total Current Liabilities	<u>2,616,796</u>	<u>39</u>	<u>-</u>	<u>626</u>	<u>89,103</u>	<u>2,706,564</u>
Noncurrent Liabilities:						
Pension & OPEB Liability	-	-	-	693	-	693
Noncurrent Portion of Long-Term Obligations	-	-	-	17,320	-	17,320
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,013</u>	<u>-</u>	<u>18,013</u>
Total Liabilities	<u>\$ 2,616,796</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 18,639</u>	<u>\$ 89,103</u>	<u>\$ 2,724,577</u>
Other Deferred Inflows						
Related to Pensions & Other Postemployment Benefits	\$ -	\$ -	\$ -	\$ 16	\$ -	\$ 16
Total Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 16</u>
Net Position						
Restricted for:						
Pension Benefits	\$44,011,803	\$ -	\$ -	\$ -	\$ -	\$ 44,011,803
Other Postemployment Benefits	2,353,242	-	-	-	-	2,353,242
Pool Participants	-	1,755,047	-	-	-	1,755,047
Individuals, Organizations, and Other Governments	-	-	15,588	198,533	572,103	786,224
Total Net Position	<u>\$46,365,045</u>	<u>\$ 1,755,047</u>	<u>\$ 15,588</u>	<u>\$ 198,533</u>	<u>\$ 572,103</u>	<u>\$ 48,906,316</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

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

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

	Pension & Other Employee Benefit <u>Trust Funds</u>	Investment <u>Trust Fund</u> External Investment <u>Pool</u>	Private- Purpose <u>Trust Fund</u> Escheat <u>Securities</u>	Fiduciary Component <u>Unit</u> Paid Family Medical Leave <u>Authority</u>	Custodial <u>Funds</u>	<u>Total</u>
Additions						
Contributions:						
Plan Members	\$ 807,130	\$ -	\$ -	\$ -	\$ -	\$ 807,130
State	5,651,443	-	-	-	-	5,651,443
Municipalities	116,426	-	-	-	-	116,426
Participant Contributions	-	-	-	205,002	-	205,002
Total Contributions	<u>6,574,999</u>	<u>-</u>	<u>-</u>	<u>205,002</u>	<u>-</u>	<u>6,780,001</u>
Investment Income	9,620,690	2,416	-	5	-	9,623,111
Less: Investment Expense	(548,435)	(218)	-	-	-	(548,653)
Net Investment Income	<u>9,072,255</u>	<u>2,198</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>9,074,458</u>
Insurance Securities	-	-	-	-	326,275	326,275
Escheat Securities Received	-	-	33,900	-	-	33,900
Pool's Share Transactions	-	(231,149)	-	-	-	(231,149)
Other	13,782	-	-	-	89,028	102,810
Total Additions	<u>15,661,036</u>	<u>(228,951)</u>	<u>33,900</u>	<u>205,007</u>	<u>415,303</u>	<u>16,086,295</u>
Deductions						
Administrative Expense	31,285	-	-	5,858	16,825	53,968
Benefit Payments and Refunds	5,429,777	-	-	-	-	5,429,777
Escheat Securities Returned or Sold	-	-	27,054	-	-	27,054
Distributions to Pool Participants	-	2,197	-	-	-	2,197
Depreciation & Amortization	-	-	-	526	-	526
Other	115,074	-	(4,427)	90	-	110,737
Total Deductions	<u>5,576,136</u>	<u>2,197</u>	<u>22,627</u>	<u>6,474</u>	<u>16,825</u>	<u>5,624,259</u>
Change in Net Position Held In Trust For:						
Pension and Other Employee Benefits	10,084,900	-	-	-	-	10,084,900
Individuals, Organizations, and Other Governments	-	(231,148)	11,273	198,533	398,478	377,136
Net Position - Beginning (restated)	<u>36,280,145</u>	<u>1,986,195</u>	<u>4,315</u>	<u>-</u>	<u>173,625</u>	<u>38,444,280</u>
Net Position - Ending	<u>\$ 46,365,045</u>	<u>\$ 1,755,047</u>	<u>\$ 15,588</u>	<u>\$ 198,533</u>	<u>\$ 572,103</u>	<u>\$ 48,906,316</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

STATEMENT OF NET POSITION COMPONENT UNITS

June 30, 2021

(Expressed in Thousands)

Assets	Connecticut Housing Finance Authority (12-31-20)	Connecticut Lottery Corporation	Connecticut Airport Authority	Other Component Units	Total
Current Assets:					
Cash and Cash Equivalents	\$ -	\$ 24,981	\$ 128,180	\$ 166,138	\$ 319,299
Investments	-	4,230	-	703,228	707,458
Receivables:					
Accounts, Net of Allowances	-	24,218	6,272	26,159	56,649
Loans, Net of Allowances	-	-	-	2,614	2,614
Interest Receivable	-	995	-	497	1,492
Due From Other Governments	-	-	14,815	-	14,815
Due From Primary Government	-	-	6,357	853	7,210
Restricted Assets	1,188,570	-	6,739	477,956	1,673,265
Inventories	-	-	-	5,572	5,572
Other Current Assets	-	3,900	890	23,290	28,080
Total Current Assets	<u>1,188,570</u>	<u>58,324</u>	<u>163,253</u>	<u>1,406,307</u>	<u>2,816,454</u>
Noncurrent Assets:					
Investments	-	122,140	-	172,694	294,834
Accounts, Net of Allowances	-	-	-	56,620	56,620
Loans, Net of Allowances	-	-	-	109,862	109,862
Restricted Assets	5,168,488	-	152,065	303,847	5,624,400
Capital Assets, Net of Accumulated Depreciation	3,104	408	503,926	401,162	908,600
Other Noncurrent Assets	-	6,656	-	94,064	100,720
Total Noncurrent Assets	<u>5,171,592</u>	<u>129,204</u>	<u>655,991</u>	<u>1,138,249</u>	<u>7,095,036</u>
Total Assets	<u>\$ 6,360,162</u>	<u>\$ 187,528</u>	<u>\$ 819,244</u>	<u>\$ 2,544,556</u>	<u>\$ 9,911,490</u>
Deferred Outflows of Resources					
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ -	\$ -	\$ 12,672	\$ -	\$ 12,672
Unamortized Losses on Bond Refundings	115,687	-	1,301	-	116,988
Related to Pensions & Other Postemployment Benefits	36,848	34,355	46,437	26,570	144,210
Other	-	-	-	2,488	2,488
Total Deferred Outflows of Resources	<u>\$ 152,535</u>	<u>\$ 34,355</u>	<u>\$ 60,410</u>	<u>\$ 29,058</u>	<u>\$ 276,358</u>
Liabilities					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 22,802	\$ 8,590	\$ 39,276	\$ 84,345	\$ 155,013
Current Portion of Long-Term Obligations	484,076	4,901	8,130	26,550	523,657
Due To Primary Government	-	-	2,638	53,578	56,216
Unearned Revenue	-	-	-	3,651	3,651
Amount Held for Institutions	-	-	-	296,531	296,531
Other Liabilities	-	28,527	7,009	40	35,576
Total Current Liabilities	<u>506,878</u>	<u>42,018</u>	<u>57,053</u>	<u>464,695</u>	<u>1,070,644</u>
Noncurrent Liabilities:					
Pension & OPEB Liability	152,851	124,560	176,598	105,813	559,822
Noncurrent Portion of Long-Term Obligations	4,784,269	122,121	245,505	485,102	5,636,997
Total Noncurrent Liabilities	<u>4,937,120</u>	<u>246,681</u>	<u>422,103</u>	<u>590,915</u>	<u>6,196,819</u>
Total Liabilities	<u>\$ 5,443,998</u>	<u>\$ 288,699</u>	<u>\$ 479,156</u>	<u>\$ 1,055,610</u>	<u>\$ 7,267,463</u>
Other Deferred Inflows					
Related to Pensions & Other Postemployment Benefits	\$ 24,790	\$ 17,327	\$ 20,930	\$ 21,015	\$ 84,062
Other Deferred Inflows	-	-	-	1,073	1,073
Total Deferred Inflows of Resources	<u>\$ 24,790</u>	<u>\$ 17,327</u>	<u>\$ 20,930</u>	<u>\$ 22,088</u>	<u>\$ 85,135</u>
Net Position					
Net Investment in Capital Assets	\$ 3,104	\$ 408	\$ 291,325	\$ 198,618	\$ 493,455
Restricted:					
Debt Service	-	-	11,214	-	11,214
Bond Indentures	1,040,805	-	2,142	-	1,042,947
Expendable Endowments	-	-	-	22,496	22,496
Nonexpendable Endowments	-	-	-	770,526	770,526
Capital Projects	-	-	118,386	-	118,386
Other Purposes	-	-	-	226,636	226,636
Unrestricted (Deficit)	-	(84,551)	(43,499)	277,640	149,590
Total Net Position (Deficit)	<u>\$ 1,043,909</u>	<u>\$ (84,143)</u>	<u>\$ 379,568</u>	<u>\$ 1,495,916</u>	<u>\$ 2,835,250</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

**STATEMENT OF ACTIVITIES
COMPONENT UNITS**

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Connecticut Housing Finance Authority (12/31/20)	\$ 195,820	\$ 143,111	\$ -	\$ -
Connecticut Lottery Corporation	1,506,158	1,497,907	-	-
Connecticut Airport Authority	107,692	107,658	-	5,079
Other Component Units	272,473	269,638	12,210	10,862
Total Component Units	\$ 2,082,143	\$ 2,018,314	\$ 12,210	\$ 15,941

General Revenues:
 Investment Income
 Transfer In
 Total General Revenues
 Change in Net Position
 Net Position (Deficit)-Beginning (as restated)
 Net Position (Deficit)-Ending

The accompanying Notes to the Financial Statements are an integral part of this statement.

State of Connecticut

**Net (Expense) Revenue and
Changes in Net Position**

Connecticut Housing Finance Authority (12-31-20)	Connecticut Lottery Corporation	Connecticut Airport Authority	Other Component Units	Totals
\$ (52,709)	\$ -	\$ -	\$ -	\$ (52,709)
-	(8,251)	-	-	(8,251)
-	-	5,045	-	5,045
-	-	-	20,237	20,237
(52,709)	(8,251)	5,045	20,237	(35,678)
185,930	6,048	138	197,612	389,728
-	-	-	496	496
185,930	6,048	138	198,108	390,224
133,221	(2,203)	5,183	218,345	354,546
910,688	(81,940)	374,385	1,277,571	2,480,704
\$ 1,043,909	\$ (84,143)	\$ 379,568	\$ 1,495,916	\$ 2,835,250

THIS PAGE INTENTIONALLY LEFT BLANK

INDEX

	Page
Note 1-Summary of Significant Accounting Policies	63
a. Basis of Presentation.....	63
b. Reporting Entity.....	63
c. Government-wide and Fund Financial Statements.....	64
d. Measurement Focus and Basis of Accounting.....	66
e. Assets and Liabilities.....	66
f. Derivative Instruments.....	68
g. Deferred Inflows of Resources.....	68
h. Interfund Activities.....	68
i. Endowments.....	69
j. Supplemental Nutrition Assistance Program.....	69
k. External Investment Pool.....	69
l. Upcoming Accounting Pronouncements.....	69
m. Use of Estimates.....	70
Note 2-Nonmajor Fund Deficits	71
Note 3-Cash Deposits and Investments	71
Note 4-Receivables-Current	79
Note 5-Taxes Receivable	79
Note 6-Receivables-Noncurrent	80
Note 7-Restricted Assets	80
Note 8-Current Liabilities	81
Note 9-Capital Assets	82
Note 10-State Retirement Systems	83
a. Plan Descriptions and Funding Policy.....	83
b. Investments.....	84
c. GASB Statement 68 Employer Reporting.....	85
d. Defined Contribution Plan.....	88
Note 11-Other Retirement Systems Administered by the State of Connecticut	88
a. Plan Descriptions and Funding Policy.....	88
b. Investments.....	89
c. GASB Statement 68 Employer Reporting.....	89
d. Connecticut Probate Judges and Employees' Retirement System.....	91
Note 12-Pension Trust Funds Financial Statements	92
Note 13-Other Postemployment Benefits (OPEB)	93
a. Plan Descriptions and Funding Policy.....	93
b. Investments.....	93
c. GASB Statement 75 Employer Reporting.....	96
d. Other OPEB Plan.....	98
Note 14-OPEB Trust Funds Financial Statements	99
Note 15-Capital and Operating Leases	100
Note 16-Long-Term Liabilities	101

	Page
Note 17-Long-Term Notes and Bonded Debt	103
a. Primary Government-Governmental Activities.....	103
b. Primary Government-Business-Type Activities.....	105
c. Component Units.....	106
d. Debt Refundings.....	107
e. Nonexchange Financial Guarantee.....	107
Note 18-Risk Management	108
Note 19-Interfund Receivables and Payables	109
Note 20-Interfund Transfers	109
Note 21-Restatement of Net Position, Fund Balance Classifications, and Restricted Net Position	110
Note 22-Tax Abatements	110
Note 23-Asset Retirement Obligations	115
Note 24-Related Organizations	115
Note 25-New Accounting Pronouncements	116
Note 26-Commitments and Contingencies	116
a. Commitments.....	116
b. Contingent Liabilities.....	116
c. Litigation.....	117
Note 27-COVID-19 Pandemic	117
Note 28-Subsequent Events	118

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 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), and the Board of Regents. 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 following organizations (Connecticut Housing Finance Authority, Materials Innovation and Recycling Authority, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Student Loan Foundation, 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 the following organizations (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, 2020.

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). Beginning in Fiscal Year 2021 Bradley Parking Garage (formally a Nonmajor Enterprise Fund of the State) was merged into the Connecticut Airport Authority.

Materials Innovation and Recycling Authority (MIRA)

MIRA 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.

Connecticut Higher Education Supplemental Loan Authority (CHESLA)

CHESLA was created to assist students, their parents, and institutions of higher education to finance the cost of higher education through its bond funds. CHESLA is a subsidiary of CHEFA.

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.

Connecticut Student Loan Foundation (CSLF)

CSLF was established as a Connecticut state chartered nonprofit corporation established pursuant to State of Connecticut 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. CSLF is a subsidiary of CHEFA.

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.

c. 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 of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds issued to buy, construct, or improve those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the purchase, construction, or improvement of those assets or related debt should be included in this component of net position.
2. Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
3. Unrestricted – This component of net position 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.

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 which are not required to be accounted in other funds and which 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 & 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 & the State Community Colleges which consists of four universities: Central, Eastern, Southern, and Western and twelve regional community colleges.

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 GASB.

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 held in trust for individuals by the State Treasurer.

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 obligation 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 paragraph 8 of GASB 84 *Fiduciary Activities* PFMLA has been classified as a Fiduciary Component Unit.

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.

d. 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 capital leases are reported as other financing sources.

e. 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 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. 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 and Depreciation

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, railways, and similar items), 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 market value at the date of donation or in the case of gifts at acquisition value.

Collections of historical documents, rare books and manuscripts, guns, paintings, and other items are not capitalized. These collections are held by the State Library for public exhibition, education, or research; and are kept protected, cared for, and preserved indefinitely. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are also not capitalized.

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.

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
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.

Deferred Outflows of Resources

Deferred outflows of resources are defined as the consumption of net assets in one period that are applicable to future periods. These amounts are reported in the Statement of Net Position on the government-wide and fund financial statements in a separate section, after total assets.

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, and workers' compensation claims. 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 liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

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 sixty days.

f. 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.

g. Deferred Inflows of Resources

Deferred inflows of resources are defined as the acquisition of net assets in one period that are applicable to future periods. These amounts are reported in the Statement of Net Position and Balance Sheet in a separate section, after total liabilities.

h. Interfund Activities

In the fund financial statements, interfund activities are reported as follows:

Interfund receivables/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.

i. 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.

j. Supplemental Nutrition Assistance Program (SNAP)

Nutrition assistance distributed to recipients during the year is recognized as an expenditure and a revenue in the governmental fund financial statements.

k. 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.

l. Upcoming Accounting Pronouncements

The GASB issued Statement No. 87, *Leases* in June 2017. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. This Statement is effective for fiscal years beginning after June 15, 2021, due to the COVID-19 pandemic this date is eighteen months later than originally required in the Statement. The State is currently evaluating the impact this standard will have on its financial statements.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement is effective for reporting periods beginning after December 15, 2020, due to the COVID-19 pandemic this date is one year later than originally required in the Statement. The State is currently evaluating the impact this standard will have on its financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice related to (1) commitments extended by issuers, (2) arrangements related with debt obligations, and (3) related note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021, due to the COVID-19 pandemic this date is one year later than originally required in the Statement. The State is currently evaluating the impact this standard will have on its financial statements.

In January 2020, GASB issued Statement No. 92, *Omnibus*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement is effective for reporting periods beginning after

June 15, 2021, due to the COVID-19 pandemic this date is one year later than originally required in the Statement. The State is currently evaluating the impact this standard will have on its financial statements.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of the Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates. The reliability and relevance of reported information will be maintained by requiring that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as before the replacement of a reference rate. As a result, this Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. This Statement is effective for reporting periods beginning after December 31, 2021, due to the COVID-19 pandemic this date is one year later than originally required in the Statement. The requirements in paragraphs 13 and 14 have an effective date for fiscal years beginning after June 15, 2021, and all reporting periods thereafter. The State is currently evaluating the impact this standard will have on its financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership (PPP's). This Statement is effective for fiscal years beginning after June 15, 2022. The State is currently evaluating the impact this standard will have on its financial statements.

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of the following pronouncements are postponed by one year:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The effective date of the following pronouncement is postponed by 18 months:

- Statement No. 87, *Leases*

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and provide uniform guidance for accounting and financial reporting for transactions that meet that definition. This Statement is effective for fiscal years beginning after June 15, 2022, due to the COVID-19 pandemic this date is a year later than what the Board proposed in the exposure draft. The State is currently evaluating the impact this standard will have on its financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units when a component unit does not have a governing board and the primary government performs the duties that a government board would typically perform; (2) ease costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit plans, and employee benefit plans other than pension plans or OPEB plans; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. This Statement is effective for fiscal years beginning after June 15, 2021. The State is currently evaluating the impact this standard will have on its financial statements.

m. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Note 2

Nonmajor Fund Deficits

The following funds have deficit fund/net position balances at June 30, 2021, none of which constitutes a violation of statutory provisions (amounts in thousands).

<u>Capital Projects</u>		
Transportation	\$	718
<u>Special Revenue</u>		
Regional Market	\$	340

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 because of additional expenditures this fiscal year and lower revenue collections. This deficit 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 counterparty 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, 2021, 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	\$ 2,155,045	\$ 2,155,045	\$ -
Federal Agency Securities	949,124	489,132	459,992
Bank Commercial Paper	853,123	853,123	-
Repurchase Agreements	902,377	902,377	-
Total Investments	\$ 4,859,669	\$ 4,399,677	\$ 459,992

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, 2021, the weighted average maturity of STIF was 31 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 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, 2021, the amount of STIF's investments in variable-rate securities was \$969.1 million.

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, 2021, STIF's investments were rated by Standard and Poor's as follows (amounts in thousands):

Investment Type	Amortized Cost	Quality Ratings		
		AAAm	AA+/A-1+	A/A-1
Treasury Securities	\$ 2,155,045	\$ -	\$ 2,155,045	\$ -
Federal Agency Securities	949,124	-	949,124	-
Corporate & Bank Commercial Paper	853,123	-	774,796	78,327
Repurchase Agreements	902,377	-	-	902,377
Total Investments	\$ 4,859,669	\$ -	\$ 3,878,965	\$ 980,704

Concentration of Credit Risk

STIF reduces its exposure to this risk by ensuring that at least 60 percent of fund assets will be invested in securities rated "A-1+" or equivalent. In addition, exposure to any single non-governmental issuer will not exceed 5 percent (at the time a security is purchased), exposure to any single money market mutual fund (rated AAAm) will not exceed 5 percent of fund assets and exposure to money market mutual funds in total will not exceed 15 percent. As of June 30, 2021, STIF's investments in any one issuer that represents more than 5 percent of total investments were as follows (amounts in thousands):

Investment Issuer	Amortized Cost
Federal Farm Credit Bank	\$ 778,518
ScotiaBank and Treasury Repo with Scotia	\$ 650,000
Bank of America REPO	\$ 602,377

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, 2021, \$3,794,987 of the bank balance of STIF's deposits of \$4,074,987 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	3,794,987
Uninsured and collateral held by trust department of either the pledging bank or another bank not in the name of the State		-
Total	\$	3,794,987

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. 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.

	Primary Government		
	Governmental	Business-Type	Fiduciary
	Activities	Activities	Funds
Equity in the CIFS	\$ 138,878	\$ 697	\$ 44,405,341
Other Investments	190	85,492	1,754,745
Total Investments-Current	\$ 139,068	\$ 86,189	\$ 46,160,086

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, 2021, the CIFS had the following investments (amounts in thousands):

Investments by Fair Value Level	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Cash Equivalents	\$ 850,308	\$ 487,109	\$ 363,199	\$ -
Asset Backed Securities	176,736	-	176,736	-
Government Securities	5,722,908	3,708,394	2,014,514	-
Government Agency Securities	1,553,274	-	1,553,274	-
Mortgage Backed Securities	547,084	-	547,084	-
Corporate Debt	4,916,630	-	4,798,493	118,137
Convertible Securities	160,126	-	160,126	-
Common Stock	19,642,020	19,641,676	-	344
Preferred Stock	161,479	147,465	14,014	-
Real Estate Investment Trust	748,733	592,861	155,872	-
Mutual Fund	565,046	565,046	-	-
Limited Partnerships	241,401	241,401	-	-
Total	\$ 35,285,745	\$ 25,383,952	\$ 9,783,312	\$ 118,481

Investments Measured by Net Asset Value (NAV)		Unfunded	Redemption	Redemption
		Commitments	Frequency	Notice Period
Limited Liability Corporation	72	\$ -	Illiquid	N/A
Limited Partnerships	9,714,299	5,483,831	Illiquid	N/A
Total	9,714,371	\$ 5,483,831		
Total Investments in Securities at Fair Value	\$ 45,000,116			

Investments are stated at fair value for each of the CIF 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, 2021 fair value, or net asset value ("NAV") equivalent. The CIF's 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

CIFS' investment managers are given full discretion to manage their portion of 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):

Combined Investment Funds					
Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
Cash Equivalents	\$ 850,308	\$ 850,308	\$ -	\$ -	\$ -
Asset Backed Securities	176,736	608	44,608	49,841	81,679
Government Securities	5,722,908	492,042	2,306,911	1,359,767	1,564,188
Government Agency Securities	1,553,274	7	40,197	61,387	1,451,683
Mortgage Backed Securities	547,084	-	21,729	27,230	498,125
Corporate Debt	4,916,630	370,203	1,991,665	1,724,131	830,631
Convertible Debt	160,126	672	134,090	22,095	3,269
	<u>\$ 13,927,066</u>	<u>\$ 1,713,840</u>	<u>\$ 4,539,200</u>	<u>\$ 3,244,451</u>	<u>\$ 4,429,575</u>

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, 2021, 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	\$ 5,611,390	\$ 487,110	\$ 90,035	\$ 3,740,049	\$ 1,015,588	\$ 232,789	\$ 45,819	\$ -	
Aa	382,562	-	5,946	191,416	-	23,789	161,411	-	
A	806,403	-	1,858	154,830	-	3,240	643,193	3,282	
Baa	1,501,552	-	3,467	375,657	-	1,892	1,112,811	7,725	
Ba	1,260,563	-	2,368	330,963	-	117	924,489	2,626	
B	1,236,025	-	3,052	229,136	-	-	998,211	5,626	
Caa	555,234	-	1,295	57,092	-	974	492,400	3,473	
Ca	15,034	-	567	859	-	765	12,815	28	
C	6,732	-	-	5,978	-	-	754	-	
Prime 1	256,914	51,248	-	-	-	-	205,666	-	
Prime 2	17,507	3,050	-	-	-	-	14,457	-	
U.S. Government fixed income securities (not rated)	578,762	-	-	41,076	537,686	-	-	-	
Non US Government fixed income securities (not rated)	595,851	-	-	595,851	-	-	-	-	
Not Rated	1,127,537	308,901	68,149	-	-	283,518	329,603	137,366	
	<u>\$ 13,952,066</u>	<u>\$ 850,309</u>	<u>\$ 176,737</u>	<u>\$ 5,722,907</u>	<u>\$ 1,553,274</u>	<u>\$ 547,084</u>	<u>\$ 4,941,629</u>	<u>\$ 160,126</u>	

Foreign Currency Risk

The CIFS manage exposure to this risk by utilizing a strategic hedge ratio of 50 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 portfolios.

As of June 30, 2021, CIFS' foreign deposits and investments were as follows (amounts in thousands):

Combined Investment Funds										
Foreign Currency	Total	Fixed Income Securities						Equities		Real Estate
		Cash	Cash Equivalent Collateral	Government Securities	Corporate Debt	Asset Backed	Mortgage Backed	Common Stock	Preferred Stock	Investment Trust Fund
Argentine Peso	\$ 928	\$ 205	\$ -	\$ 723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Australian Dollar	316,253	1,336	-	2,965	5,867	-	552	291,256	-	14,277
Brazilian Real	444,978	4,161	-	116,580	6,008	27	-	247,590	70,612	-
Canadian Dollar	52,011	1,126	-	-	-	-	495	50,390	-	-
Chilean Peso	17,164	-	40	17,426	-	(302)	-	-	-	-
Chinese Yuan Renminbi	61	-	484	-	-	(423)	-	-	-	-
Colombian Peso	67,507	2,232	(48)	57,363	7,644	316	-	-	-	-
Czech Koruna	43,577	117	8	37,451	-	(9)	-	6,010	-	-
Danish Krone	162,453	129	-	-	-	-	-	162,324	-	-
Dominican Rep Peso	7,461	-	-	7,461	-	-	-	-	-	-
Egyptian Pound	37,177	(53)	-	17,303	18,467	-	-	1,460	-	-
Euro Currency	2,156,024	8,775	1	77,363	28,455	1,187	18,992	1,986,294	24,623	10,334
Hong Kong Dollar	1,074,719	2,609	-	-	525	-	2,530	1,065,565	-	3,490
Hungarian Forint	64,612	200	(1)	24,017	-	-	-	40,396	-	-
Indonesian Rupiah	143,170	872	-	54,845	43,268	-	-	44,185	-	-
Israeli Shekel	50,410	145	-	9,859	-	-	-	40,406	-	-
Japanese Yen	1,078,099	8,630	-	-	-	-	3,170	1,045,784	-	20,515
Kazakhstan Tenge	11,061	-	-	-	11,061	-	-	-	-	-
Kenyan Shilling	1,722	-	-	-	1,722	-	-	-	-	-
Georgian Lari	1,474	-	-	1,474	-	-	-	-	-	-
Malaysian Ringgit	69,412	522	-	64,124	-	17	-	4,749	-	-
Mexican Peso	163,771	1,517	1,414	111,110	4,092	(286)	-	45,924	-	-
New Zealand Dollar	11,985	493	-	-	-	-	-	11,047	-	445
Norwegian Krone	27,433	214	-	-	-	-	-	27,219	-	-
Peruvian Nouveau Sol	28,934	368	-	24,519	4,047	-	-	-	-	-
Philippine Peso	1,123	-	-	1,123	-	-	-	-	-	-
Polish Zloty	60,747	52	143	13,954	-	(102)	-	46,700	-	-
Pound Sterling	1,127,720	3,984	-	(86)	296	-	2,160	1,111,386	-	9,980
Romanian Leu	18,084	281	-	17,803	-	-	-	-	-	-
Russian Ruble	199,968	838	-	92,633	-	-	-	106,497	-	-
Singapore Dollar	42,942	376	46	2,486	-	(47)	411	33,057	-	6,613
South African Rand	290,814	1,843	(3,959)	104,420	175	(93)	-	188,428	-	-
South Korean Won	762,271	1	-	-	-	-	-	718,732	43,538	-
Swedish Krona	211,075	369	-	-	-	-	-	210,706	-	-
Swiss Franc	675,428	2,043	-	-	3,716	-	2,138	667,531	-	-
Thailand Baht	66,492	9	-	30,079	-	-	-	36,404	-	-
Turkish Lira	28,331	122	-	6,892	-	-	-	21,317	-	-
Uganda Shilling	1,447	-	-	1,447	-	-	-	-	-	-
Ukraine Hryvna	25,793	-	-	19,497	6,296	-	-	-	-	-
Uruguayan Peso	32,037	-	-	32,037	-	-	-	-	-	-
Uzbekistan Sum	3,483	-	-	3,483	-	-	-	-	-	-
	<u>\$ 9,580,151</u>	<u>\$ 43,516</u>	<u>\$ (1,872)</u>	<u>\$ 950,351</u>	<u>\$ 141,639</u>	<u>\$ 285</u>	<u>\$ 30,448</u>	<u>\$ 8,211,357</u>	<u>\$ 138,773</u>	<u>\$ 65,654</u>

Derivatives

As of June 30, 2021, the CIFS held the following derivative investments (amounts in thousands):

	2021		2020	
	Fair Value		Fair Value	
Adjustable Rate Securities	\$	631,503	\$	574,590
Asset Backed Securities		177,628		161,029
Mortgage Backed Securities		392,400		336,877
Collateralized Mortgage Obligations		154,685		157,295
Forward Mortgage Backed Securities (TBA's)		536,957		471,954
Interest Only		14,358		10,366
Total	\$	1,907,531	\$	1,712,111

The Core Fixed Income Fund held futures with a negative notional cost of \$285,985,939. The Emerging Market Debt Fund held futures with a negative notional cost of \$53,190,890. Also, the Developed Market International Stock held futures with a notional cost of \$23,741,115. In addition the Real Assets Fund held futures with a notional cost of \$843,597.

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, 2021, the fair value of contracts to buy and contracts to sell was \$1,050.6 billion and \$1,050.7 billion, 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, 2021, the CIFS had deposits with a bank balance of \$71.9 million 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 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, 2021, UConn had the following recurring fair value measurements. (amounts in thousands):

Fair Value Measurements				
<u>Investments by Fair Value Level</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash Equivalents	\$ 1,046	\$ 1,046	\$ -	\$ -
Fixed Income Securities	2,027	2,027	-	-
Equity Securities	14,704	14,476	228	-
Total	\$ 17,777	\$ 17,549	\$ 228	\$ -
Investments Measured by Net Asset Value (NAV)		Unfunded	Redemption	Redemption
		Commitments	Frequency	Notice Period
Private Capital Partnerships	\$ 463	\$ 112	N/A	N/A
Private Real Estate Partnerships	13	35	N/A	N/A
Natural Resource Partnerships	245	36	N/A	N/A
Long/Short Equities	1	-	N/A	N/A
Relative Value	1,224	-	N/A	N/A
Other	699	-	N/A	N/A
Total	2,645	\$ 183		
Total Investments in Securities at Fair Value	\$ 20,422			

As of June 30, 2021, the State had other investments and maturities as follows (amounts in thousands):

Investment Type	Other Investments			
	Fair Value	Investment Maturities (in years)		
		Less Than 1	1-5	6-10
State Bonds	\$ 3,395	\$ -	\$ 3,395	\$ -
U.S. Government and Agency Securities	107,655	104,280	2,251	1,124
Guaranteed Investment Contracts	68,881	9,333	31,914	27,634
Money Market Funds	14,857	14,857	-	-
Total Debt Investments	194,788	\$ 128,470	\$ 37,560	\$ 28,758
Endowment Pool	19,495			
Corporate Stock	228			
Other Investments	699			
Total Investments	\$ 215,210			

Credit Risk

As of June 30, 2021, other debt investments were rated by Standard and Poor's as follows (amounts in thousands):

Investment Type	Other Investments				
	Fair Value	Quality Ratings			
		AA	A	BBB	Unrated
State Bonds	\$ 3,395	\$ 1,416	\$ 1,979	\$ -	\$ -
U.S. Government and Agency Securities	3,375	3,375	-	-	-
Guaranteed Investment Contracts	68,881	14,565	34,012	9,333	10,971
Money Market Funds	14,857	-	-	-	14,857
Total	\$ 90,508	\$ 19,356	\$ 35,991	\$ 9,333	\$ 25,828

Connecticut State Universities had \$104 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 (amounts in thousands):

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 10 percent, 25 percent, 100 percent, or 120 percent 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, 2021, \$192,113 of the bank balance of the Primary Government of \$215,713 was exposed to custodial credit risk as follows

Uninsured and uncollateralized	\$ 143,484
Uninsured and collateral held by trust department of either the pledging bank or another bank not in the name of the State	50,629
Total	\$ 194,113

Component Units

The Connecticut Housing Finance Authority (CHFA) and the Connecticut Lottery Corporation (CLC) reported the following investments and maturities as of December 31, 2020 and June 30, 2021, respectively (amounts in thousands):

Investment Type	Major Component Units				
	Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
Collateralized Mortgage Obligations	\$ 447	\$ -	\$ 108	\$ -	\$ 339
GNMA & FNMA Program Assets	2,479,752	-	-	5,811	2,473,941
Money Market	4,897	4,897	-	-	-
Municipal Bonds	69,464	410	1,655	2,177	65,222
STIF	985,724	985,724	-	-	-
MBS's	267	-	23	244	-
Structured Securities	226	-	-	226	-
U.S. Government Agency Securities	931	-	-	-	931
Total Debt Investments	3,541,708	\$ 991,031	\$ 1,786	\$ 8,458	\$ 2,540,433
Annuity Contracts	126,369				
Total Investments	\$ 3,668,077				

The CHFA and the CLC own 96.6 percent and 3.4 percent of the above investments, respectively. GNMA Program Assets represent securitized home mortgage loans of CHFA which are guaranteed by the Government National Mortgage Association. 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 avoids 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, 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, 2020 as follows (amounts in thousands):

Investment Type	Component Units				
	Fair Value	AAA	Quality Ratings		
			CCC	D	Unrated
Collateralized Mortgage Obligations	\$ 447	\$ -	\$ -	\$ -	\$ 447
GNMA & FNMA Program Assets	2,479,752	2,479,752	-	-	-
Money Market	4,897	-	-	-	4,897
Municipal Bonds	69,464	-	-	-	69,464
STIF	985,724	985,724	-	-	-
MBS's	267	267	-	-	-
Structured Securities	226	-	226	-	-
U.S. Government Agency Securities	931	931	-	-	-
Total	<u>\$ 3,541,708</u>	<u>\$ 3,466,674</u>	<u>\$ 226</u>	<u>\$ -</u>	<u>\$ 74,808</u>

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, 2020, the Authority had no investments in any one issuer that represents 5 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 percent of the fair value of the domestic loaned securities or 105 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 \$4,329.8 million and \$4,251.2 million, 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 7.38 days and an average weighted maturity of 44.21 days.

Note 4

Receivables-Current

As of June 30, 2021, current receivables consisted of the following (amounts in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Taxes	\$ 2,878,460	\$ -	\$ -
Accounts	1,466,187	485,122	61,943
Loans-Current Portion	-	274,060	2,614
Other Governments	1,022,878	21,630	14,815
Interest	45	6,238	1,323
Other	3	-	-
Total Receivables	5,367,573	787,050	80,695
Allowance for Uncollectibles	(1,025,064)	(109,174)	(5,125)
Receivables, Net	\$ 4,342,509	\$ 677,876	\$ 75,570

Note 5

Taxes Receivable

Taxes receivable consisted of the following as of June 30, 2021 (amounts in thousands):

	Governmental Activities		
	General Fund	Transportation Fund	Total
Sales and Use	\$ 988,338	\$ -	\$ 988,338
Income Taxes Corporations	938,711	-	938,711
Gasoline and Special Fuel	181,168	-	181,168
Various Other	-	223,975	223,975
Total Taxes Receivable	546,268	-	546,268
Allowance for Uncollectibles	2,654,485	223,975	2,878,460
Taxes Receivable, Net	(341,194)	(128)	(341,322)
	\$ 2,313,291	\$ 223,847	\$ 2,537,138

Note 6

Receivables-Noncurrent

Noncurrent receivables for the primary government and its component units, as of June 30, 2021, consisted of the following (amounts in thousands):

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units
Accounts	\$ -	\$ 4,253	\$ 56,620
Loans	1,155,212	993,791	130,494
Total Receivables	1,155,212	998,044	187,114
Allowance for Uncollectibles	(40,465)	-	(20,632)
Receivables, Net	\$ 1,114,747	\$ 998,044	\$ 166,482

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 percent to 4 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 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 \$849.2 million.

The Connecticut Higher Education Supplemental Loan Authority (a component unit) makes loans to individuals from the proceeds of bonds issued by the Authority. The loans bear interest rates ranging from 4.85 percent to 6.99 percent. At year end, the noncurrent portion of loans receivable was \$101.3 million.

Note 7

Restricted Assets

Restricted assets are defined as resources that are restricted by legal or contractual requirements. As of June 30, 2021, restricted assets were comprised of the following (amounts in thousands):

	Cash & Cash Equivalents	Investments	Loans, Net of Allowances	Other	Total Restricted Assets
Governmental Activities:					
Debt Service	\$ 1,103,038	\$ -	\$ -	\$ -	\$ 1,103,038
Total Governmental Activities	\$ 1,103,038	\$ -	\$ -	\$ -	\$ 1,103,038
Business-Type Activities:					
UConn/Health Center	\$ 133,262	\$ -	\$ -	\$ -	\$ 133,262
Clean Water	167,617	63,506	-	-	231,123
Other Proprietary	28,007	4,167	-	-	32,174
Total Business-Type Activities	\$ 328,886	\$ 67,673	\$ -	\$ -	\$ 396,559
Component Units:					
CHFA	\$ 587	\$ 3,541,708	\$ 2,758,677	\$ 56,086	\$ 6,357,058
CAA	149,437	6,739	-	2,629	158,804
Other Component Units	128,858	384,293	260,715	7,937	781,803
Total Component Units	\$ 278,882	\$ 3,932,739	\$ 3,019,392	\$ 66,652	\$ 7,297,665

Note 8

Current Liabilities

Accounts Payable and Accrued Liabilities

As of June 30, 2021, accounts payable and accrued liabilities consisted of the following (amounts in thousands):

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Interest</u>	<u>Other</u>	<u>Total Payables & Accrued Liabilities</u>
Governmental Activities:					
General	\$ 188,167	\$ 264,563	\$ -	\$ -	\$ 452,730
Transportation	17,670	16,645	-	-	34,315
Restricted Accounts	264,313	18,469	-	-	282,782
Grants and Loans	41,953	109	-	5,504	47,566
Other Governmental	78,580	9,329	-	-	87,909
Internal Service	1,328	1,126	-	-	2,454
Reconciling amount from fund financial statements to government-wide financial statements	-	-	301,688	1,619,419	1,921,107
Total-Governmental Activities	<u>\$ 592,011</u>	<u>\$ 310,241</u>	<u>\$ 301,688</u>	<u>\$ 1,624,923</u>	<u>\$ 2,828,863</u>
Business-Type Activities:					
UConn/Health Center	\$ 83,772	\$ 106,449	\$ -	\$ 33,312	\$ 223,533
Board of Regents	19,472	124,437	1,795	117	145,821
Other Proprietary	6,495	-	12,778	766	20,039
Total-Business-Type Activities	<u>\$ 109,739</u>	<u>\$ 230,886</u>	<u>\$ 14,573</u>	<u>\$ 34,195</u>	<u>\$ 389,393</u>
Component Units:					
CHFA	\$ -	\$ -	\$ 16,611	\$ 6,191	\$ 22,802
Connecticut Lottery Corporation	7,595	-	995	-	8,590
Connecticut Airport Authority	22,584	6,651	3,881	6,160	39,276
Other Component Units	9,910	47	848	73,540	84,345
Total-Component Units	<u>\$ 40,089</u>	<u>\$ 6,698</u>	<u>\$ 22,335</u>	<u>\$ 85,891</u>	<u>\$ 155,013</u>

Note 9**Capital Assets**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets not being Depreciated:				
Land	\$ 1,899,278	\$ 47,225	\$ 996	\$ 1,945,507
Construction in Progress	5,417,311	1,149,221	442,513	6,124,019
Total Capital Assets not being Depreciated	7,316,589	1,196,446	443,509	8,069,526
Capital Assets being Depreciated:				
Buildings	4,982,966	155,166	238,593	4,899,539
Improvements Other than Buildings	480,121	2,554	579	482,096
Equipment	2,670,501	96,271	94,855	2,671,917
Infrastructure	17,959,473	252,935	-	18,212,408
Total Other Capital Assets at Historical Cost	26,093,061	506,926	334,027	26,265,960
Less: Accumulated Depreciation For:				
Buildings	2,070,180	122,485	238,593	1,954,072
Improvements Other than Buildings	414,365	24,352	579	438,138
Equipment	2,626,996	93,369	94,855	2,625,510
Infrastructure	11,886,111	478,241	-	12,364,352
Total Accumulated Depreciation	16,997,652	718,447	334,027	17,382,072
Other Capital Assets, Net	9,095,409	(211,521)	-	8,883,888
Governmental Activities, Capital Assets, Net	<u>\$ 16,411,998</u>	<u>\$ 984,925</u>	<u>\$ 443,509</u>	<u>\$ 16,953,414</u>

* Depreciation expense was charged to functions as follows:

Governmental Activities:	
Legislative	\$ 4,693
General Government	26,724
Regulation and Protection	20,844
Conservation and Development	9,142
Health and Hospitals	8,864
Transportation	567,204
Human Services	1,065
Education, Libraries and Museums	28,720
Corrections	30,857
Judicial	15,021
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	5,313
Total Depreciation Expense	<u>\$ 718,447</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital Assets not being Depreciated:				
Land	\$ 78,795	\$ 24	\$ -	\$ 78,819
Construction in Progress	403,825	189,357	293,157	300,025
Total Capital Assets not being Depreciated	482,620	189,381	293,157	378,844
Capital Assets being Depreciated:				
Buildings	6,749,851	325,208	48,814	7,026,245
Improvements Other Than Buildings	639,408	64,706	359	703,755
Equipment	1,094,187	45,296	34,607	1,104,876
Total Other Capital Assets at Historical Cost	8,483,446	435,210	83,780	8,834,876
Less: Accumulated Depreciation For:				
Buildings	2,796,183	207,328	23,237	2,980,274
Improvements Other Than Buildings	276,755	21,176	321	297,610
Equipment	736,161	67,418	34,062	769,517
Total Accumulated Depreciation	3,809,099	295,922	57,620	4,047,401
Other Capital Assets, Net	4,674,347	139,288	26,160	4,787,475
Business-Type Activities, Capital Assets, Net	<u>\$ 5,156,967</u>	<u>\$ 328,669</u>	<u>\$ 319,317</u>	<u>\$ 5,166,319</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, 2021 (amounts in thousands):

Land	\$ 60,300
Buildings	992,776
Improvements other than Buildings	382,278
Machinery and Equipment	433,501
Construction in Progress	191,886
Total Capital Assets	2,060,741
Accumulated Depreciation	1,145,372
Capital Assets, Net	\$ 915,369

Note 10

State Retirement Systems

The State sponsors three major public employee retirement systems: The State Employees' Retirement System (SERS)-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 administers SERS and JRS. The sixteen members are: 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 administers TRS. The fourteen members of the Teachers' Retirement Board include: 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 the Teachers' Retirement System (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:

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>
Inactive Members or their Beneficiaries receiving benefits	52,498	38,540	304
Inactive Members Entitled to but not yet Receiving Benefits	2,437	10,366	6
Active Members	47,662	50,951	180

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. 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 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 earnings 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 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 are required to contribute 5 percent of their annual salary. The State is required to contribute at an actuarially determined rate. 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, 2020.

Asset Class	SERS		TRB		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%	5.6%	20.0%	5.6%	20.0%	5.6%
Developed Market Intl. Stock Fund	11.0%	6.0%	11.0%	6.0%	11.0%	6.0%
Emerging Markets Intl. Stock Fund	9.0%	7.9%	9.0%	7.9%	9.0%	7.9%
Core Fixed Income Fund	16.0%	2.1%	16.0%	2.1%	16.0%	2.1%
Inflation Linked Bonds	5.0%	1.1%	5.0%	1.1%	5.0%	1.1%
Emerging Market Debt Fund	5.0%	2.7%	5.0%	2.7%	5.0%	2.7%
High Yield Bonds	6.0%	4.0%	6.0%	4.0%	6.0%	4.0%
Real Estate Fund	10.0%	4.5%	10.0%	4.5%	10.0%	4.5%
Private Equity	10.0%	7.3%	10.0%	7.3%	10.0%	7.3%
Alternative Investments	7.0%	2.9%	7.0%	2.9%	7.0%	2.9%
Liquidity Fund	1.0%	0.4%	1.0%	0.4%	1.0%	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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 24.36 percent, 24.28 percent, and 24.37 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 June 30, 2020 were as follows (amounts in millions):

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>
Total Pension Liability	\$ 36,971	\$ 37,128	\$ 490
Fiduciary Net Position	<u>13,249</u>	<u>18,282</u>	<u>240</u>
Net Pension Liability	<u>\$ 23,722</u>	<u>\$ 18,846</u>	<u>\$ 250</u>
Ratio of Fiduciary Net Position to Total Pension Liability	35.84%	49.24%	48.92%

Deferred Retirement Option Program (DROP)

Section 10-183v of the General Statute authorizes that a TRS member teacher receiving retirement benefits from the system may be reemployed for up to one full school year by a local board of education, the State Board of Education or by a constituent unit of the state system of higher education in a position (1) designated by the Commissioner of Education as a subject shortage area, or (2) at a school located in a school district identified as a priority school district. Such reemployment may be extended for an additional school year, by written request for approval to the Teachers' Retirement Board.

As of June 30, 2021, the balance held for the DROP was not available from the Teachers' Retirement Board.

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 were projected through the year 2139.

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 millions):

	1% Decrease in Rate	Current Discount Rate	1% Increase in Rate
SERS Net Pension Liability	\$ 27,866	\$ 21,454	\$ 19,768
TRS Net Pension Liability	\$ 23,571	\$ 18,846	\$ 14,923
JRS Net Pension Liability	\$ 300	\$ 250	\$ 207
Component Units	\$ 317	\$ 268	\$ 225

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, 2021 (amounts in thousands):

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>	<u>Total</u>
Primary Government	\$ 1,016,171	\$ 2,153,477	\$ 31,894	\$ 3,201,542
Component Units	18,551	-	-	18,551
Fiduciary Component Unit	449	-	-	449
Total Employer Contributions	<u>\$ 1,035,171</u>	<u>\$ 2,153,477</u>	<u>\$ 31,894</u>	<u>\$ 3,220,542</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, 2020, the primary government and component units reported net pension liabilities for the following plans administered by the State as follows (amounts in thousands):

	Primary <u>Government</u>	Component <u>Units</u>	Fiduciary <u>Component Unit</u>
Proportionate Share of the Net Pension Liability			
State Employees' Retirement System	\$ 23,454,732	\$ 266,596	\$ 320
Net Pension Liability			
Teachers' Retirement System	18,846,090	-	-
Judicial Retirement System	250,318	-	-
Total Net Pension Liability	<u>\$ 42,551,140</u>	<u>\$ 266,596</u>	<u>\$ 320</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, 2020 as follows:

	Primary <u>Government</u>	Component <u>Units</u>
State Employees' Retirement System		
Proportion-June 30, 2020	98.87%	1.13%

For the measurement June 30, 2020, the primary government and component units' recognized pension expense for the following pension plans administered by the State as follows (amounts in thousands):

	Primary <u>Government</u>	Component <u>Units</u>	Fiduciary <u>Component Unit</u>
Pension Expense			
State Employees' Retirement System	\$ 3,170,686	\$ 36,040	\$ 43
Teachers' Retirement System	2,699,613	-	-
Judicial Retirement System	28,519	-	-
	<u>\$ 5,898,818</u>	<u>\$ 36,040</u>	<u>\$ 43</u>

Deferred Outflows and Inflows of Resources

As of the reporting date June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary <u>Government</u>		Component Units		Fiduciary <u>Component Unit</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
State Employees' Retirement System						
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	\$ 395,339	\$ -	\$ 4,494	\$ -	\$ 5	\$ -
Difference Between Expected and Actual Experience	1,265,894	-	14,389	-	17	-
Changes in Proportion & Differences Between Employer Contributions & Proportionate Share of Contributions	-	-	16,183	28,551	-	-
Change in Assumptions	624,755	-	7,101	-	9	-
Employer Contributions Subsequent to Measurement Date	1,016,171	-	18,551	-	449	-
Total	<u>\$ 3,302,159</u>	<u>\$ -</u>	<u>\$ 60,718</u>	<u>\$ 28,551</u>	<u>\$ 480</u>	<u>\$ -</u>
Teachers' Retirement System						
Differences Between Expected and Actual Experience	\$ -	\$ 565,948				
Change in Assumptions	4,117,548	-				
Net Difference Between Projected and Actual Earnings on Plan Investments	774,432	-				
Employer Contributions Subsequent to Measurement Date	2,153,477	-				
Total	<u>\$ 7,045,457</u>	<u>\$ 565,948</u>				
Judicial Retirement System						
Net Difference Between Projected and Actual Earnings on Plan Investments	\$ 8,021	\$ -				
Differences Between Expected and Actual Experience	12,920	3,132				
Change in Assumptions	-	-				
Employer Contributions Subsequent to Measurement Date	31,894	-				
Total	<u>\$ 52,835</u>	<u>\$ 3,132</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		\$ 1,049,809	\$ 7,879
2		479,389	4,187
3		461,413	3,455
4		286,671	278
5		21,075	(2,152)
		<u>\$ 2,298,357</u>	<u>\$ 13,647</u>

<u>Teachers' Retirement System</u>		<u>Primary</u>
<u>Year</u>		<u>Government</u>
1		\$ 1,003,265
2		1,147,742
3		903,336
4		866,336
5		359,576
6		45,777
		<u>\$ 4,326,032</u>

<u>Judges' Retirement System</u>		<u>Primary</u>
<u>Year</u>		<u>Government</u>
1		\$ 3,543
2		8,974
3		3,138
4		2,154
5		-
		<u>\$ 17,809</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>
Valuation Date	6/30/2020	6/30/2020	6/30/2020
Inflation	2.50%	2.50%	2.50%
Salary Increases	3.5%-19.50%	3%-6.50%	4.50%
Investment Rate of Return	6.90%	6.90%	6.90%

The actuarial assumptions used in the June 30, 2020 SERS and JRS reported mortality rates based on the RP-2014 White Collar Mortality Table projected to 2020 by scale BB at 100 percent for males and 95 percent for females for periods after service retirement and for dependent beneficiaries. The RP-2014 Disabled Retiree Mortality Table at 65 percent for males and 85 percent for females is used for periods after disability.

The actuarial assumptions used in the June 30, 2020 TRS actuarial report 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 used for 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.

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, 2020 (amounts in thousands):

Total Pension Liability	SERS	TRS	JRS
Service Cost	\$ 388,671	\$ 616,370	\$ 9,813
Interest	2,416,577	2,379,886	31,815
Benefit Changes	-	-	-
Difference between expected and actual experience	208,138	(306,400)	2,474
Changes of assumptions	-	1,022,137	-
Benefit payments	(2,120,811)	(2,150,168)	(30,200)
Refunds of Contributions	(9,377)	-	-
Net change in total pension liability	883,198	1,561,825	13,902
Total pension liability - beginning (a)	36,087,938	35,566,175	476,189
Total pension liability - ending (c)	\$ 36,971,136	\$ 37,128,000	\$ 490,091
Plan fiduciary net position			
Contributions - employer	\$ 1,616,312	\$ 1,209,573	\$ 27,011
Contributions - member	192,716	318,217	1,575
Net investment income	295,737	410,311	5,461
Benefit payments	(2,120,811)	(2,150,168)	(30,200)
Administrative Expense	(782)	-	-
Refunds of Contributions	(9,377)	-	-
Other	-	522	-
Net change in plan fiduciary net position	(26,205)	(211,545)	3,847
Plan net position - beginning (b)	13,275,693	18,493,455	235,926
Plan net position - ending (d)	\$ 13,249,488	\$ 18,281,910	\$ 239,773
Net pension liability - beginning (a)-(b)	\$ 22,812,245	\$ 17,072,720	\$ 240,263
Net pension liability - ending (c)-(d)	\$ 23,721,648	\$ 18,846,090	\$ 250,318

d. Defined Contribution Plan

The State also sponsors the Connecticut Alternate Retirement Program (CARP), a defined contribution plan. CARP 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 percent of their annual salaries. The State is required to contribute 8 percent of covered salary. During the year, plan members and the State contributed \$30.1 million and \$39.6 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 No. 12.

a. Plan Descriptions and Funding Policy

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

	MERS	CPJERS
Retirees and beneficiaries receiving benefits	7,933	377
Terminated plan members entitled to but not receiving benefits	1,358	70
Active plan members	9,459	331
Total	18,750	778
Number of participating employers	189	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 2.25 percent to 5.0 percent of their annual salary. Participating municipalities are required to contribute at an actuarial 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.

Asset Class	MERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equities	20.0%	5.3%
Developed Non-U.S. Equities	11.0%	5.1%
Emerging Markets (Non-U.S.)	9.0%	7.4%
Real Estate	10.0%	4.7%
Private Equity	10.0%	7.3%
Alternative Investment	7.0%	3.2%
Fixed Income (Core)	16.0%	1.6%
High Yield Bonds	6.0%	3.4%
Emerging Market Bond	5.0%	2.9%
Inflation Linked Bonds	5.0%	1.3%
Cash	1.0%	0.9%

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.

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

The components of the net pension liability for MERS as June 30, 2020 were as follows (amounts in millions):

	MERS
Total Pension Liability	\$ 3,862
Fiduciary Net Position	2,749
Net Pension Liability	\$ 1,113
Ratio of Fiduciary Net Position to Total Pension Liability	71.18%

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 millions):

	1% Decrease in Rate	Current Discount Rate	1% Increase in Rate
Net Pension Liability	\$ 1,586	\$ 1,113	\$ 717

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
Municipal Employees Retirement System		
Difference Between Expected and Actual Experience	\$ 24,222	\$ 58,892
Changes in actuarial assumptions	174,611	-
Net Difference Between Projected and Actual Investment Earnings on Plan Investments	115,817	-
Employer Contributions Subsequent to Measurement Date	115,452	-
	<u>\$ 430,102</u>	<u>\$ 58,892</u>

Amounts recognized in subsequent fiscal years:

Year	MERS
1	\$ 103,948
2	122,478
3	15,702
4	13,630

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, 2020 (amounts in thousands):

Total Pension Liability MERS	
Service Cost	\$ 87,509
Interest on the total pension liability	258,006
Difference between expected and actuary experience	(74,680)
Changes of assumptions	-
Benefit payments	(188,550)
Refunds of contributions	(1,516)
Net change in total pension	80,769
Total pension liability - beginning	3,780,832
Total pension liability - ending (a)	<u>\$ 3,861,601</u>
Plan net position	
Contributions - employer	99,816
Initial Liability Payments and Transfers	-
Contributions - member	27,416
Net investment income	63,300
Benefit payments	(188,550)
Refunds of contributions	(1,516)
Other	(155)
Net change in plan net position	311
Plan net position - beginning	<u>\$ 2,748,242</u>
Plan net position - ending (b)	<u>\$ 2,748,553</u>
Net pension liability - ending (a) - (b)	<u>\$ 1,113,048</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	2.50%
Salary increase	3.5-10.0%, including inflation
Long-Term investment rate of return	7.00%, net of pension plan investment expenses, including inflation

Mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees and the RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire. For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

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 3.75 percent of their annual salary. The probate court system is required to contribute at an actuarial 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, 2021, the Fiduciary Fund financial statements were as follows (amounts in thousands):

Statement of Fiduciary Net Position (thousands)							
	State Employees'	State Teachers'	Judicial	Connecticut Municipal Employees'	Probate Judges'	Other	Total
Assets							
Current:							
Cash and Cash Equivalents	\$ 5,473	\$ 3,961	\$ 3,729	\$ 3,046	\$ 274	\$ 448	\$ 16,931
Receivables:							
Accounts, Net of Allowances	14,368	12,564	7	22,629	4	-	49,572
From Other Governments	-	60	-	-	-	-	60
From Other Funds	714,673	903,644	-	2	-	-	1,618,319
Interest	276	436	5	52	3	-	772
Investments	16,345,927	22,200,626	298,259	3,328,688	140,860	2,699	42,317,059
Securities Lending Collateral	937,867	1,275,824	17,003	190,375	7,775	153	2,428,997
Noncurrent:							
Due From Employers	-	-	-	13,386	-	-	13,386
Total Assets	\$ 18,018,584	\$ 24,397,115	\$ 319,003	\$ 3,558,178	\$ 148,916	\$ 3,300	\$ 46,445,096
Liabilities							
Accounts Payable and Accrued Liabilities	\$ 77	\$ 2,300	\$ 5	\$ -	\$ 11	\$ -	\$ 2,393
Securities Lending Obligation	937,867	1,275,824	17,003	190,375	7,775	153	2,428,997
Due to Other Funds	-	1,903	-	-	-	-	1,903
Total Liabilities	\$ 937,944	\$ 1,280,027	\$ 17,008	\$ 190,375	\$ 7,786	\$ 153	\$ 2,433,293
Net Position							
Held in Trust For Employee							
Pension Benefits	\$ 17,080,640	\$ 23,117,088	\$ 301,995	\$ 3,367,803	\$ 141,130	\$ 3,147	\$ 44,011,803
Total Net Position	\$ 17,080,640	\$ 23,117,088	\$ 301,995	\$ 3,367,803	\$ 141,130	\$ 3,147	\$ 44,011,803
Statement of Changes in Fiduciary Net Position (thousands)							
	State Employees'	State Teachers'	Judicial	Connecticut Municipal Employees'	Probate Judges'	Other	Total
Additions							
Contributions:							
Plan Members	\$ 194,775	\$ 323,306	\$ 1,570	\$ 32,662	\$ 233	\$ 27	\$ 552,573
State	2,568,591	2,153,477	31,894	-	-	-	4,753,962
Municipalities	-	-	-	115,452	-	-	115,452
Total Contributions	2,763,366	2,476,783	33,464	148,114	233	27	5,421,987
Investment Income	3,509,985	4,815,062	63,667	715,388	29,334	570	9,134,006
Less: Investment Expenses	(208,767)	(286,395)	(3,787)	(42,550)	(1,745)	(34)	(543,278)
Net Investment Income	3,301,218	4,528,667	59,880	672,838	27,589	536	8,590,728
Other	-	791	-	4,534	8,457	-	13,782
Total Additions	6,064,584	7,006,241	93,344	825,486	36,279	563	14,026,497
Deductions							
Administrative Expense	568	-	-	-	-	-	568
Benefit Payments and Refunds	2,227,462	2,171,063	31,116	201,992	5,884	-	4,637,517
Other	5,402	-	6	4,244	-	24	9,676
Total Deductions	2,233,432	2,171,063	31,122	206,236	5,884	24	4,647,761
Changes in Net Assets	3,831,152	4,835,178	62,222	619,250	30,395	539	9,378,736
Net Position Held in Trust For Employee Pension Benefits:							
Beginning of Year	13,249,488	18,281,910	239,773	2,748,553	110,735	2,608	34,633,067
End of Year	\$ 17,080,640	\$ 23,117,088	\$ 301,995	\$ 3,367,803	\$ 141,130	\$ 3,147	\$ 44,011,803

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 No. 14.

a. Plan Descriptions and Funding Policy

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

	<u>SEOPEBP</u>	<u>RTHP</u>
Inactive Members or their		
Beneficiaries receiving benefits	77,141	27,431
Inactive Members Entitled to but		
not yet Receiving Benefits	649	10,687
Active Members	48,015	50,951

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 approximately 100 percent by the State on a pay-as-you-go basis 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. 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 assets 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, 2020, 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 10 year Geometric Real Rate of Return</u>
Domestic Equity Fund	20.0%	5.6%	0.00%	0.00%
Developed Market International Stock Fund	11.0%	6.0%	0.00%	0.00%
Emerging Markets International Stock Fund	9.0%	7.9%	0.00%	0.00%
Core Fixed Income	16.0%	2.1%	0.00%	0.00%
Inflation Linked Bonds	5.0%	1.1%	0.00%	0.00%
Emerging Market Debt Fund	5.0%	2.7%	0.00%	0.00%
High Yield Bonds	6.0%	4.0%	0.00%	0.00%
Real Estate Fund	10.0%	4.5%	0.00%	0.00%
Private Equity	10.0%	7.3%	0.00%	0.00%
Alternative Investment	7.0%	2.9%	0.00%	0.00%
Liquidity Fund	1.0%	0.4%	0.00%	0.00%
U. S. Treasuries (Cash Equivalents)	0.0%	0.0%	100.00%	-0.42%

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, 2020, the measurement date, were as follows (amounts in thousands):

	<u>Total Primary Government</u>	
	<u>SEOPEBP</u>	<u>RTHP</u>
Total OPEB Liability	\$ 25,078,100	\$ 2,882,836
Fiduciary Net Position	1,537,194	71,941
Net OPEB Liability	<u>\$ 23,540,906</u>	<u>\$ 2,810,895</u>
Ratio of Fiduciary Net Position to Total OPEB Liability	6.13%	2.50%

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:

	<u>SEOPEBP</u>	<u>RTHP</u>
Payroll growth rate	3.50%	0.50%
Salary increase	3.25% to 4.5% varying by years of service & retirement system, including inflation	3.0%-6.5%
Discount Rate	2.38%	2.21%
Investment rate of return	6.90%	3.00%, net of OPEB plan investment expense including price inflation
Healthcare cost trend rates	6.0% for drug cost graded to 4.5% over 6 years 6.0% for medical graded to 4.5% over 6 years 3.0% for dental 4.5% for Part B 3.0% for administrative expense	5.125%, decreasing to ultimate rate of 4.5% by 2023

Mortality rates for healthy State Employees OPEB Plan were based on the RP-2014 White Collar Mortality Table projected to 2020 by Scale BB at 100% for males and 95% for females. Morality rates for disabled State Employees OPEB Plan were based on the RP-2014 Disabled Retiree Mortality Table at 65% for males and 85% for females.

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-T2010 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 2.38 and 2.21 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):

	<u>SEOPEBP</u>		
	1% Decrease in Discount Rate <u>1.38%</u>	Current Discount Rate <u>2.38%</u>	1% Increase in Discount Rate <u>3.38%</u>
SEOPEBP:			
Primary Government Net OPEB Liability	\$ 27,323,993	\$ 23,228,957	\$ 19,937,035
Component Units Net OPEB Liability	366,504	311,576	267,419
Fiduciary Component Unit Net OPEB Liability	439	373	320
	<u>RTHP</u>		
	1% Decrease in Discount Rate <u>1.21%</u>	Current Discount Rate <u>2.21%</u>	1% Increase in Discount Rate <u>3.21%</u>
RTHP Net OPEB Liability	\$ 3,431,738	\$ 2,810,895	\$ 2,327,450

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):

	<u>SEOPEBP</u>		
	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rate	1% Increase in Health Care Cost Trend Rates
SEOPEBP:			
Primary Government Net OPEB Liability	\$ 19,473,453	\$ 23,228,957	\$ 28,058,473
Component Units Net OPEB Liability	261,203	311,576	376,355
Fiduciary Component Unit Net OPEB Liability	313	373	451
	<u>RTHP</u>		
	1% Decrease in Trend Rates <u>3.50%</u>	Current Trend Rate <u>4.50%</u>	1% Increase in Trend Rates <u>5.50%</u>
RTHP Net OPEB Liability	\$ 2,296,392	\$ 2,810,895	\$ 3,521,815

*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, 2021 (amounts in thousands):

	SEOPEBP	RTHP	Total
Primary Government	\$ 858,605	\$ 29,411	\$ 888,016
Component Units	9,236	-	9,236
Fiduciary Component Unit	229	-	229
Total Employer Contributions	<u>\$ 868,070</u>	<u>\$ 29,411</u>	<u>\$ 897,481</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, 2020, the primary government and component units reported net OPEB liabilities for the following plans administered by the State as follows (amounts in thousands):

	Primary Government	Component Units	Fiduciary Component Unit
Proportionate Share of the Net OPEB Liability			
State Employees' OPEB Plan	\$ 23,228,958	\$ 311,576	\$ 373
Net OPEB Liability			
Retired Teachers' Health Plan	2,810,895	-	-
Total Net OPEB Liability	<u>\$ 26,039,853</u>	<u>\$ 311,576</u>	<u>\$ 373</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, 2020 as follows (amounts in thousands):

	Primary Government	Component Units
State Employees' OPEB Plan		
Proportion-June 30, 2020	98.67%	1.33%

For the measurement date June 30, 2020, the primary government and component units' recognized OPEB expense (income) for the following OPEB plan administered by the State as follows (amounts in thousands):

	Primary Government	Component Units	Fiduciary Component Unit
OPEB Expense (Income)			
State Employees' OPEB Plan	\$ 2,296,617	\$ 26,648	\$ 95
Retired Teachers' Health Plan	129,842	-	-
	<u>\$ 2,426,459</u>	<u>\$ 26,648</u>	<u>\$ 95</u>

Deferred Outflows and Inflows of Resources

As of the reporting date June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to the OPEB plans from the following sources:

	Primary		Component Units		Fiduciary	
	Government		Component Units		Component Units	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
State Employees' OPEB Plan						
Net Difference Between Projected and Actual Investment Earnings on OPEB Plan Investments	\$ 45,804	\$ -	\$ 614	\$ -	\$ 1	\$ -
Net Difference Between Expected and Actual Experience in the Total OPEB Liability	-	-	-	-	-	-
Change in Assumptions	3,855,772	451,088	53,757	6,051	62	7
Change in Proportion	43,106	24,436	25,929	44,500	245	-
Employer Contributions Subsequent to Measurement Date	858,605	-	9,236	-	229	-
Total	<u>\$ 4,803,287</u>	<u>\$ 1,011,705</u>	<u>\$ 89,536</u>	<u>\$ 58,056</u>	<u>\$ 537</u>	<u>\$ 16</u>
Retired Teachers' Health Plan						
Difference Between Expected and Actual Experience	\$ 184,854	\$ 503,816				
Change in Assumptions	675,428	306,546				
Differences between projected and actual earnings on plan investments	1,667	-				
Employer Contributions Subsequent to Measurement Date	29,411	-				
Total	<u>\$ 891,360</u>	<u>\$ 810,362</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>	Primary	Component	Fiduciary
<u>Year</u>	<u>Government</u>	<u>Units</u>	<u>Component Unit</u>
1	\$ 698,339	\$ 5,699	\$ 69
2	757,155	6,455	70
3	869,385	9,344	72
4	521,056	1,250	66
5	87,042	(502)	14
	<u>\$ 2,932,977</u>	<u>\$ 22,246</u>	<u>\$ 291</u>
Retired Teachers' Health Plan			
<u>Year</u>	<u>Primary Government</u>		
1	\$ (5,985)		
2	(6,289)		
3	(6,445)		
4	(6,047)		
5	39,352		
Thereafter	37,001		
	<u>\$ 51,587</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, 2020 (amounts in thousands):

Total OPEB Liability	SEOPEBP	RTHP
Service Cost	\$ 901,280	\$ 93,324
Interest	735,707	97,264
Difference between expected and actual experience	(711,743)	(586,004)
Changes of assumptions	4,817,956	626,595
Benefit payments	(623,104)	(67,383)
Net change in total OPEB liability	5,120,096	163,796
Total OPEB liability - beginning	19,958,005	2,719,040
Total OPEB liability - ending (a)	\$ 25,078,101	\$ 2,882,836
Plan fiduciary net position		
Contributions - employer	\$ 867,222	\$ 29,173
Contributions - member	159,377	53,221
Net investment income	33,373	849
Benefit payments	(623,104)	(67,383)
Administrative expense	-	(372)
Other	(95,682)	-
Net change in plan fiduciary net position	341,186	15,488
Plan fiduciary net position - beginning	\$ 1,196,008	\$ 56,453
Plan fiduciary net position - ending (b)	\$ 1,537,194	\$ 71,941
Net OPEB liability - ending (a)-(b)	\$ 23,540,907	\$ 2,810,895

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 No. 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 7 municipalities participating in the plan with a total membership of 668 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.

Statement of Fiduciary Net Position (thousands)				
	State Employees' OPEB Plan	Retired Teachers' Healthcare Plan	Policemen, Firemen, and Survivors' Benefits	Total
Assets				
Cash and Cash Equivalents	\$ 198,503	\$ 118,366	\$ 170	\$ 317,039
Receivables:				
From Other Funds	26	1,905	-	1,931
Interest	-	-	1	1
Investments	2,050,349	-	47,611	2,097,960
Securities Lending Collateral	117,096	-	2,718	119,814
Total Assets	<u>\$ 2,365,974</u>	<u>\$ 120,271</u>	<u>\$ 50,500</u>	<u>\$ 2,536,745</u>
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 49,333	\$ 14,356	\$ -	\$ 63,689
Securities Lending Obligation	117,096	-	2,718	119,814
Total Liabilities	<u>\$ 166,429</u>	<u>\$ 14,356</u>	<u>\$ 2,718</u>	<u>\$ 183,503</u>
Net Position				
Held in Trust For Employee				
Pension and Other Benefits	\$ 2,199,545	\$ 105,915	\$ 47,782	\$ 2,353,242
Total Net Position	<u>\$ 2,199,545</u>	<u>\$ 105,915</u>	<u>\$ 47,782</u>	<u>\$ 2,353,242</u>

Statement of Changes in Fiduciary Net Position (thousands)				
	State Employees' OPEB Plan	Retired Teachers' Healthcare Plan	Policemen, Firemen, and Survivors' Benefit	Total
Additions				
Contributions:				
Plan Members	\$ 147,037	\$ 106,833	\$ 687	\$ 254,557
State	868,070	29,411	-	897,481
Municipalities	-	-	974	974
Total Contributions	<u>1,015,107</u>	<u>136,244</u>	<u>1,661</u>	<u>1,153,012</u>
Investment Income	394,328	82,254	10,102	486,684
Less: Investment Expenses	(4,556)	-	(601)	(5,157)
Net Investment Income	<u>389,772</u>	<u>82,254</u>	<u>9,501</u>	<u>481,527</u>
Total Additions	<u>1,404,879</u>	<u>218,498</u>	<u>11,162</u>	<u>1,634,539</u>
Deductions				
Administrative Expense	-	30,717	-	30,717
Benefit Payments and Refunds	637,221	153,716	1,323	792,260
Other	105,307	91	-	105,398
Total Deductions	<u>742,528</u>	<u>184,524</u>	<u>1,323</u>	<u>928,375</u>
Changes in Net Assets	662,351	33,974	9,839	706,164
Net Position Held in Trust For Other Postemployment Benefits:				
Beginning of Year	1,537,194	71,941	37,943	1,647,078
End of Year	<u>\$ 2,199,545</u>	<u>\$ 105,915</u>	<u>\$ 47,782</u>	<u>\$ 2,353,242</u>

Note 15

Capital and Operating Leases

State as Lessor

The State leases building space, land, and equipment to private individuals. The minimum future lease revenues for the next five years and thereafter are as follows (amounts in thousands):

2022	\$	30,701
2023		18,351
2024		15,496
2025		15,287
2026		14,757
Thereafter		70,948
Total	\$	165,540

Contingent revenues for the year ended June 30, 2021, were \$764 thousand. The contingent revenue amount represents rental revenue which was paid in addition to the minimum lease revenues.

State as Lessee

Obligations under capital and operating leases as of June 30, 2021, were as follows (amounts in thousands):

	Noncancelable Operating Leases	Capital Leases
2022	\$ 34,362	\$ 7,211
2023	14,585	6,329
2024	34,779	4,966
2025	24,569	3,705
2026	15,598	2,028
2027-2031	12,816	6,101
2032-2036	4,067	-
2037-2041	3,042	-
Total minimum lease payments	<u>\$ 143,818</u>	30,340
Less: Amount representing interest costs		<u>13,829</u>
Present value of minimum lease payments		<u>\$ 16,511</u>

Minimum capital lease payments were discounted using interest rates ranging from .309 percent to 6.27 percent.

Rental payments on noncancelable operating leases charged to expenses during the year ended June 30, 2021, were \$34.4 million.

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, 2021 (amounts in thousands):

Governmental Activities	Beginning			Ending Balance	Amounts due within one year
	Balance	Additions	Reductions		
Bonds:					
General Obligation	\$ 18,480,218	\$ 1,891,605	\$ 1,808,993	\$ 18,562,830	\$ 1,628,409
Direct Borrowings and Direct Placements	329,080	-	60,655	268,425	5,790
Transportation	6,424,705	886,695	352,135	6,959,265	378,845
	25,234,003	2,778,300	2,221,783	25,790,520	2,013,044
Plus (Less) Premiums	2,140,036	443,601	229,241	2,354,396	229,241
Total Bonds	27,374,039	3,221,901	2,451,024	28,144,916	2,242,285
Other L/T Liabilities:¹					
Net Pension Liability (Note 10)	39,840,819	7,078,938	4,368,297	42,551,460	-
Net OPEB Liability (Note 10)	23,023,169	4,860,566	1,843,509	26,040,226	-
Compensated Absences	531,881	80,722	34,762	577,841	33,470
Workers' Compensation	797,164	119,940	104,459	812,645	101,015
Capital Leases	15,132	5,645	4,266	16,511	7,211
Claims and Judgments	39,425	6,868	2,285	44,008	9,188
Landfill Post Closure Care	32,103	-	2,516	29,587	2,516
Contracts Payable & Other	705	-	-	705	-
Non-exchange Financial Guarantees	487,655	-	34,470	453,185	34,410
Total Other Liabilities	64,768,053	12,152,679	6,394,564	70,526,168	187,810
Governmental Activities Long-Term Liabilities					
	\$ 92,142,092	\$ 15,374,580	\$ 8,845,588	\$ 98,671,084	\$ 2,430,095
¹ In prior years, the General and Transportation funds have been used to liquidate other liabilities.					
Business-Type Activities					
Revenue Bonds	\$ 1,588,254	\$ 99,751	\$ 239,030	\$ 1,448,975	\$ 78,055
Plus/(Less) Premiums and Discounts	204,122	568	28,051	176,639	1,784
Total Revenue Bonds	1,792,376	100,319	267,081	1,625,614	79,839
Compensated Absences	196,440	56,066	39,310	213,196	51,450
Other	304,731	43,689	25,600	322,820	23,585
Total Other Liabilities	501,171	99,755	64,910	536,016	75,035
Business-Type Long-Term Liabilities	\$ 2,293,547	\$ 200,074	\$ 331,991	\$ 2,161,630	\$ 154,874
Primary Government Long-Term Liabilities	\$ 94,435,639	\$ 15,574,654	\$ 9,177,579	\$ 100,832,714	\$ 2,584,969

The liability for claims and judgments (Governmental Activities) includes a pollution remediation liability of approximately \$31.8 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, 2021, long-term debt of component units consisted of the following (amounts in thousands):

Long-Term Debt	Balance June 30, 2021	Amounts due within year
Bonds Payable (includes premiums/discounts)	\$ 5,601,191	\$ 480,414
Escrow Deposits	192,371	37,603
Annuities Payable	126,851	4,901
Rate Swap Liability	189,755	-
Net Pension Liability	266,596	-
Net Post Employment Liability	312,575	-
Other	347,018	297,270
Total	<u>\$ 7,036,357</u>	<u>\$ 820,188</u>

Not all component units report net pension liabilities and OPEB liabilities; therefore, the notes show a higher liability for the net pension liability of \$8,461 and a higher net OPEB liability of \$10,889 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 \$2,515,7 in FY 2021.

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 since 100 percent of their capacity had been used.

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, 2021, were as follows (amounts in thousands):

Purpose of Bonds	Final Dates	Original Rates	Outstanding	Authorized But Unissued
Capital Improvements	2021-2041	.45-5.632%	\$ 3,948,418	\$ 656,937
School Construction	2021-2041	2.00-5.632%	4,765,970	3,003
Municipal & Other				
Grants & Loans	2021-2037	.31-5.632%	2,852,325	984,283
Housing Assistance	2021-2035	1.89-5.350%	704,309	167,951
Elimination of Water Pollution	2021-2038	3.00-5.09%	500,760	34
General Obligation Refunding	2021-2038	1.50-5.00%	2,973,688	-
GAAP Conversion	2021-2027	4.00-5.00%	344,875	-
Pension Obligation	2022-2032	5.69-6.27%	2,197,477	-
Miscellaneous	2021-2034	3.50-5.10%	62,900	72,085
			18,350,722	\$ 1,884,293
Accretion-Various Capital Appreciation Bonds			212,108	
		Total	\$ 18,562,830	

Future amounts needed to pay principal and interest on as General Obligation bonds outstanding as June 30, 2021, were as follows (amounts in thousands):

Year Ending	Principal	Interest	Total
June 30,			
2022	\$ 1,628,409	\$ 852,423	\$ 2,480,833
2023	1,651,486	795,817	2,447,303
2024	1,549,119	753,669	2,302,788
2025	1,492,012	690,327	2,182,340
2026	1,468,575	540,391	2,008,966
2027-2031	6,384,660	1,740,698	8,125,358
2032-2036	3,271,900	516,073	3,787,973
2037-2041	904,560	75,959	980,519
Total	\$ 18,350,722	\$ 5,965,358	\$ 24,316,080

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, 2021 is as follows:

Type of debt	Final Maturity Dates	Original Interest Rates	Amount Outstanding
Direct Placements	2041	2.45%	\$ 268,425

Future amounts required to pay principal and interest on direct borrowings and direct placements outstanding as June 30, 2021 were as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 5,790	\$ 9,704	\$ 15,494
2023	15,790	9,494	25,284
2024	15,790	8,935	24,725
2025	15,790	8,341	24,131
2026	15,790	7,782	23,572
2027-2031	118,155	26,487	144,642
2032-2036	72,240	8,992	81,232
2037-2041	9,080	328	9,408
Total	\$ 268,425	\$ 80,063	\$ 348,488

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 .37 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 .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 percent). For example, at the end of fiscal year 2021, the calculated rate was 6.0 percent, based on the terms of the agreement. The standby bond purchase agreement expires on June 13, 2022. The agreement could be terminated at an earlier date if certain termination events described in the agreement were to occur. As of June 30, 2021, the amount of demand bonds outstanding was \$241,465,000. The table below shows the debt service requirements should the bond holders exercise their option in the full amount of the outstanding demand bonds.

Fiscal Year	Beginning Banked Bonds		Interest		Total Debt Service	Ending Bank Bonds Outstanding
	Outstanding	Principal				
First	\$ 241,465,000	\$ 80,488,333	\$ 12,676,913	\$ 93,165,246	\$ 160,976,667	
Second	160,976,667	80,488,333	7,847,613	88,335,946	80,488,334	
Third	89,335,000	80,488,333	3,018,313	83,506,646	8,846,667	

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, 2021, were as follows (amounts in thousands):

Purpose of Bonds	Final	Original	Amount Outstanding	Authorized
	Maturity Dates	Interest Rates		But Unissued
Infrastructure				
Improvements	2021-2041	3.00-5.740%	\$ 6,496,955	\$ 3,652,960
STO Refunding	2021-2029	3.00-5.00%	462,310	-
			6,959,265	\$ 3,652,960
Accretion-Variou Capital Appreciation Bonds			-	
		Total	\$ 6,959,265	

Future amounts required to pay principal and interest on transportation related bonds outstanding at June 30, 2021, were as follows (amounts in thousands):

Year Ending				
June 30,	Principal	Interest	Total	
2022	\$ 378,845	\$ 333,099	\$ 711,944	
2023	401,270	316,103	717,373	
2024	414,125	297,446	711,571	
2025	424,585	276,673	701,258	
2026	418,715	254,826	673,541	
2027-2031	2,172,720	947,108	3,119,828	
2032-2036	1,859,145	434,310	2,293,455	
2037-2041	889,860	90,740	980,600	
	<u>\$ 6,959,265</u>	<u>\$ 2,950,305</u>	<u>\$ 9,909,570</u>	

b. Primary Government – Business–Type Activities

Revenue Bonds

Revenue bonds are those bonds that are paid out of resources pledged in the Enterprise funds and Component Units.

Enterprise funds' revenue bonds outstanding as June 30, 2021, were as follows (amounts in thousands):

Funds	Dates	Rates	(000's)
UConn	2022-2051	1.5-5.25%	\$ 200,915
Board of Regents	2022-2041	2.0-5.25%	319,810
Clean Water	2022-2039	1.0-5.0%	793,492
Drinking Water	2022-2039	1.0-5.0%	134,758
Total Revenue Bonds			1,448,975
Plus/(Less) premiums and discounts:			
UConn			25,094
Board of Regents			14,792
Clean Water			114,248
Drinking Water			22,505
Revenue Bonds, net			<u>\$ 1,625,614</u>

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, 2021, were as follows (amounts in thousands):

Year Ending				
June 30,	Principal	Interest	Total	
2022	\$ 78,055	\$ 63,927	\$ 141,982	
2023	85,965	60,236	146,201	
2024	93,130	56,550	149,680	
2025	318,894	146,783	465,677	
2026	265,480	82,302	347,782	
2076-2031	322,556	90,707	413,263	
2032-2036	165,625	41,397	207,022	
2037-2041	65,615	19,736	85,351	
2042-2046	36,285	9,436	45,721	
2047-2051	17,370	924	18,294	
Total	<u>\$ 1,448,975</u>	<u>\$ 571,998</u>	<u>\$ 2,020,973</u>	

c. Component Units

Component Units' revenue bonds outstanding as June 30, 2021, were as follows (amounts in thousands):

Component Unit	Final Maturity Date	Interest Rates	Amount Outstanding (000's)
CT Housing Finance Authority	2020-2060	0.0-6.274%	\$ 4,851,339
CT Student Loan Foundation	2046	0.01-1.655%	121,825
CT Higher Education Supplemental Loan Authority	2025-2037	1.65-5.25%	166,740
CT Airport Authority	2022-2050	2.8-5%	237,880
CT Regional Development Authority	2022-2034	1.00-5.0%	66,895
UConn Foundation	2022-2025	1.00-2.92%	7,275
CT Green Bank	2022-2038	.95-7.04%	87,848
Total Revenue Bonds			5,539,802
Plus/(Less) premiums and discounts:			
CHFA			48,368
CSLF			(201)
CHESLA			8,707
CAA			3,083
UConn Foundation			(71)
CRDA			1,503
Revenue Bonds, net			\$ 5,601,191

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

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, 2020, bonds outstanding under the bond resolution, the indenture, and other bond resolutions were \$4,749.6 million, \$60.6 million, and \$89.5 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. The required reserves are \$378.2 million per the resolution and \$5.2 million per the indenture as of December 31, 2020. As of December 31, 2020, the Authority has entered into interest rate swap agreements for \$930.7 million of its outstanding variable rate bonds. Details on these agreements are disclosed under the separately issued audited financial statements of the Authority.

Materials Innovation and Recycling Authority's revenue bonds are issued to finance the design, development and construction of resources recovery and recycling facilities and landfills throughout the State. These bonds are paid solely from the revenues generated from the operations of the projects and other receipts, accounts and monies pledged in the bond indentures.

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.

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, 2021, were as follows (amounts in thousands):

Year Ending June 30,	Principal	Interest	Total
2022	\$ 262,949	\$ 169,799	\$ 432,748
2023	214,852	162,825	377,677
2024	218,644	157,359	376,003
2025	215,883	150,808	366,691
2026	213,045	144,213	357,258
2027-2031	1,111,622	618,477	1,730,099
2032-2036	1,021,603	438,684	1,460,287
2037-2041	795,807	287,311	1,083,118
2042-2046	862,570	201,613	1,064,183
2047-2051	508,620	51,360	559,980
2052-2056	73,667	14,037	87,704
2057-2061	40,540	2,209	42,749
	<u>\$ 5,539,802</u>	<u>\$ 2,398,695</u>	<u>\$ 7,938,497</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, 2021 were \$297.5 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, 2021, were \$8,303.0 million, of which \$319.8 million was secured by special capital reserve funds.

d. Debt Refundings

During the fiscal year the State issued General Obligation UConn 2000 and Special Tax Obligation bonds of \$300 million at an average coupon interest rate of 4.38 percent to refund \$328.8 million of General Obligation UConn 2000 and Special Tax Obligation bonds. The State reduced its fund level debt service payments by \$38.1 million over the next 10 years.

Once the refunding bond proceeds were delivered, 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 of 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 of Connecticut began making contract assistance payments for the City of Hartford's then outstanding \$540 million general obligation debt. During fiscal year 2021, the State of Connecticut has paid \$34,470,000 in principal and \$21,844,629 in interest on the guarantee.

The liability recognized for nonexchange financial guarantees by the State of Connecticut at June 30, 2021 is as follows (amounts in thousands):

Beginning of Year	Increases	Decreases	End of Year
\$ 487,655	\$ -	\$ 34,470	\$ 453,185

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 thousand. 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 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 actuarially determined and the unpaid liability for medical malpractice is reported at its present value, using a discount rate of 5 percent. 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):

	<u>Activities</u> <u>Workers'</u> <u>Compensation</u>	<u>Activities</u> <u>Medical</u> <u>Malpractice</u>
Balance 6-30-19	\$ 771,753	\$ 12,158
Incurred claims	126,426	-
Paid claims	(101,015)	(2,803)
Balance 6-30-20	797,164	9,355
Incurred claims	119,940	37,289
Paid claims	(104,459)	(4,974)
Balance 6-30-21	<u>\$ 812,645</u>	<u>\$ 41,670</u>

Note 19 Interfund Receivables and Payables

Interfund receivable and payable balances as June 30, 2021, were as follows (amounts in thousands):

	<u>General</u>	<u>Transportation</u>	<u>Accounts</u>	<u>Governmental</u>	<u>UConn</u>	<u>Regents</u>	<u>Security</u>	<u>Services</u>	<u>Fiduciary</u>	<u>Units</u>	<u>Total</u>
<u>Balance due from fund(s)</u>											
General	\$ -	\$ -	\$ 227	\$ 86	\$ 32,452	\$ 42,905	\$ 1,277	\$ 4,315	\$ 1,619,420	\$ 52	\$ 1,700,734
Debt Service	-	25	-	-	-	-	-	-	-	-	25
Restricted Grants & Accounts	5,173	-	-	-	-	-	-	-	-	7,158	12,331
Grant & Loan Programs	34	-	-	-	-	-	-	-	-	-	34
Other Governmental	2,979	-	-	9,316	4,962	51,954	-	-	-	-	69,211
UConn	35,340	-	-	-	-	-	-	-	-	-	35,340
Board of Regents	344	-	-	-	-	-	-	-	-	-	344
Employment Security	-	-	-	2,219	-	-	-	-	-	-	2,219
Internal Services	12,297	-	-	-	-	-	-	-	-	-	12,297
Fiduciary	-	-	-	-	-	-	-	-	1,903	-	1,903
Component Units	52,937	-	2,638	641	-	-	-	-	-	-	56,216
Total	<u>\$ 109,104</u>	<u>\$ 25</u>	<u>\$ 2,865</u>	<u>\$ 12,262</u>	<u>\$ 37,414</u>	<u>\$ 94,859</u>	<u>\$ 1,277</u>	<u>\$ 4,315</u>	<u>\$ 1,621,323</u>	<u>\$ 7,210</u>	<u>\$ 1,890,654</u>

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, 2021, consisted of the following (amounts in thousands):

	<u>Amount transferred to fund(s)</u>									
	<u>General</u>	<u>Debt Service</u>	<u>Transportation</u>	<u>Restricted Grants & Accounts</u>	<u>Other Governmental</u>	<u>UConn</u>	<u>Board of Regents</u>	<u>Clean Water & Drinking Water</u>	<u>Component Units</u>	<u>Total</u>
<u>Amount transferred from fund(s)</u>										
General	\$ 1,241,460	\$ -	\$ -	\$ -	\$ 61,567	\$ 728,102	\$ 633,780	\$ -	\$ 496	\$ 2,665,405
Debt Service	-	13	1,172	358	-	-	-	-	-	1,543
Transportation	-	664,389	-	-	5,500	-	-	-	-	669,889
Restricted Grants & Accounts	8	-	-	-	-	-	-	-	-	8
Grants and Loans	-	-	-	91,158	-	-	-	-	-	91,158
Other Governmental	130,589	61,868	-	51,872	-	200,486	92,990	489	-	538,294
Employment Security	-	-	-	-	6,384	-	-	-	-	6,384
Total	<u>\$ 1,372,057</u>	<u>\$ 726,270</u>	<u>\$ 1,172</u>	<u>\$ 143,388</u>	<u>\$ 73,451</u>	<u>\$ 928,588</u>	<u>\$ 726,770</u>	<u>\$ 489</u>	<u>\$ 496</u>	<u>\$ 3,972,681</u>

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

In fiscal year 2021, Nonmajor Enterprise funds beginning net position has been restated by \$(17.9) million and Component Units beginning net position has been restated by \$17.9 million. This is the result of an operating agreement between Bradley Parking Garage and Connecticut Airport Authority. Prior to Fiscal Year 2021 Bradley Parking Garage was reported and audited separately from the Connecticut Airport Authority. As a result of this operating agreement Bradley Parking Garage merged with the Connecticut Airport Authority, which required a change in reporting.

During the year the Connecticut Innovations, Incorporated restated the prior year amount for deferred outflows relating to OPEB, this resulted in a restatement to the beginning net position to the Nonmajor Component Units by \$22 thousand. Also, the beginning net position of the Nonmajor Component Units was restated by \$65.0 million because of the State including the Connecticut Port Authority as a Nonmajor Component Unit.

During the year ended June 30, 2021 the State adopted new accounting guidance by implementing the provisions of GASB 84 *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of financial statements by reclassifying Paid Family Medical Leave Authority from a Nonmajor Permanent fund to a Fiduciary Component Unit as a result the beginning net position of Nonmajor Permanent funds has been restated by \$(4.5) million. Also, the statement required including accruals and ending net position to custodial funds which was not previously required. As a result of this change Fiduciary funds beginning net position has been restated by \$173.6 million.

Fund Balance – Restricted and Assigned

As of June 30, 2021, restricted and assigned fund balances of nonmajor governmental funds were comprised as follows (amounts in thousands):

	Restricted Purposes	Assigned Purposes
Capital Projects	\$ 952,805	\$ -
Environmental Programs	114,287	-
Housing Programs	586,369	-
Employment Security Administration	37,949	-
Banking	13,754	-
Other	462,926	24,255
Total	<u>\$ 2,168,090</u>	<u>\$ 24,255</u>

Restricted Net Position

As of June 30, 2021, the government-wide statement of net position reported \$8,469.8 million of restricted net position, of which \$384.7 million was restricted by enabling legislation.

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 thousand, but not more than \$500 thousand, 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 thousand, but not more than \$1 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 million will be eligible for a credit against the tax imposed (chapter 207, section 12-217jj) 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 fifty percent of principal filming days within the state, or (2) expends not less than fifty percent of postproduction costs within the state, or (3) expends not less than \$1 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 ninety 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, zero percent; (b) in the third full income year succeeding the year in which the investment was made and the three succeeding years, ten 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, twenty percent. The sum of all tax credits shall not exceed \$100 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 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 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 million; (2) an investment managed through a fund manager only if such fund: (a) has a total asset value of not less than \$60 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 specialty 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, zero 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, ten 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, twenty percent. The sum of all tax credits shall not exceed \$15 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 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 twenty-five percent of its total work force in new jobs.

The maximum allowed credit shall be \$350 million in total and \$40 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 one hundred 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 sixty 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 seventy five percent of whom are at an income level not exceeding one hundred fifty 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 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.

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 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 one percent of the annual research and development expenses paid or incurred, where these expenses equal \$50 million or less, to six percent when expense exceed \$200 million.

Qualified small business may exchange unused amounts of this credit with the state for a cash payment of sixty-five 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.

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% 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 twenty-five percent of the projected certified rehabilitation expenditures or twenty-five 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 thirty percent of the projected certified rehabilitation expenditures of thirty percent of the actual qualified rehabilitation expenditures.

The maximum tax credit allowed for any project shall not exceed \$5 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 twenty-five percent of the total qualified rehabilitation expenditures. The tax credit increases to thirty percent of the total qualified rehabilitation expenditures if the project includes a component with at least twenty 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.

Enterprise Zone Property Tax Reimbursement Program

The enterprise zone program offers various tax incentives and other benefits to businesses that start up or improve real property in areas designated as enterprise zones. This designation is one of several geographic designations the state uses to target economic development assistance (e.g., distressed municipalities).

In 1981, Connecticut became the first state to establish an enterprise zone program when the legislature authorized the DECD commissioner to designate six zones based on statutory criteria (PA 81-445). Over the past several decades, the legislature has made many changes to the program, including expanding the number of zones, changing the eligibility criteria for zone designation, and adding to the types of businesses eligible for benefits under the program.

In most instances, the legislature authorized the DECD commissioner to approve a specified number of zones according to broad eligibility criteria. For example, the initial two designation rounds authorized a total of 10 zones—four in municipalities with a population of 80,000 or more and six in municipalities with a population of fewer than 80,000. The proposed zones also had to meet specific poverty criteria (e.g., 25 percent of the proposed zone’s population had to be below the federal poverty level or unemployed). However, the legislature has shifted from this practice, authorizing additional zones based on narrower designation criteria. For example, in 1993 it authorized two additional enterprise zones in municipalities with a population of 80,000 or less that are affected by plant or military base closings (PA 93-331). In 2014, it required the commissioner to approve two additional zones based on population criteria tailored for two specific towns (Thomaston and Wallingford) (PA 14-217). It has also authorized the DECD commissioner to designate zones, under narrow criteria, in addition to those authorized in statute.

There are eighteen enterprise zones currently designated, and one (Wallingford) which has been authorized by the legislature but not yet designated by DECD. The designated enterprise zones are in the following towns: Bridgeport, Bristol, East Hartford, Groton, Hamden, Hartford, Meriden, Middletown, New Britain, New Haven, New London, Norwalk, Norwich, Southington, Stamford, Thomaston, Waterbury, and Windham.

The zones’ benefits are generally available to businesses that start up in the zone or that improve property or relocate there. The benefits include: (1) a five-year, state-reimbursed, 80 percent property tax exemption for improving or acquiring manufacturing facilities (see below) and acquiring machinery and equipment. The state generally reimburses the municipality for half the forgone property tax revenue (CGS 12-81 (59)); (2) a 10-year, 25 percent corporate business tax credit attributed to facility improvements. The credit increases to 50 percent for certain businesses that meet resident employment criteria (CGS 12-217e); (3) a seven-year property tax exemption (100 percent in first two years, 50 percent in third, and a decrease to 10 percent in each of the remaining four years), with no state reimbursement, for commercial and residential real property improvements that do not qualify for the 5-year, 80 percent exemption (other than improvements to manufacturing facilities, as defined below) (CGS 32-71); (4) a 10-year corporate business tax credit (100 percent for first three years, 50 percent for next seven years) for starting a new business in an enterprise zone (business must employ a certain number of residents to qualify) (CGS 12-217v).

Many enterprise zone benefits are available only to manufacturing facilities, but the statutory definition of this term includes certain facilities used for non-manufacturing purposes (CGS 32-9p(d)). For the purpose of the enterprise zone program, manufacturing facilities refers to any plant, building, or other real property improvement that is located in an enterprise zone and used as follows: (1) for manufacturing, processing, or assembling raw materials, parts, or manufactured products; (2) for manufacturing-related research and development; (3) for servicing industrial machinery and equipment; (4) by a business that the commissioner determines (a) will materially contribute to the economy, or (b) is part of a group of industries linked by customer, supplier, or other relationships (CGS 32-222); or (5) by a business engaged in any of a number of specified industries, including fishing, hunting, and trapping; other types of manufacturing ; transportation and warehousing; certain financial and insurance services; certain educational services; child day care services; computer hardware, software, or networking; and telecommunications or communications.

The law designates municipalities that contain enterprise zones as “targeted investment communities” (TICs), and businesses located in these municipalities, but outside the enterprise zone, are eligible for certain benefits, including: (1) a five-year, state-reimbursed property tax exemption for improving manufacturing facilities. The exemption varies depending on the value of improvements, up to a maximum of 80 percent for improvements valued over \$90 million (CGS 12-81(60)); (2) a 10-year corporate business tax credit attributed to improving manufacturing facilities in TICs. The credit varies from 15 percent to 50 percent depending on the number of new employees (CGS 12-217e).

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

Tax Abatement Program	Amount of Taxes Abated
The Film, Television, and Digital Media Tax Program	
<i>Corporate Income Tax (as of 6/30/2021)</i>	42,954,192
<i>Insurance Companies (as of 6/30/2021)</i>	55,368,016
<i>Public Service Tax (as of 6/30/2021)</i>	9,039,145
The Urban and Industrial Sites Reinvestment Tax Program	
<i>Corporate Income Tax (as of 6/30/2021)</i>	3,656,132
<i>Insurance Companies (as of 6/30/2021)</i>	3,894,731
<i>Public Service Tax (as of 6/30/2021)</i>	18,794,550
The Insurance Reinvestment Fund Program	
<i>Insurance Companies (as of 6/30/2021)</i>	35,305,114
The Connecticut Neighborhood Assistance Act Credit Program	
<i>Corporate Income Tax (as of 6/30/2021)</i>	1,456,756
<i>Insurance Companies (as of 6/30/2021)</i>	1,114,348
<i>Public Service Tax (as of 6/30/2021)</i>	194,722
Historic Structures Rehabilitation	
<i>Corporate Income Tax (as of 6/30/2021)</i>	1,900,312
<i>Public Service Tax (as of 6/30/2021)</i>	1,132,523
Historic Preservation	
<i>Public Service Tax (as of 6/30/2021)</i>	4,436,402
Historic Rehabilitation	
<i>Public Service Tax (as of 6/30/2021)</i>	20,713,408
Research and Development Expenditures	
<i>Corporate Income Tax (as of 6/30/2021)</i>	6,786,206
Manufacturing Facility Credit	
<i>Corporate Income Tax (as of 6/30/2021)</i>	735,267
Enterprise Zone Property Tax Reimbursement Program	
<i>Property Tax (6/30/2021)</i>	-

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.

Note 24 Related Organizations

The Community Economic Development Fund and Connecticut Health Insurance Exchange 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.

Note 25

New Accounting Pronouncements

The State implemented the following statements issued by the Governmental Accounting Standards Board (“GASB”). During the fiscal year 2021, the State adopted the following new accounting standards issued by GASB.

GASB Statement 84, *Fiduciary Activities*.

GASB Statement 84 – This Statement establishes standards of accounting and financial reporting for fiduciary activities. The implementation of this statement has resulted in changing the reporting of Agency funds as Custodial funds. The implementation also, has resulted in changing the presentation of the financial statements by replacing the Combining Statement of Changes in Assets and Liabilities-Agency Funds with the Combining Statement of Changes Fiduciary Net Position-Custodial Funds. Beginning net position has been restated to reflect this change see Note 21 for details.

GASB Statement 98, *The Annual Comprehensive Financial Report*.

GASB Statement 98 – This Statement addresses references in authoritative literature to the term comprehensive annual financial report. The implementation establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

Note 26

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, 2021, the State had contractual commitments as follows (amounts in millions):

Infrastructure & Other Transportation Programs	\$1,014
Construction Programs	176
School Construction and Alteration Grant Program	2,559
Clean and Drinking Water Loan Programs	537
Various Programs and Services	3,011

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

Component Units

As of December 31, 2020, the Connecticut Housing Finance Authority had mortgage loan commitments of approximately \$172.1 million.

b. Contingent Liabilities

The State entered into a contractual agreement with H.N.S. Management Company, Inc. and ATE Management and Service 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, 2021, the State reported an escheat liability of \$433.8 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 \$223.9 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, its units and employees are parties to numerous legal proceedings, many of which normally occur in government operations. Most of these legal proceedings are not, in the opinion of the Attorney General, 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, may require the State to make material future expenditures for expanded services or capital facilities or may impair future revenue sources. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on the future expenditures nor revenue sources of the State.

Note 27
COVID-19 Pandemic

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a Public Health Emergency of International Concern by the World Health Organization and, on March 13, 2020 was declared a national emergency by the President of the United States. The outbreak of the virus has affected travel, commerce, and financial markets globally, and is widely expected to affect economic growth worldwide.

COVID-19 has materially affected state, national, and global activity; increased public health emergency response costs; and materially impacted the financial condition of the State. Many states and municipalities undertook measures that had negative effects on global and local economies. In addition, businesses and people altered behaviors in manners that negatively affected the economy. The financial, stock and bond markets in the United States and globally have seen significant volatility attributed to COVID-19 concerns, but in response to Federal relief initiatives generally recovered all of their initial losses.

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut because of the COVID-19 outbreak. Pursuant to Governor Lamont's declaration of a state of emergency and numerous Executive Orders, State agencies have been directed to use all resources necessary to respond to the outbreak. Gradual improvement has been made over the last year and the State is beginning to see lower hospitalization rates and a steady increase in vaccinations. On May 19, 2021, most COVID-19 related restrictions on businesses were lifted. The State has a dedicated website providing up-to-date information concerning the State's actions in response to COVID-19: ct.gov/coronavirus.

On March 27, 2020, the United States Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the "CARES Act") that provides more than \$2 trillion of relief to industries and entities throughout the country, including state and local governments. On April 24, 2020, the United States Congress enacted legislation that provided an additional \$484 billion to replenish a small business lending program, support hospitals and expand COVID-19 testing. The State received \$1.382 billion to cover statewide costs associated with the response to the outbreak of COVID-19. In addition, on March 28, 2020, the President approved Governor Lamont's request for a disaster declaration for the State. Under the declaration, it is expected that federal funding will be made available to state, tribal and eligible local governments and certain private nonprofit organizations for emergency protective measures, including direct federal assistance, for all areas of Connecticut impacted by COVID-19.

On March 11, 2021, the United States Congress enacted the American Rescue Plan Act of 2021 (ARP Act) that provides additional relief to individuals, grants to businesses, and support to state and local governments. The State of Connecticut received approximately \$2.8 billion to respond to the impacts of the COVID-19 pandemic. On April 26, 2021, Governor Lamont presented his proposal on the usage of the ARP Act funds for the State. Sections 306 and 207 of Public Act No. 21-2 of the June Special Session outline the legislature's approved allocation of the ARPA funds awarded to the State. All allocations are subject to the United States Treasury's regulations and guidance regarding allowable uses.

The extent to which COVID-19 impacts the State's operations and its financial condition will depend on future developments, which are uncertain and cannot be fully predicted with confidence at this time, including the duration of the outbreak, new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others.

Note 28

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, 2020.

In September and December of 2021, the State made transfers in the amount of \$1,142.4 billion and \$475.9 million from the Budget Reserve Fund (BRF) and the General Fund, respectively to the State Employee Retirement Fund (SERF) and the Teacher's Retirement Fund. This transfer was the result of the Budget Reserve Fund exceeding the statutory cap of 15 percent of General Fund appropriations. 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 15 percent threshold as an additional contribution to the State Employee Retirement Fund (SERF) or to the Teachers' Retirement System (TRS). The State Treasurer determined this year to transfer \$238.8 million to SERF and \$903.6 million to TRS. The \$475.9 million transfer from the General Fund represented the General Fund surplus in fiscal year 2021, normally this amount is transferred to the Budget Reserve Fund, but because the BRF reached the 15 percent cap the transfer was made to SERF to reduce the pension liability.

In July 2021, the State issued \$221.3 million of General Obligation bonds Series D. The bonds were issued for various projects of the State. The bonds mature in 2031 and bear interest rate 5 percent.

In December 2021, the State issued \$800 million of General Obligation bonds 2022 Series A and 2022 Series B Social Bonds. The bonds were issued for various projects of the State. The bonds mature in 2042 and bear interest rates ranging from 2 to 5 percent.

In October 2021, the State issued \$144.2 million Special Tax Obligation Infrastructure Purposes 2021 Series C Refunding bonds. The bonds were issued for various transportation infrastructure projects. The bonds mature in 2032 and bear interest rate of 5 percent.

In November 2021, the State issued \$500 million Special Tax Obligation Bonds Infrastructure Purposes, 2021 Series D. The bonds were issued for various transportation infrastructure projects throughout the state. The bonds mature in 2041 and bear interest rates ranging from 1.75 to 5 percent.

In July 2021, the Connecticut Health and Educational Facilities Authority issued \$50.1 million Revenue Bonds, Trinity College Issue, Series S. The proceeds of the Series 2021 Bonds will be used, with other available moneys, for (i) paying costs of the Series S Project, (ii) paying capitalized interest on the Series S Bonds, (iii) refunding \$30,000,000 of the outstanding principal amount of the Authority's Revenue Bonds, Trinity College Issue, Series Q, and (iv) paying certain costs of issuance of the Series S Bonds.

Also, in July of 2021, Connecticut Health and Educational Facilities Authority issued \$90.9 million Revenue Bonds, Wesleyan University Issue, Series I (Tax-Exempt) (Green Bonds) and Series 2021 (Federally Taxable) (Green Bonds). The proceeds of the Series I Bonds will be used to finance the construction, renovations, equipping and furnishing of the Public Affairs Center located on Wesleyan's main campus to provide classroom, faculty, library, and other meeting space. Proceeds will be used to finance the construction of a new science center to be located on the main campus to provide research and teaching laboratories, classrooms, and faculty and administrative offices.

In August 2021, Connecticut Health and Educational Facilities Authority issued \$25.1 million Revenue Bonds, Greenwich Academy Issue, Series G. The proceeds of the Series G bonds along with other available moneys, will be used for (i) the financing and refinancing of costs of construction of the Project as defined in the offering statement, and (ii) costs incidental to the issuance of the Series G Bonds.

In August 2021, Connecticut Health and Educational Facilities Authority issued \$206.4 million in forward delivery Revenue Bonds, Stamford Hospital Issue, Series M. The Series M Bonds will be special obligation of the Authority secured under the provisions of the Trust Indenture dated as of April 1, 2022 by and between the Authority of the Bond Trustee, payable solely from the Revenues of the Authority paid to the Bond Trustee for the account of the Authority by The Stamford Hospital in accordance with the Loan Agreement dated as of April 1, 2022.

In September 2021, Connecticut Health and Educational Facilities Authority issued \$169.7 million Revenue Bonds, Hartford Healthcare Issue, Series 2021 A. The proceeds of the Bonds will be used to (i) finance the acquisition, construction, improvement, and equipping of capital projects at Hartford Hospital's main campus in Harford, MidState in Meriden, HOCC in New Britain, Backus Hospital in Norwich, St. Vincent's Hospital in Bridgeport, Windham Hospital in Willimantic, Charlotte Hungerford Hospital in Torrington and certain other health care facilities owned or operated by Members of the Obligated Group and (ii) pay certain costs associated with the issuance of the Bonds.

In November 2021, Connecticut Health and Educational Facilities Authority issued \$14.9 million of Revenue Bonds, the Jerome Home Issue, Series E. The proceeds of the Bonds will be loaned to the Institution pursuant to the Loan Agreement and together with other available funds, will be used for refunding the Authority's Variable Rate Demand Revenue Bonds, the Jerome Home Issue, Series D; financing or refinancing the improvement of real property located on the Jerome Home campus, including: (i) the acquisition, construction, equipping and furnishing of a new 19,000 square-foot, two-story addition to the Home's existing facility to include 20 memory care apartments and a state-of-the-art rehabilitation gymnasium for outpatient, lymphedema and speech therapy; (ii) acquisition, construction, equipping, and furnishing of a new courtyard, including landscaping, plantings, and furniture; (iii) acquisition and construction of a new parking lot and internal roadways, including paving, site work, and landscaping; (iv) other capital expenditures for improvements and/or equipment of the Institution's campus; (v) funding a debt service reserve fund with respect to the Bonds; and (vi) paying costs of issuance.

On January 19, 2022, Connecticut Health and Educational Facilities Authority issued \$60.8 million of Revenue Bonds, Connecticut College Issue, Series M. The proceeds from the sale of the bonds will be used (a) to refund on a current basis all of the Authority's Revenue Bonds, Connecticut College Issue, Series J and Series K, (b) to finance a portion of the costs of various capital projects of Connecticut College, (c) pay capitalized interest on a portion of the Series M bonds, and pay certain Cost of Issuance incurred in connection with the issuance of the Series M Bonds.

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

On February 24, 2021, the Authority issued \$263.4 million 2021 Series A fixed rate bonds under the Bond Resolution. The bond proceeds were used to refund a portion of the Authority's outstanding bonds and to fund the purchase of single family whole loans and mortgage backed securities.

On March 16, 2021, March 30, 2021 and April 9, 2021, the Authority redeemed \$9.8 million, \$161.9 million, and \$885 thousand, respectively of various series of outstanding bonds held under the Bond resolution.

In April 2021, the Authority issued \$54.1 million State-Supported Special Obligation Bonds. Of these bonds \$7.5 million are Series 27 (Non-AMT) (Social Bonds), \$16.5 million are Series 28 (Non-AMT) (Social Bonds), \$29.3 million are Series 29 (Federally Taxable (Social Bonds), and \$865 thousand are Series 30 (Federally Taxable) NRO.

In April 2021, the Authority issued \$197.6 million of Housing Mortgage Finance Program Bonds 2021 Series B. The bond proceeds were used to refund a portion of the Authority's outstanding bonds and to fund the purchase of single family whole loans and mortgage backed securities.

In May 2021, the Authority remarketed \$128.0 million Housing Mortgage Finance Program Bonds, Various Series.

In September 2021, the Authority issued \$161.4 million of Housing Mortgage Finance Program Bonds 2021 Series D. The bond proceeds were used to refund a portion of the Authority's outstanding bonds and to fund the purchase of single family whole loans and mortgage backed securities. Also, in September 2021, the Authority signed a continuing covenant agreement with Bank of America to issue and sell \$217.6 million of Housing Mortgage Finance Program Bonds, 2021 Series C bonds.

In October 2021, the Authority issued \$146.5 million of Housing Mortgage Finance Program Bonds 2021 Series E. The bond proceeds were used to refund a portion of the Authority's outstanding bonds and to fund the purchase of single family whole loans and mortgage backed securities.

THIS PAGE INTENTIONALLY LEFT BLANK



*REQUIRED
SUPPLEMENTARY
INFORMATION*

THIS PAGE INTENTIONALLY LEFT BLANK



REQUIRED SUPPLEMENTARY INFORMATION BUDGET

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.

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: Statutory Reporting

State of Connecticut

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

For the Fiscal Year Ended June 30, 2021

(Expressed in Thousands)

	General Fund			Variance with Final Budget positive (negative)
	Budget		Actual	
	Original	Final		
Revenues				
Budgeted:				
Taxes, Net of Refunds	\$ 17,388,700	\$ 18,437,300	\$ 18,651,418	\$ 214,118
Indian Gaming Payments	225,400	228,800	228,883	83
Licenses, Permits, and Fees	384,300	328,800	329,568	768
Other	803,100	881,100	876,999	(4,101)
Federal Grants	1,571,500	1,496,300	1,496,315	15
Refunds of Payments	(67,700)	(37,700)	(37,661)	39
Operating Transfers In	114,500	114,500	114,500	-
Operating Transfers Out	-	-	-	-
Transfer to BRF - Volatility Adjustment	(301,500)	(1,220,100)	(1,241,460)	(21,360)
Transfer to/from the Resources of the General Fund	134,200	99,100	112,856	13,756
Total Revenues	<u>20,252,500</u>	<u>20,328,100</u>	<u>20,531,418</u>	<u>203,318</u>
Expenditures				
Budgeted:				
Legislative	83,351	83,352	69,727	13,625
General Government	708,634	709,567	646,356	63,211
Regulation and Protection	304,075	316,551	284,104	32,447
Conservation and Development	190,131	204,389	189,475	14,914
Health and Hospitals	1,290,341	1,291,306	1,243,573	47,733
Transportation	-	-	-	-
Human Services	4,708,653	4,653,636	4,257,971	395,665
Education, Libraries, and Museums	5,327,498	5,378,560	5,303,846	74,714
Corrections	1,480,659	1,482,486	1,412,659	69,827
Judicial	618,351	618,786	580,979	37,807
Non Functional	5,823,105	5,831,081	5,447,514	383,567
Total Expenditures	<u>20,534,798</u>	<u>20,569,714</u>	<u>19,436,204</u>	<u>1,133,510</u>
Appropriations Lapsed	309,400	374,445	-	(374,445)
Excess (Deficiency) of Revenues Over Expenditures	<u>27,102</u>	<u>132,831</u>	<u>1,095,214</u>	<u>(1,304,637)</u>
Other Financing Sources (Uses)				
Prior Year Appropriations Carried Forward	139,105	139,105	139,105	-
Appropriations Continued to Fiscal Year 2021	-	-	(758,445)	(758,445)
Miscellaneous Adjustment	-	(10)	(10)	-
Total Other Financing Sources (Uses)	<u>139,105</u>	<u>139,095</u>	<u>(619,350)</u>	<u>(758,445)</u>
Net Change in Fund Balance	<u>\$ 166,207</u>	<u>\$ 271,926</u>	<u>475,864</u>	<u>\$ (2,063,082)</u>
Budgetary Fund Balances - July 1			518,435	
Changes in Reserves			436,219	
Budgetary Fund Balances - June 30			<u>\$ 1,430,518</u>	

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

State of Connecticut

Transportation Fund

<u>Budget</u>		<u>Actual</u>		Variance with Final Budget positive (negative)
<u>Original</u>	<u>Final</u>			
\$ 1,360,500	\$ 1,269,100	\$ 1,292,530	\$ 23,430	
-	-	-	-	-
452,500	451,000	452,167	1,167	
36,700	1,900	1,922	22	
11,800	12,000	11,957	(43)	
(5,200)	(5,400)	(5,359)	41	
30,000	30,000	30,000	-	
(5,500)	(5,500)	(5,500)	-	
-	-	-	-	-
-	-	-	-	-
<u>1,880,800</u>	<u>1,753,100</u>	<u>1,777,717</u>	<u>24,617</u>	
-	-	-	-	-
8,934	10,034	9,905	129	
77,906	77,991	67,745	10,246	
2,865	2,865	2,865	-	
-	-	-	-	-
747,336	747,661	709,711	37,950	
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,042,796</u>	<u>1,042,386</u>	<u>908,285</u>	<u>134,101</u>	
1,879,837	1,880,937	1,698,511	182,426	
31,700	148,813	-	(148,813)	
-	-	-	-	-
<u>32,663</u>	<u>20,976</u>	<u>79,206</u>	<u>58,230</u>	
31,804	31,804	31,804	-	
-	-	(38,307)	(38,307)	
-	-	-	-	-
<u>31,804</u>	<u>31,804</u>	<u>(6,503)</u>	<u>(38,307)</u>	
<u>\$ 64,467</u>	<u>\$ 52,780</u>	72,703	<u>\$ 19,923</u>	
		230,234		
		<u>(23,496)</u>		
		<u>\$ 279,441</u>		

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 percent of the fund or 5 percent of the appropriation amount. Modifications beyond those limits, but not in excess of 5 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 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. A comparison of actual results of operations recorded on this basis and the adopted budget is presented in the Required Supplemental Information section of this report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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.

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, 2021. Amounts are expressed in thousands.

	General Fund	Transportation Fund
Net change in fund balances (statutory basis)	\$ 475,864	\$ 72,703
Volatility Deposit Budget Reserve Fund	1,241,460	-
Increase (Decrease) Statutory Surplus Reserve	(144,400)	-
Transfer to SERS (FY 2020 BRF excess & Surplus)	(61,622)	-
Adjustments:		
Increases (decreases) in revenue accruals:		
Receivables and Other Assets	1,038,437	(38,676)
(Increases) decreases in expenditure accruals:		
Accounts Payable and Other Liabilities	(2,196,379)	9,752
Salaries and Fringe Benefits Payable	17,690	1,360
Increase (Decrease) in Continuing Appropriations	619,340	6,504
Fund Reclassification-Bus Operations	-	617
Net change in fund balances (GAAP basis)	<u>\$ 990,390</u>	<u>\$ 52,260</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. Per section 4-30a after the accounts for the General Fund have been closed for each fiscal year and the Comptroller has determined the amount of unappropriated surplus, and after any required transfers have been made, the surplus shall be transferred by the State Treasurer to the Budget Reserve 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 Rainy Day Fund have only been expended during recessionary periods to cover overall budget shortfalls after other budgetary measures have been exhausted.

In fiscal year 2021, for the fourth consecutive year, 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. For fiscal year 2021, the cap was just over \$3.4 billion for estimated and final income tax payments and revenue from the Pass-through Entity tax. At year-end, a volatility transfer of \$1.2 billion was made to the Budget Reserve Fund.

Prior to the close of fiscal year 2021, the balance in the Budget Reserve Fund was just over \$3.03 billion. Adding the \$1.24 billion volatility transfer brought the Budget Reserve Fund total to \$4.25 billion, or 20.5 percent of net General Fund appropriations for FY

State of Connecticut

2022. As a result, the Budget Reserve Fund was \$1.14 billion above the statutory 15 percent cap. According to CGS Section 40-30a(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 15 percent threshold as an additional contribution to the State Employee Retirement Fund (SERF) or to the Teachers' Retirement System (TRS). In late September, the State Treasurer elected to transfer \$903.6 million to TRS to reduce unfunded pension liability, with the remaining balance of \$238.8 million going to SERF. During fiscal year 2021 the General Fund surplus of \$480.9 million will be transferred to SERF to reduce unfunded service liability.

When the excess \$1.14 billion is transferred from the Budget Reserve Fund to SERF and TRS this would bring the Budget Reserve Fund to just over \$3.1 billion or approximately 15 percent of net General Fund appropriations for fiscal year 2021. Achieving and surpassing the 15 percent threshold represents an important benchmark for Connecticut. Due to fiscal discipline and hard work, our state is in a much stronger position to provide critical services to those in need and to weather the public health and fiscal crisis brought on by the COVID-19 pandemic.



REQUIRED SUPPLEMENTARY INFORMATION PENSION PLANS

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.

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

- Schedule of Changes in the Net Pension Liability and Plan Net Position
- Schedule of Employer Contributions
- Schedule of Investment Returns

State of Connecticut

**REQUIRED SUPPLEMENTAL INFORMATION
PENSION PLANS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND PLAN NET POSITION**

Last Seven Fiscal Years*

(Expressed in Thousands)

SERS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability							
Service Cost	\$ 388,671	\$ 391,941	\$ 429,321	\$ 480,350	\$ 322,114	\$ 310,472	\$ 287,473
Interest	2,416,577	2,290,633	2,212,890	2,255,533	2,105,947	2,052,651	1,998,736
Benefit Changes	-	-	-	(1,444,220)	-	-	-
Difference between expected and actual experience	208,138	1,224,344	482,904	-	772,762	-	-
Changes of assumptions	-	-	-	-	4,959,705	-	-
Benefit payments	(2,120,811)	(2,026,793)	(1,955,985)	(1,847,715)	(1,729,181)	(1,650,465)	(1,563,029)
Refunds of contributions	(9,377)	(6,350)	(7,659)	(7,972)	(7,098)	(7,124)	(3,935)
Net change in total pension liability	883,198	1,873,775	1,161,471	(564,024)	6,424,249	705,534	719,245
Total pension liability - beginning	36,087,938	34,214,163	33,052,692	33,616,716	27,192,467	26,486,933	25,767,688
Total pension liability - ending (a)	\$ 36,971,136	\$ 36,087,938	\$ 34,214,163	\$ 33,052,692	\$ 33,616,716	\$ 27,192,467	\$ 26,486,933
Plan net position							
Contributions - employer	\$ 1,616,312	\$ 1,578,323	\$ 1,443,053	\$ 1,542,298	\$ 1,501,805	\$ 1,371,651	\$ 1,268,890
Contributions - member	192,716	489,099	193,942	132,557	135,029	187,339	144,807
Net investment income	295,737	710,861	875,944	1,509,862	(100)	294,412	1,443,391
Benefit payments	(2,120,811)	(2,026,793)	(1,955,985)	(1,847,715)	(1,729,181)	(1,650,465)	(1,563,029)
Administrative expense	(782)	(693)	(391)	(674)	(651)	-	-
Refunds of contributions	(9,377)	(6,350)	(7,659)	(7,972)	(7,098)	(7,124)	(3,935)
Other	-	3,704	(3,139)	(371)	85,608	-	-
Net change in plan net position	(26,205)	748,151	545,765	1,327,985	(14,588)	195,813	1,290,124
Plan net position - beginning	13,275,693	12,527,542	11,981,777	10,653,792	10,668,380	10,472,567	9,182,443
Plan net position - ending (b)	\$ 13,249,488	\$ 13,275,693	\$ 12,527,542	\$ 11,981,777	\$ 10,653,792	\$ 10,668,380	\$ 10,472,567
Ratio of plan net position to total pension liability	35.84%	36.79%	36.62%	36.25%	31.69%	39.23%	39.54%
Net pension liability - ending (a) - (b)	\$ 23,721,648	\$ 22,812,245	\$ 21,686,621	\$ 21,070,915	\$ 22,962,924	\$ 16,524,087	\$ 16,014,366
Covered-employee payroll	\$ 3,672,443	\$ 3,686,365	\$ 3,428,068	\$ 3,850,978	\$ 3,720,751	\$ 3,618,361	\$ 3,487,577
Net pension liability as a percentage of covered-employee payroll	645.94%	618.83%	632.62%	547.16%	617.16%	456.67%	459.18%

TRS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability							
Service Cost	\$ 616,370	\$ 463,997	\$ 465,207	\$ 450,563	\$ 419,616	\$ 404,449	\$ 347,198
Interest	2,379,886	2,406,206	2,371,168	2,308,693	2,228,958	2,162,174	2,090,483
Benefit Changes	-	(224,281)	28,036	-	-	-	-
Difference between expected and actual experience	(306,400)	-	(396,067)	-	(375,805)	-	-
Changes of assumptions	1,022,137	3,875,996	-	-	2,213,190	-	-
Benefit payments	(2,150,168)	(2,066,641)	(1,994,092)	(1,962,533)	(1,738,131)	(1,773,408)	(1,737,144)
Refunds of contributions	-	-	-	-	-	(50,329)	-
Net change in total pension liability	1,561,825	4,455,277	474,252	796,723	2,747,828	742,886	700,537
Total pension liability - beginning	35,566,175	31,110,898	30,636,646	29,839,923	27,092,095	26,349,209	25,648,672
Total pension liability - ending (a)	\$ 37,128,000	\$ 35,566,175	\$ 31,110,898	\$ 30,636,646	\$ 29,839,923	\$ 27,092,095	\$ 26,349,209
Plan net position							
Contributions - employer	\$ 1,209,573	\$ 1,292,672	\$ 1,272,277	\$ 1,012,162	\$ 975,578	\$ 984,110	\$ 948,540
Contributions - member	318,217	309,333	312,150	288,251	293,493	228,100	261,213
Net investment income	410,311	1,012,089	1,224,931	2,199,895	(18,473)	452,942	2,277,550
Benefit payments	(2,150,168)	(2,066,641)	(1,994,092)	(1,962,533)	(1,738,131)	(1,773,408)	(1,737,144)
Refunds of contributions	-	-	-	-	-	(50,329)	-
Other	522	(837)	(2,753)	1,679	(37,648)	57,749	(5,307)
Net change in plan net position	(211,545)	546,616	812,513	1,539,454	(525,181)	(100,836)	1,744,852
Plan net position - beginning	18,493,455	17,946,839	17,134,326	15,594,872	16,120,053	16,220,889	14,462,903
Plan net position - ending (b)	\$ 18,281,910	\$ 18,493,455	\$ 17,946,839	\$ 17,134,326	\$ 15,594,872	\$ 16,120,053	\$ 16,207,755
Ratio of plan net position to total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%
Net pension liability - ending (a) - (b)	\$ 18,846,090	\$ 17,072,720	\$ 13,164,059	\$ 13,502,320	\$ 14,245,051	\$ 10,972,042	\$ 10,141,454
Covered-employee payroll	\$ 4,352,967	\$ 4,389,654	\$ 4,321,593	\$ 4,279,755	\$ 4,125,066	\$ 4,078,367	\$ 3,831,624
Net pension liability as a percentage of covered-employee payroll	432.95%	388.93%	304.61%	315.49%	345.33%	269.03%	264.68%

State of Connecticut

**REQUIRED SUPPLEMENTAL INFORMATION
PENSION PLANS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND PLAN NET POSITION**

Last Seven Fiscal Years*

(Expressed in Thousands)

JRS	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 9,813	\$ 10,834	\$ 11,352	\$ 10,159	\$ 8,508	\$ 8,142	\$ 7,539
Interest	31,815	29,559	29,954	29,062	28,251	27,240	26,301
Difference between expected and actual experience	2,474	22,095	(18,528)	-	(9,380)	-	-
Changes of assumptions	-	-	-	-	64,604	-	-
Benefit payments	(30,200)	(29,386)	(27,616)	(24,899)	(22,994)	(22,541)	(21,668)
Net change in total pension liability	<u>13,902</u>	<u>33,102</u>	<u>(4,838)</u>	<u>14,322</u>	<u>68,989</u>	<u>12,841</u>	<u>12,172</u>
Total pension liability - beginning	476,189	443,087	447,925	433,603	364,614	351,773	339,601
Total pension liability - ending (a)	<u>\$ 490,091</u>	<u>\$ 476,189</u>	<u>\$ 443,087</u>	<u>\$ 447,925</u>	<u>\$ 433,603</u>	<u>\$ 364,614</u>	<u>\$ 351,773</u>
Plan net position							
Contributions - employer	\$ 27,011	\$ 27,427	\$ 25,458	\$ 19,164	\$ 18,259	\$ 17,731	\$ 16,298
Contributions - member	1,575	1,694	1,663	1,689	1,831	1,791	1,641
Net investment income	5,461	13,383	13,178	24,452	1,440	4,781	23,156
Benefit payments	(30,200)	(29,386)	(27,616)	(24,899)	(22,994)	(22,541)	(21,668)
Other	-	-	-	(39)	1,680	-	-
Net change in plan net position	3,847	13,118	12,683	20,367	216	1,762	19,427
Plan net position - beginning	235,926	222,808	210,125	189,758	189,542	187,780	168,353
Plan net position - ending (b)	<u>\$ 239,773</u>	<u>\$ 235,926</u>	<u>\$ 222,808</u>	<u>\$ 210,125</u>	<u>\$ 189,758</u>	<u>\$ 189,542</u>	<u>\$ 187,780</u>
Ratio of plan net position to total pension liability	48.92%	49.54%	50.29%	46.91%	43.76%	51.98%	53.38%
Net pension liability - ending (a) -(b)	<u>\$ 250,318</u>	<u>\$ 240,263</u>	<u>\$ 220,279</u>	<u>\$ 237,800</u>	<u>\$ 243,845</u>	<u>\$ 175,072</u>	<u>\$ 163,993</u>
Covered-employee payroll	\$ 31,495	\$ 34,643	\$ 34,970	\$ 36,467	\$ 34,897	\$ 34,972	\$ 33,386
Net pension liability as a percentage of covered-employee payroll	794.79%	693.54%	629.91%	652.10%	698.76%	500.61%	491.20%

* Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, requires the presentation of supplementary information for each of the 10 most recent years. However, until a full 10-year trend is complied, 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
PENSION PLANS
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Last Ten Fiscal Years

(Expressed in Thousands)

<u>SERS</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined				
employer contribution	\$ 1,616,302	\$ 1,574,537	\$ 1,443,110	\$ 1,569,142
Actual employer contributions	<u>1,616,312</u>	<u>1,578,323</u>	<u>1,443,053</u>	<u>1,542,298</u>
Annual contributions deficiency excess	<u>\$ (10)</u>	<u>\$ (3,786)</u>	<u>\$ 57</u>	<u>\$ 26,844</u>
Covered Payroll	\$ 3,672,443	\$ 3,686,365	\$ 3,428,068	\$ 3,850,978
Actual contributions as a percentage of covered-employee payroll	44.01%	42.82%	42.10%	40.05%
 <u>TRS</u>				
Actuarially determined				
employer contribution	\$ 1,208,819	\$ 1,292,314	\$ 1,272,277	\$ 1,012,162
Actual employer contributions	<u>1,208,819</u>	<u>1,292,314</u>	<u>1,272,277</u>	<u>1,012,162</u>
Annual contributions deficiency excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,352,967	\$ 4,389,654	\$ 4,321,593	\$ 4,279,755
Actual contributions as a percentage of covered-employee payroll	27.77%	29.44%	29.44%	23.65%
 <u>JRS</u>				
Actuarially determined				
employer contribution	\$ 27,011	\$ 27,427	\$ 25,458	\$ 19,164
Actual employer contributions	<u>27,011</u>	<u>27,427</u>	<u>25,458</u>	<u>19,164</u>
Annual contributions deficiency excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 31,495	\$ 34,643	\$ 34,970	\$ 36,467
Actual contributions as a percentage of covered-employee payroll	85.76%	79.17%	72.80%	52.55%

Valuation Date:

Actuarially determined contribution amounts are calculated as of June 30, 2020.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay, closed
	5 year phase into level dollar
Remaining Amortization Period	SERS 25.1 years
	TRS 30 years
	JRS 13 years
Asset Valuation Method	SERS & JRS 5 year smoothed market
	TRS 4 year smoothed market value
Investment Rate of Return	SERS & JRS 6.90%
	TRS 6.9%
Salary Increases	3.25%-19.50% percent, including inflation
Cost-of-Living Adjustments	2.0%-7.5%
Inflation	2.5%-2.75%
Social Security Wage Base	SERS 3.5%

State of Connecticut

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,514,467	\$ 1,379,189	\$ 1,268,935	\$ 1,059,652	\$ 926,372	\$ 944,077
<u>1,501,805</u>	<u>1,371,651</u>	<u>1,268,890</u>	<u>1,058,113</u>	<u>926,343</u>	<u>825,801</u>
<u>\$ 12,662</u>	<u>\$ 7,538</u>	<u>\$ 45</u>	<u>\$ 1,539</u>	<u>\$ 29</u>	<u>\$ 118,276</u>
\$ 3,720,751	\$ 3,618,361	\$ 3,487,577	\$ 3,480,483	\$ 3,354,682	\$ 3,210,666
40.36%	37.91%	36.38%	30.40%	27.61%	25.72%
\$ 975,578	\$ 984,110	\$ 948,540	\$ 787,536	\$ 757,246	\$ 581,593
<u>975,578</u>	<u>984,110</u>	<u>948,540</u>	<u>787,536</u>	<u>757,246</u>	<u>581,593</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,125,066	\$ 4,078,367	\$ 3,930,957	\$ 4,101,750	\$ 3,943,990	\$ 3,823,754
23.65%	24.13%	24.13%	19.20%	19.20%	15.21%
\$ 18,259	\$ 17,731	\$ 16,298	\$ 16,006	\$ 15,095	\$ 16,208
<u>18,259</u>	<u>17,731</u>	<u>16,298</u>	<u>16,006</u>	<u>15,095</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,208</u>
\$ 34,897	\$ 34,972	\$ 33,386	\$ 31,748	\$ 30,308	\$ 33,102
52.32%	50.70%	48.82%	50.42%	49.81%	0.00%

State of Connecticut

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

Last Eight Fiscal Years*

Annual money-weighted rates of return

<u>net of investment expense</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
State Employees' Retirement Fund	24.36%	1.86%	5.88%	7.30%	14.32%	0.23%	2.83%	15.62%
Teachers' Retirement Fund	24.28%	1.85%	5.85%	7.04%	14.37%	0.17%	2.82%	15.67%
State Judges' Retirement Fund	24.37%	2.10%	6.12%	6.24%	13.04%	1.11%	2.57%	13.66%

* Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, 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.



REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFITS

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

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

- Schedule of Changes in Net OPEB Liability and Plan Net Position
- Schedule of Employer Contributions
- Schedule of Investment Returns

THIS PAGE INTENTIONALLY LEFT BLANK

State of Connecticut

**REQUIRED SUPPLEMENTAL INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLANS
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND PLAN NET POSITION**

Last Four Fiscal Year

(Expressed in Thousands)

SEOPEBP

Total OPEB Liability	2020	2019	2018	2017
Service Cost	\$ 969,674	\$ 848,198	\$ 901,698	\$ 960,992
Interest	806,906	737,298	680,154	511,133
Differences between expected and actual experience	(179,538)	(645,590)	-	-
Changes of assumptions	2,225,764	3,417,609	(724,140)	(510,781)
Benefit payments	(623,104)	(593,403)	(648,347)	(639,467)
Net change in total OPEB liability	3,199,702	3,764,112	209,365	321,877
Total OPEB liability - beginning	21,878,399	18,114,287	17,904,922	17,583,045
Total OPEB liability - ending (a)	\$ 25,078,101	\$ 21,878,399	\$ 18,114,287	\$ 17,904,922
Plan fiduciary net position				
Contributions - employer	\$ 867,222	\$ 752,941	\$ 801,893	\$ 667,401
Contributions - member	159,377	116,539	116,814	120,783
Net investment income	33,373	68,847	37,001	53,194
Benefit payments	(623,104)	(593,403)	(648,347)	(639,467)
Other	(95,682)	1,194	186	(187)
Net change in plan fiduciary net position	341,186	346,118	307,547	201,724
Plan fiduciary net position - beginning	1,196,008	849,889	542,342	340,618
Plan fiduciary net position - ending (b)	\$ 1,537,194	\$ 1,196,007	\$ 849,889	\$ 542,342
Plan fiduciary net position as a percentage of the total OPEB liability	6.13%	5.47%	4.69%	3.03%
Net OPEB liability - ending (a) -(b)	\$ 23,540,907	\$ 20,682,392	\$ 17,264,398	\$ 17,362,580
Covered-employee payroll	\$ 3,745,802	\$ 3,619,133	\$ 3,875,035	\$ 3,743,995
Net OPEB liability as a percentage of covered-employee payroll	628.46%	571.47%	445.53%	463.74%

RTHP

Total OPEB Liability	2020	2019	2018	2017
Service Cost	\$ 93,324	\$ 87,313	\$ 132,392	\$ 148,220
Interest	97,264	105,702	133,597	111,129
Benefit Changes	-	(339,076)	(1,044,628)	-
Difference between expected and actual experience	(586,004)	66,502	217,853	-
Changes of assumptions	626,595	182,438	(196,049)	(370,549)
Benefit payments	(67,383)	(55,154)	(110,622)	(84,071)
Net change in total OPEB liability	163,796	47,725	(867,457)	(195,271)
Total OPEB liability - beginning	2,719,040	2,671,315	3,538,772	3,734,043
Total OPEB liability - ending (a)	\$ 2,882,836	\$ 2,719,040	\$ 2,671,315	\$ 3,538,772
Plan fiduciary net position				
Contributions - employer	\$ 29,173	\$ 35,320	\$ 35,299	\$ 19,922
Contributions - member	53,221	51,944	51,484	50,436
Net investment income	849	1,090	411	369
Benefit payments	(67,383)	(55,154)	(110,622)	(84,071)
Administrative expense	(372)	(383)	(264)	(150)
Other	-	(16,100)	-	42
Net change in plan fiduciary net position	15,488	16,717	(23,692)	(13,452)
Plan fiduciary net position - beginning	56,453	39,736	63,428	76,880
Plan fiduciary net position - ending (b)	\$ 71,941	\$ 56,453	\$ 39,736	\$ 63,428
Plan fiduciary net position as a percentage of the total OPEB liability	2.50%	2.08%	1.49%	1.79%
Net OPEB liability - ending (a) -(b)	\$ 2,810,895	\$ 2,662,587	\$ 2,631,579	\$ 3,475,344
Covered-employee payroll	\$ 4,438,394	\$ 4,389,554	\$ 4,075,939	\$ 4,279,755
Net OPEB liability as a percentage of covered-employee payroll	63.33%	60.66%	64.56%	81.20%

* Governmental Accounting Standards Board Statement No. 75, *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)

<u>SEOPEBP</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined employer contribution	\$ 1,287,059	\$ 1,203,406	\$ 1,157,121	\$ 1,043,143	\$ 1,443,716
Actual employer contributions	<u>867,222</u>	<u>752,941</u>	<u>801,893</u>	<u>667,401</u>	<u>608,593</u>
Annual contributions deficiency excess	<u>\$ 419,837</u>	<u>\$ 450,465</u>	<u>\$ 355,228</u>	<u>\$ 375,742</u>	<u>\$ 835,123</u>
Covered Payroll	\$ 3,619,133	\$ 3,619,133	\$ 3,875,035	\$ 3,743,995	\$ 3,895,100
Actual contributions as a percentage of covered-employee payroll	23.96%	20.80%	20.69%	17.83%	15.62%
<u>RTHP</u>					
Actuarially determined employer contribution	\$ 173,273	\$ 167,819	\$ 172,223	\$ 166,802	\$ 130,331
Actual employer contributions	<u>29,173</u>	<u>35,320</u>	<u>35,299</u>	<u>19,922</u>	<u>19,960</u>
Annual contributions deficiency excess	<u>\$ 144,100</u>	<u>\$ 132,499</u>	<u>\$ 136,924</u>	<u>\$ 146,880</u>	<u>\$ 110,371</u>
Covered Payroll	\$ 4,438,394	\$ 4,389,654	\$ 4,075,939	\$ 4,279,755	\$ 3,949,900
Actual contributions as a percentage of covered-employee payroll	0.66%	0.80%	0.87%	0.47%	0.51%

Note:

June 30, 2011 was the first year an actuarial valuation for State Employees Other Postemployment Benefit Plan was performed.

Valuation Date:

Actuarially determined contribution amounts are calculated as of June 30, 2020

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	SEOPEBP- Entry Age Normal RTHP-Entry Age
Amortization Method	SEOPEBP- Level percent of growing payroll, closed, 30 years RTHP-Level Percent of Payroll over an open period
Remaining Amortization Period	SEOPEBP- 18 years RTHP-30 years
Asset Valuation Method	Market Value
Investment Rate of Return	SEOPEBP-6.9% RTHP-3.0%
Salary Increases	SEOPEBP-3.5%-19.50% RTHP-3.25%-6.5%
Inflation	RTHP-2.5%
Claims Trend Assumption	3.0%-6.00%

State of Connecticut

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 1,513,336	\$ 1,525,371	\$ 1,271,279	\$ 1,354,738	\$ 1,276,099
546,284	514,696	542,615	541,262	544,767
\$ 967,052	\$ 1,010,675	\$ 728,664	\$ 813,476	\$ 731,332
\$ 3,539,800	\$ 3,539,728	\$ 3,539,728	\$ 3,902,248	\$ 3,902,248
15.43%	14.54%	15.33%	13.87%	13.96%
\$ 125,620	\$ 187,227	\$ 180,460	\$ 184,145	\$ 177,063
25,145	25,955	27,040	49,486	5,312
\$ 100,475	\$ 161,272	\$ 153,420	\$ 134,659	\$ 171,751
\$ 3,831,600	\$ 3,831,600	\$ 3,652,500	\$ 3,652,500	\$ 3,646,000
0.66%	0.68%	0.74%	1.35%	0.15%

State of Connecticut

**REQUIRED SUPPLEMENTARY INFORMATION
OPEB PLAN
SCHEDULE OF INVESTMENT RETURNS**

Last Eight Fiscal Years*

Annual money-weighted rates of return

<u>net of investment expense</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
OPEB Fund	24.61%	2.13%	6.62%	5.85%	11.83%	2.44%	3.44%	11.80%

* Governmental Accounting Standards Board Statement No. 75, 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 complied, the State will present information for the years for which the information is available. Information presented in the schedule has been determined as of this measurement date (one year before the most recent fiscal year end).

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*

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

CLARK J. CHAPIN

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*

The Honorable Ned Lamont, Governor
Members of the General Assembly
Natalie Braswell, State Comptroller

We have audited, in accordance with 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 year ended June 30, 2021, 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 24, 2022. 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 University System, the Connecticut Community Colleges, and the University of Connecticut Foundation were not audited in accordance with *Government Auditing Standards*.

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 auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Connecticut's financial statements 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 that are required to be reported under *Government Auditing Standards*.

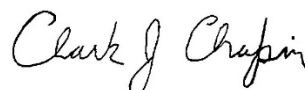
We noted certain matters that we have reported to management in the *Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters for the Fiscal Year Ended June 30, 2021, State of Connecticut Annual Comprehensive Financial Report*. The state's management responses to findings identified in our audit were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them. In addition, we have reported or will report to management findings in separately issued departmental audit reports covering the fiscal year ended June 30, 2021.

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. Accordingly, this report is intended solely for the information and use of the Governor, the State Comptroller, the Appropriations Committee of the General Assembly, 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

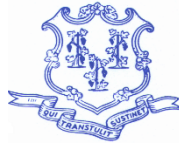


Clark J. Chapin
State Auditor

February 24, 2022
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

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

STATE CAPITOL

210 CAPITOL AVENUE

HARTFORD, CONNECTICUT 06106-1559

JOHN C. GERAGOSIAN

CLARK J. CHAPIN

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

Independent Auditor's Report

Governor Ned Lamont
Members of the General Assembly

Report on Compliance for Each Major Federal Program

We have audited the State of Connecticut's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the State of Connecticut's major federal programs for the year ended June 30, 2021. The State of Connecticut's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The State of Connecticut's basic financial statements include the operations of the Capital Region Development Authority, the Connecticut Airport Authority, the Connecticut Housing Finance Authority, the Clean Water Fund, and the Drinking Water Fund, which expended \$115,640,768 in federal awards, which is not included in the Schedule of Expenditures of Federal Awards, during the year ended June 30, 2021. Our audit, described below, did not include the operations of the Capital Region Development Authority, the Connecticut Airport Authority, the Connecticut Housing Finance Authority, the Clean Water Fund, and the Drinking Water Fund because other auditors were engaged to audit those entities in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State of Connecticut's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Connecticut's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the State of Connecticut's compliance.

Opinion on Each Major Federal Program

In our opinion, the State of Connecticut complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

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 2021-001, 2021-002, 2021-003, 2021-004, 2021-005, 2021-008, 2021-009, 2021-016, 2021-017, 2021-018, 2021-250, 2021-251, 2021-301, 2021-400, 2021-402, 2021-403, 2021-405, 2021-406, 2021-408, 2021-702, 2021-725, 2021-730, 2021-731, 2021-733, 2021-734, 2021-775, and 2021-800. Our opinion on each major federal program is not modified with respect to these matters.

The State of Connecticut's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The State of Connecticut's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the State of Connecticut is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State of Connecticut's internal

control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Connecticut's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant weaknesses may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-400 and 2021-725 to be material weaknesses.

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 2021-001, 2021-002, 2021-003, 2021-004, 2021-005, 2021-006, 2021-007, 2021-008, 2021-009, 2021-010, 2021-011, 2021-012, 2021-013, 2021-014, 2021-015, 2021-016, 2021-017, 2021-018, 2021-019, 2021-020, 2021-021, 2021-022, 2021-023, 2021-024, 2021-025, 2021-026, 2021-100, 2021-150, 2021-151, 2021-152, 2021-153, 2021-154, 2021-200, 2021-250, 2021-251, 2021-300, 2021-301, 2021-302, 2021-303, 2021-350, 2021-351, 2021-401, 2021-402, 2021-403, 2021-404, 2021-405, 2021-406, 2021-407, 2021-408, 2021-409, 2021-600, 2021-650, 2021-651, 2021-652, 2021-653, 2021-654, 2021-700, 2021-701, 2021-702, 2021-703, 2021-726, 2021-727, 2021-728, 2021-729, 2021-730, 2021-731, 2021-732, 2021-733, 2021-734, 2021-735, 2021-775, 2021-776, 2021-800, and 2021-975 to be significant deficiencies.

The State of Connecticut's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The State of Connecticut's response was not subjected to the 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 year ended June 30, 2021, 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 24, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements as a whole. 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 basic financial statements taken as a whole.

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



Clark J. Chapin
State Auditor

September 20, 2022
State Capitol
Hartford, Connecticut

Schedule of Expenditures
of Federal Awards

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DEPARTMENT OF AGRICULTURE						
DEPARTMENT OF AGRICULTURE DIRECT PROGRAMS						
AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH	10.001*				\$ -	\$ 955,779
PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE	10.025*				2,668	451,434
MARKET PROTECTION AND PROMOTION	10.163				24,085	24,085
COVID-19 SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170*	COVID-19			-	1,250
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170*				66,721	357,411
FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM	10.175				-	95,181
TRADE MITIGATION PROGRAM ELIGIBLE RECIPIENT AGENCY OPERATIONAL FUNDS	10.178				503,000	503,000
GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS	10.200*				-	(70)
COOPERATIVE FORESTRY RESEARCH	10.202*				-	518,936
PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT	10.203*				-	2,220,065
ANIMAL HEALTH AND DISEASE RESEARCH	10.207*				-	6,330
HIGHER EDUCATION - GRADUATE FELLOWSHIPS GRANT PROGRAM	10.210				-	123,000
CONSUMER DATA AND NUTRITION RESEARCH	10.253*				-	16,375
INTEGRATED PROGRAMS	10.303*				51,575	84,823
SPECIALTY CROP RESEARCH INITIATIVE	10.309*				-	23,327
AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)	10.310*				259,893	2,507,572
BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM	10.311				14,163	73,966
CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM	10.329*				-	124,016
FOOD SAFETY COOPERATIVE AGREEMENTS	10.479				-	14,754
COOPERATIVE EXTENSION SERVICE	10.500				1,578	528,364
SMITH-LEVER FUNDING (VARIOUS PROGRAMS)	10.511				-	1,404,234
EXPANDED FOOD AND NUTRITION EDUCATION PROGRAM	10.514				-	552,619
RENEWABLE RESOURCES EXTENSION ACT AND NATIONAL FOCUS FUND PROJECTS	10.515				-	41,146
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) EMPLOYMENT AND TRAINING (E&T)	10.537				-	(8,466)
DATA AND TECHNICAL ASSISTANCE GRANTS					-	(8,466)
COVID-19 PANDEMIC EBT FOOD BENEFITS	10.542	COVID-19			-	73,767,615
FARMERS' MARKET SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM SUPPORT GRANTS	10.545				-	6,136
COVID-19 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.551	COVID-19			-	271,781,859
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SEE NOTE 4)	10.551				-	663,641,321
COVID-19 SCHOOL BREAKFAST PROGRAM	10.553	COVID-19			6,469,905	7,053,105
SCHOOL BREAKFAST PROGRAM	10.553				8,878,953	8,878,953
COVID-19 NATIONAL SCHOOL LUNCH PROGRAM	10.555	COVID-19			-	17,062,628
NATIONAL SCHOOL LUNCH PROGRAM (SEE NOTE 4)	10.555				44,579,585	44,629,966
COVID-19 SPECIAL MILK PROGRAM FOR CHILDREN	10.556	COVID-19			3,280	3,280
SPECIAL MILK PROGRAM FOR CHILDREN	10.556				22,904	22,904
COVID-19 WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	10.557	COVID-19			-	2,379,864
WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	10.557				9,751,057	34,865,815
CHILD AND ADULT CARE FOOD PROGRAM	10.558				8,623,229	8,623,229
COVID-19 CHILD AND ADULT CARE FOOD PROGRAM	10.558	COVID-19			4,779,468	4,779,596
COVID-19 SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559*	COVID-19			27,427,144	28,027,084
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559*				-	11,924
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (SEE NOTE 4)	10.559*				55,573,532	55,573,532
STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	10.560*				-	2,625,008
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561*				2,445,403	66,808,212
COMMODITY SUPPLEMENTAL FOOD PROGRAM	10.565				104,881	104,881
COVID-19 EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	10.568	COVID-19			1,740,757	1,741,082
EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	10.568				427,064	427,064
WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)	10.572				-	179,106
FARM TO SCHOOL GRANT PROGRAM	10.575				-	31,357
SENIOR FARMERS MARKET NUTRITION PROGRAM	10.576				-	84,185
WIC GRANTS TO STATES (WGS)	10.578				-	140,500
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	10.579				186,563	211,530

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
FRESH FRUIT AND VEGETABLE PROGRAM	10.582				73,554	1,411,248
COVID-19 PANDEMIC EBT ADMINISTRATIVE COSTS	10.649	COVID-19			-	186,456
COOPERATIVE FORESTRY ASSISTANCE	10.664*				75,567	481,531
FOREST LEGACY PROGRAM	10.676				-	434,709
FOREST HEALTH PROTECTION	10.680*				-	128,054
STATE & PRIVATE FORESTRY COOPERATIVE FIRE ASSISTANCE	10.698				-	47,910
PARTNERSHIP AGREEMENTS	10.699*				-	38,775
RESEARCH JOINT VENTURE AND COST REIMBURSABLE AGREEMENTS	10.707*				-	8,000
GRANT PROGRAM TO ESTABLISH A FUND FOR FINANCING WATER AND WASTEWATER PROJECTS	10.864*				-	28,360
SOIL SURVEY	10.903*				5,999	131,553
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	10.912*				-	156,794
FARM AND RANCH LANDS PROTECTION PROGRAM	10.913				-	793,587
REGIONAL CONSERVATION PARTNERSHIP PROGRAM	10.932*				21,000	50,554
MONITORING AND MODELING TRANSITIONS IN URBAN TREE COMMUNITIES OVER TIME	10.RD *				-	-
		19JV-11242308-074			-	3,190
IMPROVING EFFICIENCY AND EFFECTIVENESS OF FARM TO SCHOOL IN CT	10.U01	19SDE0141AA			-	86,325
DEPARTMENT OF AGRICULTURE DIRECT PROGRAMS Total					\$ 172,113,528	\$ 1,308,067,913
DEPARTMENT OF AGRICULTURE PASS THROUGH PROGRAMS						
AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH	10.001*		VERMONT LAW SCHOOL	USDA-NAL-58-8250-8-002-2	\$ -	\$ 39,786
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170*		UNIVERSITY OF NEBRASKA	26-6231-0340-003	-	19,502
GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS	10.200*		RUTGERS UNIVERSITY	5890-NER1SOHP-AULAKH	-	-
			RUTGERS UNIVERSITY	5966-NER1GOHP-LAMONDIA	-	5,373
SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION	10.215*		UNIVERSITY OF MASSACHUSETTS, AMHERST	SUBAWARD 18 010456 B 00 GNE19-213-33243	-	-
			UNIVERSITY OF VERMONT	LNE18-363-32231	-	-
			UNIVERSITY OF VERMONT	LNE20-412R34268	-	-
SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION	10.215*		UNIVERSITY OF VERMONT	SNE19-01-34268	10,722	87,947
RESEARCH INNOVATION AND DEVELOPMENT GRANTS IN ECONOMIC (RIDGE) INTEGRATED PROGRAMS	10.255*		UNIVERSITY OF VERMONT	SNE20-001-CT-34268	-	60,487
	10.303*		TUFTS UNIVERSITY	AG9002	-	12,155
			UNIVERSITY OF IDAHO	2013-51102-21015	-	-
			UNIVERSITY OF IDAHO	BJKR15-SB-001	-	-
			PENNSYLVANIA STATE UNIVERSITY	S000395-USDA	-	-
HOMELAND SECURITY AGRICULTURAL	10.304*		CORNELL UNIVERSITY	SUBAWARD NO. 80289-10770	-	59,196
HOMELAND SECURITY AGRICULTURAL	10.304*		CORNELL UNIVERSITY	80289-10764	-	9,038
SPECIALTY CROP RESEARCH INITIATIVE	10.309*		MICHIGAN STATE UNIVERSITY	SUBAWARD# RC106556AD	-	29,829
AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)	10.310*		RUTGERS UNIVERSITY	6063-PP2016-STONER	-	82,151
			PENNSYLVANIA STATE UNIVERSITY	6103-CAES-USDA-9568	-	-
			LOUISIANA STATE UNIVERSITY	PO-0000128215	-	-
			OHIO STATE UNIVERSITY	60050299-UC	-	-
			OHIO STATE UNIVERSITY	SUBAWARD NO. 60045862	-	-
			UNIVERSITY OF FLORIDA	SUB000002478	-	-
			UNIVERSITY OF MARYLAND, COLLEGE PARK	SUBAWARD # 61010-ZS065204	-	-
			UNIVERSITY OF WISCONSIN, MADISON	SUBAWARD # 0000000430	-	-
			UNIVERSITY OF NEVADA, RENO	UNR-20-46	-	-
			NORTHERN ARIZONA UNIVERSITY	PREAWARD	-	-
CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM	10.329*		CORNELL UNIVERSITY	86935-11206	-	431,666
			UNIVERSITY OF WISCONSIN-MILWAUKEE	213405497	-	-
			CORNELL UNIVERSITY	86935-11195	-	-
			CORNELL UNIVERSITY	86935-11354	-	-
FOOD INSECURITY NUTRITION INCENTIVE GRANTS PROGRAM	10.331*		FARM FRESH RHODE ISLAND	AG190893	10,493	56,122
					-	37,902

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
COOPERATIVE EXTENSION SERVICE	10.500		KANSAS STATE UNIVERSITY	A00-0983-S049		
			KANSAS STATE UNIVERSITY	A00-0983-S097		
			UNIVERSITY OF DELAWARE	SUBAWARD# 57361		
			UNIVERSITY OF MISSOURI	C00059381-5		
			UNIVERSITY OF MISSOURI	SUBAWARD# C00067296-1	-	74,367
TECHNICAL ASSISTANCE FOR SPECIALTY CROPS PROGRAM	10.604*		CALIFORNIA PRUNE BOARD	PN 21-02	-	101,989
COOPERATIVE FORESTRY ASSISTANCE	10.664*		THE FOREST STEWARDS GUILD	COST CENTER 10646	-	23,186
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	10.912*		UNIVERSITY OF RHODE ISLAND	#0008145/07132020	-	3,704
REGIONAL CONSERVATION PARTNERSHIP PROGRAM	10.932*		CONNECTICUT ASSOCIATION OF CONSERVATION DISTRICTS	AGREEMWNT #11-UCONN-SH	-	22,194
NAVIGATING THE GROCERY STORE AISLE: UNDERSTANDING NON-GMO LABELS	10.U02	3-580840.01	EXTENSION FOUNDATION	3-580840.01	-	523
A MULTIMEDIA WEBSITE FOR CONNECTICUT WOODLOTS	10.U03		CONNECTICUT FOREST AND PARK ASSOCIATION	AG201116	-	37,689
DEPARTMENT OF AGRICULTURE PASS THROUGH PROGRAMS Total					\$ 21,215	\$ 1,194,806
DEPARTMENT OF AGRICULTURE Total					\$ 172,134,743	\$ 1,309,262,719
DEPARTMENT OF COMMERCE						
DEPARTMENT OF COMMERCE DIRECT PROGRAMS						
NOAA MISSION-RELATED EDUCATION AWARDS	11.008				\$ -	\$ 22,734
OCEAN ACIDIFICATION PROGRAM (OAP)	11.017*				58,109	109,641
CLUSTER GRANTS	11.020*				-	31,911
ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE	11.303*				-	117,650
COVID-19 ECONOMIC ADJUSTMENT ASSISTANCE	11.307*	COVID-19			-	99,802
INTERJURISDICTIONAL FISHERIES ACT OF 1986	11.407				-	16,860
COVID-19 SEA GRANT SUPPORT	11.417*	COVID-19			-	107,594
SEA GRANT SUPPORT	11.417*				405,984	1,669,253
COASTAL ZONE MANAGEMENT ADMINISTRATION AWARDS	11.419				-	2,323,243
COASTAL ZONE MANAGEMENT ESTUARINE RESEARCH RESERVES	11.420*				-	41,147
CLIMATE AND ATMOSPHERIC RESEARCH	11.431*				-	17,249
COOPERATIVE FISHERY STATISTICS	11.434				-	50,203
CONGRESSIONALLY IDENTIFIED AWARDS AND PROJECTS	11.469				-	1,363
UNALLIED SCIENCE PROGRAM	11.472				-	124,236
ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT	11.474				-	237,881
CENTER FOR SPONSORED COASTAL OCEAN RESEARCH COASTAL OCEAN PROGRAM	11.478*				-	204,913
MEASUREMENT AND ENGINEERING RESEARCH AND STANDARDS	11.609*				-	118,950
MARINE DEBRIS PROGRAM	11.999*				-	31,682
DEPARTMENT OF COMMERCE DIRECT PROGRAMS Total					\$ 464,093	\$ 5,326,312
DEPARTMENT OF COMMERCE PASS THROUGH PROGRAMS						
NOAA MISSION-RELATED EDUCATION AWARDS	11.008		PROJECT OCEANOLOGY	PREAWARD	\$ -	\$ 5,613
INTEGRATED OCEAN OBSERVING SYSTEM (IOOS)	11.012*		NORTHEASTERN REGIONAL ASSOCIATION OF COASTAL OCEAN OBSERVING SYSTEMS	A008-001A 05-A008-001		
			NORTHEASTERN REGIONAL ASSOCIATION OF COASTAL OCEAN OBSERVING SYSTEMS	1622 PO 1379373 PID 804635 6166 PO#779203		
			ASSOCIATION OF COASTAL OCEAN OBSERVING SYSTEMS	UWSC10786		
			RUTGERS UNIVERSITY			
			RUTGERS UNIVERSITY			
SEA GRANT SUPPORT	11.417*		UNIVERSITY OF WASHINGTON		-	378,241
			UNIVERSITY OF CALIFORNIA, SANTA BARBARA	KK2021 PREAWARD		
			CALIFORNIA STATE UNIVERSITY, NORTHRIDGE		-	24,811
SEA GRANT SUPPORT	11.417*		UNIVERSITY OF MISSISSIPPI	20-09-004	-	11,641
CLIMATE AND ATMOSPHERIC RESEARCH	11.431*		UNIVERSITY OF WASHINGTON	UWSC10546/BPO32188	-	5,856
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA) COOPERATIVE INSTITUTES	11.432*		UNIVERSITY OF WASHINGTON	UWSC10474	-	(21)
OFFICE FOR COASTAL MANAGEMENT	11.473*		NATURE CONSERVANCY	MA1112017CT	-	5,134

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
ARRANGEMENTS FOR INTERDISCIPLINARY RESEARCH INFRASTRUCTURE	11.619*		NATIONAL INSTITUTE OF PHARMACEUTICAL TECHNOLOGY AND EDUCATION	AG180853 AG200794		
PROJECT OCEANOLOGY DATA SYSTEM (PODS) DEVELOPMENT	11.U01	AG201399	NATIONAL INSTITUTE OF PHARMACEUTICAL TECHNOLOGY AND EDUCATION PROJECT OCEANOLOGY	AG201399	-	15,736
DEPARTMENT OF COMMERCE PASS THROUGH PROGRAMS Total					<u>\$ -</u>	<u>\$ 15,118</u>
DEPARTMENT OF COMMERCE Total					<u>\$ 464,093</u>	<u>\$ 5,788,441</u>
DEPARTMENT OF DEFENSE						
DEPARTMENT OF DEFENSE DIRECT PROGRAMS						
STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE REIMBURSEMENT OF TECHNICAL SERVICES	12.113				\$ -	\$ 30,459
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.300				142,368	344,818
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.300*				3,898,403	10,150,395
MILITARY CONSTRUCTION, NATIONAL GUARD	12.400				-	150,897
COVID-19 NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	12.401				-	-
		COVID-19			-	130,694
NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	12.401				-	25,103,659
NATIONAL GUARD CHALLENGE PROGRAM	12.404				-	755,298
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420*				3,633	828,436
BASIC SCIENTIFIC RESEARCH	12.431*				-	136,001
COMMUNITY INVESTMENT	12.600				600,000	626,181
TROOPS TO TEACHERS GRANT PROGRAM	12.620				-	196,016
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630*				58,867	134,997
AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	12.800*				820,053	1,576,100
MATHEMATICAL SCIENCES GRANTS	12.901*				-	80,747
ADVANCED CONTROL ARCHITECTURES AND ALGORITHMS FOR AGILE MANUFACTURING	12.RD *				-	-
		FA8650-20-C-5206			-	85,355
ADVANCED MANUFACTURING OF CERAMIC SHELLS FOR INVESTMENT CASTING	12.RD *	FA8650-20-C-5206			-	192,569
IOT-ENABLED AND AL-CONTROLLED COBOTS FOR MANUFACTURING	12.RD *	FA8650-20-C-5206			-	80,073
MANUFACTURING DIAGNOSTICS, PROGNOSTICS AND HEALTH MANAGEMENT	12.RD *	FA8650-20-C-5206			-	56,730
MANUFACTURING DIGITAL TWIN	12.RD *	FA8650-20-C-5206			-	70,617
MATERIALS AND PROCESSES FOR SMART, AGILE AIR FORCE MANUFACTURING TECHNOLOGIES.	12.RD *				-	-
AFRL PHASE II ADMIN. ACCOUNT.		FA8650-20-C-5206			-	180,913
MATERIALS BEHAVIOR AND PROPERTIES UNDER EXTREME CONDITIONS	12.RD *	FA8650-20-C-5206			-	167,739
MODEL- BASED SYSTEMS ENGINEERING FOR MANUFACTURING LIFECYCLES	12.RD *	FA8650-20-C-5206			-	48,643
NTO AND DNAN TRANSFORMATIONS QUANTIFIED USING ENRICHED STABLE ISOTOPE TRACERS	12.RD *				-	-
		W912HQ19C0019			-	286,770
SENSING FOR ADDITIVE MANUFACTURING	12.RD *	FA8650-20-C-5206			-	255,265
SIMULATION-BASED UNCERTAINTY QUANTIFICATION OF MANUFACTURING TECHNOLOGIES	12.RD *				-	-
		FA8650-18-C-5700			-	1,258,978
STABLE-ISOTOPE LABELED TRACERS, AN INNOVATION WAY TO VALIDATE NATURAL ATTENUATION OF RDX IN GROUNDWATER	12.RD *				7,955	20,172
TRACKING THE HEALTH OF SOLDIERS WITH ADVANCED IMPLANTABLE NANO-SENSORS	12.RD *	W81XWH-15-C-0069			-	218,384
UNCERTAINTY QUANTIFICATION OF HEAT TREATING FOR AEROSPACE GEAR MANUFACTURING	12.RD *				-	-
		FA8650-20-C-5206			-	159,373
DEPARTMENT OF DEFENSE DIRECT PROGRAMS Total					<u>\$ 5,531,279</u>	<u>\$ 43,326,279</u>
DEPARTMENT OF DEFENSE PASS THROUGH PROGRAMS						
NATIONAL DEFENSE EDUCATION PROGRAM	12.006		ADVANCED TECH INTERNATIONAL	W52P1J-20-9-3034	\$ -	\$ 358,832
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.300*		CREARE PENNSYLVANIA STATE UNIVERSITY UNIVERSITY OF MISSOURI PURDUE UNIVERSITY PURDUE UNIVERSITY	PO 108423 S000561-ONR C00066003-5 13000469-028 13000458-014	-	609,870

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
BASIC SCIENTIFIC RESEARCH - COMBATING WEAPONS OF MASS DESTRUCTION	12.351*		LABORATORY OF THE MINISTRY OF AGRICULTURE OF GEORGIA	HDTM1-18-1-0053/P00001	-	105,319
PEST MANAGEMENT AND VECTOR CONTROL RESEARCH	12.355*		CORNELL UNIVERSITY	89560-11277	-	32,761
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420*		STEVENS INSTITUTE OF TECHNOLOGY	SIT-2103075-01/DOD-W81XWH2010321		
			UNIVERSITY OF PITTSBURGH	0056666(413614-		
			UNIVERSITY OF VERMONT	15)/DODW81XWH1720073		
			UNIVERSITY OF SOUTHERN CALIFORNIA	UNIV OF VERMONT PO#182157/DOD		
			JACKSON (HENRY M.) FOUNDATION	94598298		
BASIC SCIENTIFIC RESEARCH	12.431*		NORTHEASTERN UNIVERSITY	SUBAWARD# 3885/PO# 915062	-	347,874
			NORTHEASTERN UNIVERSITY	598291-78050		
			UNIVERSITY OF CALIFORNIA, LOS ANGELES	504141-78056		
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630*		ACADEMY OF APPLIED SCIENCE	1000 G SA915	-	359,773
			NATIONAL SCIENCE TEACHERS ASSOCIATION	US ARMY/AAS		
			NATIONAL SCIENCE TEACHERS ASSOCIATION	NSTA 20-871-103 / W9115R-15-2-0001		
			UNIVERSITY OF WASHINGTON	NSTA 21-871-004 / W9115R-15-2-0001		
			ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	UWSC11559		
			ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	ARM-TEC-20-DC-F01		
			WICHITA STATE UNIVERSITY	ARM-TEC-20-DC-F02		
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630*		ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	WSU20-00138	201,580	559,756
AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	12.800*		PURDUE UNIVERSITY	ARM-EWD-17-02-F-09	-	61,418
PORTABLE CO REMOVAL DEVICE FOR SUBMARINES	12.RD*	404505	GINER	13000716-071	-	1,835
ADDITIVE MANUFACTURING FOR LI-ION BATTERIES	12.RD *	SC 87363-8012-46	PHYSICAL SCIENCES	404505	-	7,639
COMPUTATIONALLY EFFICIENT, ACCURATE AND UNCERTAINTY CHARACTERIZED CHEMICAL KINETICS FOR HYDROCARBON FUELS	12.RD *	20190768	CFD RESEARCH CORPORATION	SC 87363-8012-46	-	133,305
HIGH SENSITIVITY SQUIDS FOR MAGNETIC FIELD DETECTION	12.RD *	PO 4440943540	MINISTRY OF DEFENSE (ISRAEL)	20190768	-	103,716
HIGHLY-MANEUVERING OBSCURED TARGET EXTRACTION WITH OTHR	12.RD *	CRFR-054	MATRIX RESEARCH	PO 4440943540	-	142,093
IMPACT POINT PREDICTION RESEARCH FOR SHORT & MEDIUM RANGE THRUSTING PROJECTILES	12.RD *	PO #4440278825	MINISTRY OF DEFENSE (ISRAEL)	CRFR-054	-	24,316
INTEGRATED BIAS ESTIMATION AND TRACKING FOR EO/IR FUSED SYSTEMS	12.RD *	SC17-C046-1	TOYON	PO #4440278825	-	76,088
INTELLIGENT ULTRAFAST LASER SYSTEM FOR INSPECTION OF MICROELECTRONICS	12.RD *	10651158	AEROCYONICS	SC17-C046-1	-	23,939
NEW MATHEMATICAL MODELS AND ANALYSIS FOR STOCHASTIC MEAN-FIELDS, STOCHASTIC RECURSIVE ALGORITHMS WITH INTERACTIONS HYBRID SYSTEMS	12.RD *	WSU21020	WAYNE STATE UNIVERSITY	10651158	-	48,021
OCCLUSION EFFECT-REDUCING EARPLUG WITH PASS-THROUGH COMMUNICATION AND SITUATIONAL AWARENESS	12.RD *	TSI-2683-20-20202295	TRITON SYSTEMS	WSU21020	-	71,900
RELIABLE AND OPTIMAL COORDINATION OF NETWORKED SYSTEMS AND ACTION-BASED SPACE TRAJECTORY GENERATION/ESTIMATION	12.RD *	KR 703960	UNIVERSITY OF CALIFORNIA, SAN DIEGO	TSI-2683-20-20202295	-	75,000
SHE COOL (SEMICONDUCTOR HEAT EXTRACTION COOLING)	12.RD *	AG 210692	KELVI	KR 703960	-	76,395
SPHERE RESONATOR FABRICATION	12.RD *	MASIDSUB-0007497	MANTECH INTERNATIONAL CORPORATION	AG210692	-	11,742
SUPPORT FOR ADVANCED DATA ASSOCIATION ALGORITHMS TO ADDRESS EMERGING THREATS	12.RD *	2010-501	BLACK RIVER SYSTEMS	MASIDSUB-0007497	-	41,659
TD-O2-009: BIORISK MANAGEMENT CURRICULUM DEVELOPMENT -- ACADEMIC TRACK - JORDAN	12.RD *	P010204923	LEIDOS	2010-501	-	32,267
THE EFFECT OF AMP HUMAN PR LOTION ON HYDRATION STUDY	12.RD *	AG 210073	AMP HUMAN	P010204923	53,470	78,863
THE PANTHEON SECURE COMPUTATION SYSTEM	12.RD *	AG 180652	STEALTH SOFTWARE	P010204923	-	75,683
ROBUST SELF-DECONTAMINATING COATING FOR DEFENSE APPLICATIONS	12.U01	AG210074	NANOIONIX	AG 180652	-	7,397
				AG210074	-	20,998

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DEPARTMENT OF DEFENSE PASS THROUGH PROGRAMS Total					\$ 255,050	\$ 3,488,459
DEPARTMENT OF DEFENSE Total					\$ 5,786,329	\$ 46,814,738
CENTRAL INTELLIGENCE AGENCY						
CENTRAL INTELLIGENCE AGENCY PASS THROUGH PROGRAMS						
WATCH: WIDE AREA TERRESTRIAL CHANGE HYPERCUBE	13.RD *	K003034-00-503	KITWARE	K003034-00-503	\$ -	\$ 46,139
CENTRAL INTELLIGENCE AGENCY PASS THROUGH PROGRAMS Total					\$ -	\$ 46,139
CENTRAL INTELLIGENCE AGENCY Total					\$ -	\$ 46,139
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT DIRECT PROGRAMS						
COVID-19 MULTIFAMILY HOUSING SERVICE COORDINATORS	14.191	COVID-19			\$ -	\$ 19,159
MULTIFAMILY HOUSING SERVICE COORDINATORS	14.191				388,778	388,778
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM (SEE NOTE 1)	14.195				(127,961)	2,081,189
COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	14.228				8,231,499	8,231,499
COVID-19 COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	14.228				3,821,411	4,922,878
COVID-19 EMERGENCY SOLUTIONS GRANT PROGRAM	14.231	COVID-19			9,794,516	9,794,516
EMERGENCY SOLUTIONS GRANT PROGRAM	14.231				2,151,253	2,151,253
SHELTER PLUS CARE	14.238				-	12,934
HOME INVESTMENT PARTNERSHIPS PROGRAM	14.239				2,465,242	8,788,484
COVID-19 HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241	COVID-19			38,662	38,662
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241				254,612	254,612
SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY (SEE NOTE 1)	14.249				(66,694)	69,754
CONTINUUM OF CARE PROGRAM	14.267				7,726,239	31,107,768
HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)	14.269*				87,324	10,675,391
NATIONAL DISASTER RESILIENCE COMPETITION	14.272				-	3,049,622
HOUSING TRUST FUND	14.275				2,801,945	3,908,288
YOUTH HOMELESSNESS DEMONSTRATION PROGRAM	14.276				194,184	194,184
PROJECT RENTAL ASSISTANCE DEMONSTRATION (PRA DEMO) PROGRAM OF SECTION 811	14.326				-	734,535
SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES					-	10,176
COVID-19 FAIR HOUSING ASSISTANCE PROGRAM STATE AND LOCAL	14.401	COVID-19			6,000	75,255
FAIR HOUSING ASSISTANCE PROGRAM STATE AND LOCAL	14.401				-	3,643,777
COVID-19 SECTION 8 HOUSING CHOICE VOUCHERS	14.871	COVID-19			-	94,413,178
SECTION 8 HOUSING CHOICE VOUCHERS (SEE NOTE 1)	14.871				-	2,437,411
MAINSTREAM VOUCHERS	14.879				204,534	204,534
FAMILY SELF-SUFFICIENCY PROGRAM	14.896				876,403	876,403
LEAD HAZARD REDUCTION DEMONSTRATION GRANT PROGRAM	14.905				-	-
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT DIRECT PROGRAMS Total					\$ 38,847,947	\$ 188,084,240
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PASS THROUGH PROGRAMS						
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218		CITY OF MIDDLETOWN	18-0008	\$ -	\$ 373
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PASS THROUGH PROGRAMS Total					\$ -	\$ 373
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Total					\$ 38,847,947	\$ 188,084,613
DEPARTMENT OF THE INTERIOR						
DEPARTMENT OF THE INTERIOR DIRECT PROGRAMS						
JOINT FIRE SCIENCE PROGRAM	15.232*				\$ -	\$ 24,998
WATER DESALINATION RESEARCH AND DEVELOPMENT	15.506*				4,355	61,526
SPORT FISH RESTORATION	15.605				13,311	3,002,383
FISH AND WILDLIFE MANAGEMENT ASSISTANCE	15.608				-	24,876
WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	15.611				210,885	4,425,148
WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	15.611*				-	211,246
CLEAN VESSEL ACT	15.616				857,907	1,216,924
NORTH AMERICAN WETLANDS CONSERVATION FUND	15.623				-	5,256
COASTAL	15.630*				-	29,301
STATE WILDLIFE GRANTS	15.634*				-	377,207

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
STATE WILDLIFE GRANTS	15.634*				-	568
RESEARCH GRANTS (GENERIC)	15.650*				-	6,584
MIGRATORY BIRD MONITORING, ASSESSMENT AND CONSERVATION	15.655*				-	19,917
CANDIDATE SPECIES CONSERVATION	15.660*				-	2,480
HIGHLANDS CONSERVATION	15.667*				579,000	2,054,239
ASSISTANCE TO STATE WATER RESOURCES RESEARCH INSTITUTES	15.805*				10,683	50,425
U.S. GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION	15.808*				-	155,166
NATIONAL COOPERATIVE GEOLOGIC MAPPING	15.810*				-	25,765
NATIONAL COOPERATIVE GEOLOGIC MAPPING	15.810*				-	5,061
NATIONAL GEOLOGICAL AND GEOPHYSICAL DATA PRESERVATION	15.814				-	40,928
HISTORIC PRESERVATION FUND GRANTS-IN-AID	15.904				67,150	828,283
OUTDOOR RECREATION ACQUISITION, DEVELOPMENT AND PLANNING	15.916				-	75,923
NATIONAL MARITIME HERITAGE GRANTS	15.925				51,367	51,367
ASSESSING PROCESSES THAT DRIVE FISHERIES PRODUCTIVITY ON NEW ENGLAND SAND SHOALS	15.RD *				-	64,415
TOWARD NEAR REAL-TIME MONITORING AND CHARACTERIZATION OF LAND SURFACE CHANGE FOR THE CONTERMINOUS US	15.RD *	MOA2018-036/11582 140G0119C0008			-	64,415
DEPARTMENT OF THE INTERIOR DIRECT PROGRAMS Total					20,524	207,818
DEPARTMENT OF THE INTERIOR PASS THROUGH PROGRAMS					\$ 1,815,182	\$ 12,967,804
BUREAU OF OCEAN ENERGY MANAGEMENT (BOEM) ENVIRONMENTAL STUDIES (ES)	15.423*		UNIVERSITY OF RHODE ISLAND	0007060/071918	\$ -	\$ 12,915
HURRICANE SANDY DISASTER RELIEF ACTIVITIES-FWS	15.677*		UNIVERSITY OF DELAWARE	49130	-	19,939
NATIONAL LAND REMOTE SENSING EDUCATION OUTREACH AND RESEARCH	15.815		AMERICA VIEW	AV18-CT-01	-	18,503
AMERICAN BATTLEFIELD PROTECTION	15.926*		TEXAS TECH UNIVERSITY	21H095-01	-	-
			TOWN OF MONTAGUE, MA	AG190779	-	-
			STONINGTON HISTORICAL SOCIETY	AG191186	-	17,405
DEPARTMENT OF THE INTERIOR PASS THROUGH PROGRAMS Total					\$ -	\$ 68,762
DEPARTMENT OF THE INTERIOR Total					\$ 1,815,182	\$ 13,036,566
DEPARTMENT OF JUSTICE						
DEPARTMENT OF JUSTICE DIRECT PROGRAMS						
SEXUAL ASSAULT SERVICES FORMULA PROGRAM	16.017				\$ 385,637	\$ 392,119
COVID-19 CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM	16.034	COVID-19			545,191	1,924,390
PROSECUTING COLD CASES USING DNA	16.036				-	25,474
GRANTS TO REDUCE DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ON CAMPUS	16.525				-	178,421
JUVENILE JUSTICE AND DELINQUENCY PREVENTION	16.540				-	48
MISSING CHILDREN'S ASSISTANCE	16.543				-	295,934
NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)	16.554				-	2,529,664
CRIME VICTIM ASSISTANCE	16.575				28,783,393	29,438,662
CRIME VICTIM COMPENSATION	16.576				-	1,265,996
DRUG COURT DISCRETIONARY GRANT PROGRAM	16.585				295,997	359,104
VIOLENCE AGAINST WOMEN FORMULA GRANTS	16.588				1,184,864	1,723,734
RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	16.593				-	132,005
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	16.606				-	562,145
PROJECT SAFE NEIGHBORHOODS	16.609				-	135,078
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738				(40,227)	245,147
DNA BACKLOG REDUCTION PROGRAM	16.741				-	832,865
PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	16.742				-	185,702
SUPPORT FOR ADAM WALSH ACT IMPLEMENTATION GRANT PROGRAM	16.750				-	223,735
HAROLD ROGERS PRESCRIPTION DRUG MONITORING PROGRAM	16.754				-	479,646
SECOND CHANCE ACT REENTRY INITIATIVE	16.812*				45,762	1,197,820
JOHN R. JUSTICE PROSECUTORS AND DEFENDERS INCENTIVE ACT	16.816				-	36,749
POSTCONVICTION TESTING OF DNA EVIDENCE	16.820				-	25,107
NATIONAL SEXUAL ASSAULT KIT INITIATIVE	16.833*				61,451	648,098
BODY WORN CAMERA POLICY AND IMPLEMENTATION	16.835				-	175,624
INDIGENT DEFENSE	16.836				-	37,192
EQUITABLE SHARING PROGRAM	16.922				-	279,017

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DEPARTMENT OF JUSTICE DIRECT PROGRAMS Total					\$ 31,262,068	\$ 43,329,476
DEPARTMENT OF JUSTICE PASS THROUGH PROGRAMS						
DRUG COURT DISCRETIONARY GRANT PROGRAM	16.585		OKLAHOMA DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES	PO #4529062417	\$ -	\$ 64,807
JUVENILE MENTORING PROGRAM	16.726		NATIONAL 4-H COUNCIL	2018-JU-FX-0005		43,974
BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM	16.817		NATIONAL 4-H COUNCIL	2019-MU-FX-0002	28,933	
GIRLS IN THE JUVENILE JUSTICE SYSTEM	16.830*		CITY OF HARTFORD POLICE DEPARTMENT	2017 AJ BX 002	-	18,471
COMPREHENSIVE OPIOID, STIMULANT, AND SUBSTANCE ABUSE PROGRAM	16.838		POLICY RESEARCH ASSOCIATES, INC.	PRA 1106-0003-001-001 / USDOJ	-	1,360
			INSTITUTE OF INTERGOVERNMENTAL RESEARCH (IIR)	2019-ODMAP-0025	62,004	118,888
DEPARTMENT OF JUSTICE PASS THROUGH PROGRAMS Total					\$ 90,937	\$ 247,500
DEPARTMENT OF JUSTICE Total					\$ 31,353,005	\$ 43,576,976
DEPARTMENT OF LABOR						
DEPARTMENT OF LABOR DIRECT PROGRAMS						
LABOR FORCE STATISTICS (SEE NOTE 1)	17.002				\$ -	\$ 1,161,336
COMPENSATION AND WORKING CONDITIONS	17.005				-	341,787
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES (SEE NOTE 1)	17.207*				51,174	6,649,027
COVID-19 UNEMPLOYMENT INSURANCE	17.225	COVID-19			-	3,868,105,784
UNEMPLOYMENT INSURANCE (SEE NOTE 1 AND NOTE 7)	17.225				-	1,557,428,333
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	17.235				899,507	912,697
TRADE ADJUSTMENT ASSISTANCE (SEE NOTE 1)	17.245				-	3,805,862
WIOA ADULT PROGRAM	17.258				6,216,302	6,685,023
WIOA YOUTH ACTIVITIES	17.259				7,461,595	8,464,804
H-1B JOB TRAINING GRANTS	17.268				1,260,819	2,815,297
REENTRY EMPLOYMENT OPPORTUNITIES	17.270				-	1,490
WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC) (NOTE 1)	17.271				-	183,618
TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS (SEE NOTE 1)	17.273				-	250,000
WIOA NATIONAL DISLOCATED WORKER GRANTS/WIA NATIONAL EMERGENCY GRANTS	17.277				1,329,694	1,809,228
WIOA DISLOCATED WORKER FORMULA GRANTS	17.278				9,458,253	12,970,386
APPRENTICESHIP USA GRANTS	17.285				408,000	762,532
OCCUPATIONAL SAFETY AND HEALTH SUSAN HARWOOD TRAINING GRANTS	17.502				-	15,537
OCCUPATIONAL SAFETY AND HEALTH STATE PROGRAM	17.503				-	1,681,622
CONSULTATION AGREEMENTS	17.504				-	2,015,033
MINE HEALTH AND SAFETY GRANTS	17.600				-	79,465
DISABILITY EMPLOYMENT POLICY DEVELOPMENT	17.720*				-	900,771
JOBS FOR VETERANS STATE GRANTS (SEE NOTE 1)	17.801				-	358,332
LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE PROGRAM	17.804				-	1,063,323
DEPARTMENT OF LABOR DIRECT PROGRAMS Total					\$ 27,085,344	\$ 5,478,461,287
DEPARTMENT OF LABOR PASS THROUGH PROGRAMS						
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	17.207*		MATHEMATICA POLICY RESEARCH INC	MATHEMATICA 50723505952/US DOL	\$ -	\$ 25,763
WIOA YOUTH ACTIVITIES	17.259		NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002		
			NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002		
			NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002		
			NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002		
			NORTHWEST REGIONAL INVESTMENT BOARD			388,443
H-1B JOB TRAINING GRANTS	17.268		THE WORKPLACE INC.	HG-22616-12-60-A-9	-	84,438
DEPARTMENT OF LABOR PASS THROUGH PROGRAMS Total					\$ -	\$ 498,643
DEPARTMENT OF LABOR Total					\$ 27,085,344	\$ 5,478,959,930

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DEPARTMENT OF STATE						
DEPARTMENT OF STATE DIRECT PROGRAMS						
ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS	19.009				\$ 136,058	\$ 252,770
ECONOMIC STATECRAFT	19.322				116,035	134,055
DEPARTMENT OF STATE DIRECT PROGRAMS Total					\$ 252,093	\$ 386,825
DEPARTMENT OF STATE PASS THROUGH PROGRAMS						
ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS	19.009		WORLD LEARNING	CBSA18-NWCT01	\$ -	\$ 7,811
DEPARTMENT OF STATE PASS THROUGH PROGRAMS Total					\$ -	\$ 7,811
DEPARTMENT OF STATE Total					\$ 252,093	\$ 394,636
DEPARTMENT OF TRANSPORTATION						
DEPARTMENT OF TRANSPORTATION DIRECT PROGRAMS						
AVIATION RESEARCH GRANTS	20.108*				\$ -	\$ 70,436
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200*				195,938	1,215,135
COVID-19 HIGHWAY PLANNING AND CONSTRUCTION	20.205*	COVID-19			-	14,745
HIGHWAY PLANNING AND CONSTRUCTION	20.205*				48,503,942	529,208,191
HIGHWAY TRAINING AND EDUCATION	20.215*				-	97,081
MOTOR CARRIER SAFETY ASSISTANCE	20.218				-	2,410,159
RECREATIONAL TRAILS PROGRAM	20.219				141,110	197,216
COMMERCIAL DRIVER'S LICENSE PROGRAM IMPROVEMENT GRANT	20.232				-	1,132,206
COVID-19 COMMERCIAL DRIVER'S LICENSE PROGRAM IMPROVEMENT GRANT	20.232	COVID-19			-	38,210
MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS	20.237*				-	1,588,969
RAILROAD RESEARCH AND DEVELOPMENT	20.313*				-	16,264
FEDERAL TRANSIT CAPITAL INVESTMENT GRANTS	20.500				400,000	70,445,975
METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH	20.505				2,788,984	3,162,380
COVID-19 FEDERAL TRANSIT FORMULA GRANTS	20.507	COVID-19			-	263,738,860
FEDERAL TRANSIT FORMULA GRANTS	20.507				258,756	63,894,860
COVID-19 FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM	20.509	COVID-19			552,083	1,896,007
FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM	20.509				3,398,766	3,398,766
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	20.513				2,923,267	2,934,217
NEW FREEDOM PROGRAM	20.521				387,600	428,694
ALTERNATIVES ANALYSIS	20.522				-	135,329
STATE OF GOOD REPAIR GRANTS PROGRAM	20.525				-	10,995,140
BUSES AND BUS FACILITIES FORMULA, COMPETITIVE, AND LOW OR NO EMISSIONS PROGRAMS	20.526				-	4,865,990
PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM	20.527				-	23,263,828
STATE AND COMMUNITY HIGHWAY SAFETY	20.600				1,190,663	2,422,104
ALCOHOL OPEN CONTAINER REQUIREMENTS	20.607				1,167,177	2,490,034
INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING	20.611				-	260,884
NATIONAL PRIORITY SAFETY PROGRAMS	20.616*				1,725,033	4,667,524
PIPELINE SAFETY PROGRAM STATE BASE GRANT	20.700*				-	1,072,635
INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	20.703				-	117,669
PHMSA PIPELINE SAFETY PROGRAM ONE CALL GRANT	20.721				-	20,612
NATIONAL INFRASTRUCTURE INVESTMENTS	20.933				196,958	196,960
STATE AND LOCAL GOVERNMENT DATA ANALYSIS TOOLS FOR ROADWAY SAFETY	20.935*				-	319,885
DEPARTMENT OF TRANSPORTATION DIRECT PROGRAMS Total					\$ 63,830,277	\$ 996,716,965
DEPARTMENT OF TRANSPORTATION PASS THROUGH PROGRAMS						
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200*		NATIONAL ACADEMIES NATIONAL ACADEMY OF SCIENCES UNIVERSITY OF CENTRAL FLORIDA UNIVERSITY OF CENTRAL FLORIDA	HR 12-111 PO# SUB0000987 HR 17-85 PO SUB0001265 UCF 16208A17 UCF REFERENCE NO. 16208A27	\$ -	\$ 327,015

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
RAILROAD RESEARCH AND DEVELOPMENT	20.313*		SHORT LINE SAFETY INSTITUTE	AG190971		
			SHORT LINE SAFETY INSTITUTE	AG191417		
			SHORT LINE SAFETY INSTITUTE	AG201381	-	42,717
INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING	20.611		STATE OF RHODE ISLAND	3541623		
			DEPARTMENT OF TRANSPORTATION		-	65,172
UNIVERSITY TRANSPORTATION CENTERS PROGRAM	20.701*		UNIVERSITY OF MAINE	UMS-1184		
			UNIVERSITY OF MAINE	UMS1184		
			UNIVERSITY OF NORTH CAROLINA, CHARLOTTE	20160688-03-UOC		
			UNIVERSITY OF TEXAS, ARLINGTON	2017GC609		
SAFETY ASSESSMENT OF NEW ENGLAND ROADWAYS DURING THE COVID-19 PANDEMIC	20.RD *		UNIVERSITY OF MAINE	PO# 5100572100	8,000	440,751
		PO# 5100572100			-	1,454
DEPARTMENT OF TRANSPORTATION PASS THROUGH PROGRAMS Total					\$ 8,000	\$ 877,109
DEPARTMENT OF TRANSPORTATION Total					\$ 63,838,277	\$ 997,594,074
DEPARTMENT OF THE TREASURY						
DEPARTMENT OF THE TREASURY DIRECT PROGRAMS						
LOW INCOME TAXPAYER CLINICS	21.008				\$ -	\$ 100,532
EQUITABLE SHARING	21.016				-	591,708
COVID-19 CORONAVIRUS RELIEF FUND	21.019	COVID-19			294,115,424	991,726,782
COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM	21.023	COVID-19			-	51,491,144
DEPARTMENT OF THE TREASURY DIRECT PROGRAMS Total					\$ 294,115,424	\$ 1,043,910,166
DEPARTMENT OF THE TREASURY PASS THROUGH PROGRAMS						
COVID-19 CORONAVIRUS RELIEF FUND	21.019		CAPITAL WORKFORCE PARTNERS	14057		
			CAPITAL WORKFORCE PARTNERS	14057		
					\$ -	\$ 208,159
DEPARTMENT OF THE TREASURY PASS THROUGH PROGRAMS Total					\$ -	\$ 208,159
DEPARTMENT OF THE TREASURY Total					\$ 294,115,424	\$ 1,044,118,325
FEDERAL COMMUNICATIONS COMMISSION						
FEDERAL COMMUNICATIONS COMMISSION DIRECT PROGRAMS						
COVID-19 TELEHEALTH PROGRAM	32.006*	COVID-19			\$ -	\$ 135,707
FEDERAL COMMUNICATIONS COMMISSION DIRECT PROGRAMS Total					\$ -	\$ 135,707
FEDERAL COMMUNICATIONS COMMISSION Total					\$ -	\$ 135,707
NATIONAL AERONAUTICS & SPACE ADMINISTRATION						
NATIONAL AERONAUTICS & SPACE ADMINISTRATION DIRECT PROGRAMS						
SCIENCE	43.001*				\$ 78,704	\$ 1,070,983
AERONAUTICS	43.002*				\$ -	\$ 35,367
NATIONAL AERONAUTICS & SPACE ADMINISTRATION DIRECT PROGRAMS Total					\$ 78,704	\$ 1,106,350
NATIONAL AERONAUTICS & SPACE ADMINISTRATION PASS THROUGH PROGRAMS						
SCIENCE	43.001*		AMERICAN MUSEUM OF NATURAL HISTORY	A25-2018-3/PO 111694 1590854		
			CALIFORNIA INSTITUTE OF TECHNOLOGY	202550 UCONN/ PO# 0059286		
			FLORIDA INSTITUTE OF TECHNOLOGY		\$ -	\$ 132,820
OFFICE OF STEM ENGAGEMENT (OSTEM)	43.008*		UNIVERSITY OF HARTFORD	PRO-SUM#1012		
			UNIVERSITY OF HARTFORD	PRO-SUM#1012		
			UNIVERSITY OF HARTFORD	PRO-SUM#1012		
			UNIVERSITY OF HARTFORD	PRO-SUM#1012		
			UNIVERSITY OF HARTFORD	PRO-SUM#1012		
			UNIVERSITY OF HARTFORD	PRO-SUM#1012	-	33,538

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
OFFICE OF STEM ENGAGEMENT (OSTEM)	43.008*		UNIVERSITY OF HARTFORD	P-1634		
			UNIVERSITY OF HARTFORD	P-1638		
			UNIVERSITY OF HARTFORD	P-1567	-	15,373
OFFICE OF STEM ENGAGEMENT (OSTEM)	43.008*		UNIVERSITY OF HARTFORD,	ONSSC20M0129		
			CONNECTICUT SPACE GRANT CONSORTIUM	NNX15AI12H P-1460		
			UNIVERSITY OF HARTFORD	NNX15AI12H (P-1562)		
			UNIVERSITY OF HARTFORD	ONSSC20M0129		
			UNIVERSITY OF HARTFORD	NNX15AI12H		
			UNIVERSITY OF HARTFORD,	80NSSC20M0129		
			CONNECTICUT SPACE GRANT CONSORTIUM	P-1415		
			UNIVERSITY OF HARTFORD	P-1461		
			UNIVERSITY OF HARTFORD	P-1563		
			UNIVERSITY OF HARTFORD	P-1554		
			UNIVERSITY OF HARTFORD		923	49,773
SAFETY, SECURITY AND MISSION SERVICES	43.009*		SKYRE	80NSSC20M0177_UCONN	-	40,946
SPACE TECHNOLOGY	43.012*		PURDUE UNIVERSITY	12000295-028	-	606,169
EXPANDING HST'S ASTROMETRY LEGACY: A COMPREHENSIVE ASTROMETRIC CALIBRATION OF WFPC2	43.RD*	HST-AR-15632.001-A	SPACE TELESCOPE SCIENCE INSTITUTE	HST-AR-15632.001-A	-	133,014
DESIGN OF SPRAY COOLING SYSTEMS FOR CHILLDOWN OF PROPELLANT TANKS	43.RD *		COMBUSTION RESEARCH AND FLOW TECHNOLOGY (CRAFT TECH)	80NSSC20C0639/C811	-	47,436
		80NSSC20C0639/C811			-	47,436
PARTICULATE CARBON FILTRATION USING NANOARRAY CONFIGURED POROUS METAL MONOLITH FOR EFFICIENT SPACE OXYGEN RECOVERY	43.RD *	AG201089	3D ARRAY TECHNOLOGY	AG201089	-	24,539
PRESSURE AND LOW TEMPERATURE TOLERANT, HIGH CURRENT DENSITY SOLID ELECTROLYTE FOR PROPELLANT GRADE REACTANTS	43.RD *	AG200996	PRECISION COMBUSTION	AG200996	-	1,259
SEQUENTIAL STTR PHASE II: HYDROGEN BASED ENERGY CONSERVATION SYSTEM (HECS)	43.RD *		SKYRE	80NSSC19C0066-UCONN	-	121,175
		80NSSC19C0066-UConn			-	121,175
THE COSMIC EVOLUTION EARLY RELEASE SCIENCE SURVEY	43.RD *		SPACE TELESCOPE SCIENCE INSTITUTE	JWST-ERS-01345.016-A	-	18,000
		JWST-ERS-01345.016-A			-	18,000
ULTRAVIOLET ECHOES OF QUASAR ACCRETION DISKS	43.RD *		SPACE TELESCOPE SCIENCE INSTITUTE	HST-GO-15260.001-A	-	(1,759)
		HST-GO-15260.001-A			-	(1,759)
ULTRAVIOLET ECHOES OF QUASAR ACCRETION DISKS FY19	43.RD *		SPACE TELESCOPE SCIENCE INSTITUTE	HST-GO-15650.002-A	-	46,424
		HST-GO-15650.002-A			-	46,424
HIGH SPECIFIC POWER PRIMARY FUEL CELL SYSTEM	43.U01	PO#20553	PRECISION COMBUSTION	PO#20553	-	1,711
NATIONAL AERONAUTICS & SPACE ADMINISTRATION PASS THROUGH PROGRAMS Total					\$ 923	\$ 1,270,418
NATIONAL AERONAUTICS & SPACE ADMINISTRATION Total					\$ 79,627	\$ 2,376,768
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES DIRECT PROGRAMS						
COVID-19PROMOTION OF THE ARTS PARTNERSHIP AGREEMENTS	45.025	COVID-19			\$ 336,752	\$ 446,200
PROMOTION OF THE ARTS PARTNERSHIP AGREEMENTS	45.025				728,934	728,934
PROMOTION OF THE HUMANITIES DIVISION OF PRESERVATION AND ACCESS	45.149				-	115,334
PROMOTION OF THE HUMANITIES FELLOWSHIPS AND STIPENDS	45.160*				-	14,262
PROMOTION OF THE HUMANITIES TEACHING AND LEARNING RESOURCES AND CURRICULUM DEVELOPMENT	45.162				-	48,377
COVID-19 GRANTS TO STATES	45.310	COVID-19			-	1,130,614
GRANTS TO STATES	45.310				35,376	1,696,470
LAURA BUSH 21ST CENTURY LIBRARIAN PROGRAM	45.313				-	195,582
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES DIRECT PROGRAMS Total					\$ 1,101,062	\$ 4,375,773
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES PASS THROUGH PROGRAMS						
PROMOTION OF THE ARTS GRANTS TO ORGANIZATIONS AND INDIVIDUALS	45.024		ARTS MIDWEST	1844334-52-C-18	\$ -	\$ 15,000
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES PASS THROUGH PROGRAMS Total					\$ -	\$ 15,000
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES Total					\$ 1,101,062	\$ 4,390,773
NATIONAL SCIENCE FOUNDATION						

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
NATIONAL SCIENCE FOUNDATION DIRECT PROGRAMS						
COVID-19 ENGINEERING	47.041*	COVID-19			\$ -	\$ 71,916
ENGINEERING	47.041*				169,136	4,905,405
MATHEMATICAL AND PHYSICAL SCIENCES	47.049*				114,319	3,901,921
GEOSCIENCES	47.050*				74,888	2,415,306
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING	47.070*				171,070	2,729,737
BIOLOGICAL SCIENCES	47.074*				180,880	3,433,882
COVID-19 BIOLOGICAL SCIENCES	47.074*	COVID-19			-	299,428
COVID-19 SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES	47.075*	COVID-19			-	80,940
SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES	47.075*				-	894,103
COVID-19 EDUCATION AND HUMAN RESOURCES	47.076*	COVID-19			-	70,717
EDUCATION AND HUMAN RESOURCES	47.076*				587,513	4,698,834
POLAR PROGRAMS	47.078*				-	7,100
OFFICE OF INTERNATIONAL SCIENCE AND ENGINEERING	47.079*				188,782	676,009
NATIONAL SCIENCE FOUNDATION DIRECT PROGRAMS Total					\$ 1,486,588	\$ 24,185,298
NATIONAL SCIENCE FOUNDATION PASS THROUGH PROGRAMS						
ENGINEERING	47.041*		COLORADO SCHOOL OF MINES STONY BROOK UNIVERSITY	401627-580 87558/2/1160024	-	206,334
MATHEMATICAL AND PHYSICAL SCIENCES	47.049*		LONGSLEEVE NORTHWESTERN UNIVERSITY	AG210061 60053790 UCONN	-	59,683
GEOSCIENCES	47.050*		NATIONAL RADIO ASTRONOMY OBSERVATORY	SOSPA7-007/PO#367976	-	318,427
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING	47.070*		UNIVERSITY OF CALIFORNIA, LOS ANGELES	2095 G XA032 3004146005	-	95,080
BIOLOGICAL SCIENCES	47.074*		UNIVERSITY OF MICHIGAN DENISON UNIVERSITY	NSF2023710-UCONN-1 SUBAWD001989	-	384,281
			UNIVERSITY CORPORATION FOR ATMOSPHERIC RESEARCH	SUBAWD002423	-	61,068
			NATIONAL CENTER FOR ATMOSPHERIC RESEARCH		-	384,281
			RUTGERS UNIVERSITY	PO# 1407407	-	384,281
			STONY BROOK UNIVERSITY	87656/1160227	-	384,281
			UNIVERSITY OF CINCINNATI	012486-002/L21-4500118398	-	384,281
			UNIVERSITY OF CINCINNATI	012486-002/L21-4500118030	-	384,281
			UNIVERSITY OF CINCINNATI	012486-002/L21-4500118210	-	384,281
			THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS	UNIV OF ILLINOIS 18062/NSF 2003415	-	384,281
			UNIVERSITY OF GEORGIA	SUB00001802	-	384,281
			UNIVERSITY OF PUERTO RICO, SAN JUAN	2019-004 123664-G003628	-	384,281
			WASHINGTON STATE UNIVERSITY	CM00002246-00	-	384,281
			CITY COLLEGE OF NEW YORK	UTA20-00892	-	384,281
			UNIVERSITY OF TEXAS, AUSTIN	620-014-01	-	384,281
			MONTANA STATE UNIVERSITY	500427SUB01	-	384,281
			CHAPMAN UNIVERSITY	G-45144-03	-	384,281
			COLORADO STATE UNIVERSITY		-	384,281
SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES	47.075*		HASKINS LABORATORIES UNIVERSITY OF CHICAGO	A241-538.00 AWD100263 (SUB00000127)	-	384,281
			FLORIDA POLYTECHNIC UNIVERSITY	SC-2000047 UNR-20-69	-	384,281
			UNIVERSITY OF NEVADA, RENO		-	384,281

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
EDUCATION AND HUMAN RESOURCES	47.076*		EDADVANCE EDADVANCE NFP NEXUS AMERICAN MUSEUM OF NATURAL HISTORY RUTGERS UNIVERSITY UNIVERSITY OF SOUTH FLORIDA UNIVERSITY OF VIRGINIA UNIVERSITY OF WISCONSIN, MADISON WASHINGTON STATE UNIVERSITY NEW YORK UNIVERSITY	SCSU#17056 ARX21-STEM 2000670 2-2014 PREAWARD 2014-1281-00-A GA11161 150024 886K524 133380-G003963 F1231-01		
EDUCATION AND HUMAN RESOURCES	47.076*		RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NEW YORK MOTLOW STATE COLLEGE	CM00003365-01 180166	-	230,651
NATIONAL SCIENCE FOUNDATION PASS THROUGH PROGRAMS Total					\$ -	\$ 49,829
NATIONAL SCIENCE FOUNDATION Total					\$ 1,486,588	\$ 25,590,652
SMALL BUSINESS ADMINISTRATION						
SMALL BUSINESS ADMINISTRATION DIRECT PROGRAMS						
COVID-19 SMALL BUSINESS DEVELOPMENT CENTERS	59.037	COVID-19			\$ -	\$ 1,171,310
SMALL BUSINESS DEVELOPMENT CENTERS	59.037				-	1,322,821
STATE TRADE EXPANSION	59.061				-	102,658
SMALL BUSINESS ADMINISTRATION DIRECT PROGRAMS Total					\$ -	\$ 2,596,789
SMALL BUSINESS ADMINISTRATION Total					\$ -	\$ 2,596,789
DEPARTMENT OF VETERANS AFFAIRS						
DEPARTMENT OF VETERANS AFFAIRS DIRECT PROGRAMS						
GRANTS TO STATES FOR CONSTRUCTION OF STATE HOME FACILITIES	64.005				\$ -	\$ 2,435,169
VA GRANTS FOR ADAPTIVE SPORTS PROGRAMS FOR DISABLED VETERANS AND DISABLED MEMBERS OF THE ARMED FORCES	64.034				-	37,066
ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE	64.124				-	334,353
STATE CEMETERY GRANTS PROGRAM	64.203				-	534,774
DEPARTMENT OF VETERANS AFFAIRS DIRECT PROGRAMS Total					\$ -	\$ 3,341,362
DEPARTMENT OF VETERANS AFFAIRS Total					\$ -	\$ 3,341,362
ENVIRONMENTAL PROTECTION AGENCY						
ENVIRONMENTAL PROTECTION AGENCY DIRECT PROGRAMS						
STATE INDOOR RADON GRANTS	66.032				\$ -	\$ 220,103
SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT	66.034				-	310,764
DIESEL EMISSIONS REDUCTION ACT (DERA) STATE GRANTS	66.040				361,432	399,128
MULTIPURPOSE GRANTS TO STATES AND TRIBES	66.204				-	22,668
STATE PUBLIC WATER SYSTEM SUPERVISION	66.432				-	1,078,245
LONG ISLAND SOUND PROGRAM	66.437*				135,879	4,169,862
LEAD TESTING IN SCHOOL AND CHILD CARE PROGRAM DRINKING WATER (SDWA 1464(D)) (A)	66.444				-	71,746
WATER QUALITY MANAGEMENT PLANNING	66.454				109,124	229,283
NONPOINT SOURCE IMPLEMENTATION GRANTS	66.460				951,062	951,062
REGIONAL WETLAND PROGRAM DEVELOPMENT GRANTS	66.461				-	65,159
BEACH MONITORING AND NOTIFICATION PROGRAM IMPLEMENTATION GRANTS	66.472				-	320,093
SCIENCE TO ACHIEVE RESULTS (STAR) RESEARCH PROGRAM	66.509*				-	97,632
OFFICE OF RESEARCH AND DEVELOPMENT CONSOLIDATED RESEARCH/TRAINING/FELLOWSHIPS	66.511				-	103,150

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
PERFORMANCE PARTNERSHIP GRANTS	66.605*				-	11,163,895
ENVIRONMENTAL INFORMATION EXCHANGE NETWORK GRANT PROGRAM AND RELATED ASSISTANCE	66.608				7,534	106,992
TOXIC SUBSTANCES COMPLIANCE MONITORING COOPERATIVE AGREEMENTS	66.701				-	86,712
TSCA TITLE IV STATE LEAD GRANTS CERTIFICATION OF LEAD-BASED PAINT PROFESSIONALS	66.707				-	230,067
POLLUTION PREVENTION GRANTS PROGRAM	66.708				-	76,697
SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE-SPECIFIC COOPERATIVE AGREEMENTS	66.802				-	302,304
UNDERGROUND STORAGE TANK (UST) PREVENTION, DETECTION, AND COMPLIANCE PROGRAM	66.804				-	332,908
LEAKING UNDERGROUND STORAGE TANK TRUST FUND CORRECTIVE ACTION PROGRAM	66.805				-	734,188
SUPERFUND STATE AND INDIAN TRIBE CORE PROGRAM COOPERATIVE AGREEMENTS	66.809				-	125,409
STATE AND TRIBAL RESPONSE PROGRAM GRANTS	66.817				-	693,958
BROWNFIELDS MULTIPURPOSE, ASSESSMENT, REVOLVING LOAN FUND, AND CLEANUP COOPERATIVE AGREEMENTS	66.818				78,866	78,866
ENVIRONMENTAL PROTECTION AGENCY DIRECT PROGRAMS Total					\$ 1,643,897	\$ 21,970,891
ENVIRONMENTAL PROTECTION AGENCY PASS THROUGH PROGRAMS						
LONG ISLAND SOUND PROGRAM	66.437*		NATIONAL FISH AND WILDLIFE FOUNDATION	1401.17.058154		
			NATIONAL FISH AND WILDLIFE FOUNDATION	1401.20.069508		
			NATIONAL FISH AND WILDLIFE FOUNDATION	1401.20.070097		
			NATIONAL FISH AND WILDLIFE FOUNDATION		\$ -	\$ 46,171
LONG ISLAND SOUND PROGRAM	66.437*		YALE UNIVERSITY	GR109668(CON-80002415)		
			NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COM	AG191197		
			NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COM	AG201153		
			NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COM	AG181261		
RESEARCH, DEVELOPMENT, MONITORING, PUBLIC EDUCATION, OUTREACH, TRAINING, DEMONSTRATIONS, AND STUDIES	66.716		CONNECTICUT RIVER CONSERVANCY		-	80,139
ADAPTING A NONPOINT SOURCE POLLUTION AND STORMWATER TRACKING TOOL TO LONG ISLAND SOUND	66.RD *	AG191223	EXTENSION FOUNDATION	SA-2020-52		27,462
			EXTENSION FOUNDATION	SA-2021--53		
			CENTER FOR WATERSHED PROTECTION	AG191223		3,267
ENVIRONMENTAL PROTECTION AGENCY PASS THROUGH PROGRAMS Total					\$ -	\$ 157,038
ENVIRONMENTAL PROTECTION AGENCY Total					\$ 1,643,897	\$ 22,127,929
DEPARTMENT OF ENERGY						
DEPARTMENT OF ENERGY DIRECT PROGRAMS						
STATE ENERGY PROGRAM	81.041				\$ -	\$ 522,836
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	81.042				1,334,747	1,576,386
OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM	81.049*				6,500	1,799,681
CONSERVATION RESEARCH AND DEVELOPMENT	81.086*				7,877	360,814
RENEWABLE ENERGY RESEARCH AND DEVELOPMENT	81.087*				336,544	631,410
FOSSIL ENERGY RESEARCH AND DEVELOPMENT	81.089*				30,106	193,365
STATE ENERGY PROGRAM SPECIAL PROJECTS	81.119				-	32,533
NUCLEAR ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION	81.121*				104,874	178,564
ADVANCED RESEARCH PROJECTS AGENCY - ENERGY	81.135*				11,657	12,694
ADDITIONAL WORK SCOPE ON CHARACTERIZATION HE EFFECTS IN ISHI FERRITIC ALLOYS	81.RD *	460134			-	25,631
ANALYSIS AND DEVELOPMENT OF NOVEL MULTI-RATE COUPLING SCHEMES BASED ON DISCONTINUOUS-GALERKIN-IN-TIME METHODS	81.RD *	PO#2222794			-	2,796
DEVELOPMENT OF REDUCED MODELS AND EFFICIENT CHEMISTRY SOLVERS	81.RD *	PO #1833988			-	28,974
EIC BACKGROUND STUDIES AND THE IMPACT ON THE IR AND DETECTOR DESIGN	81.RD *	341820			-	(33,545)
EIC BACKGROUND STUDIES AND THE IMPACT ON THE IR AND DETECTOR DESIGN	81.RD *	Contract No. 341820 Amend 1			-	78,004

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
EXPERIMENTAL MEASUREMENT OF FUEL REACTIVITY AND PHI SENSITIVITY	81.RD *	B630575			-	31,130
EXPERIMENTAL MEASUREMENT OF FUEL REACTIVITY AND SOOT	81.RD *	B642986			-	69,605
INTEGRATED MULTISCALE MODELING AND EXPERIMENTAL APPROACH TO UNDERSTAND VISCOELASTICITY OF ELASTOMERS	81.RD *	B632271			-	9,026
INTEGRATED MULTISCALE MODELING AND EXPERIMENTAL APPROACH TO UNDERSTAND VISCOELASTICITY OF ELASTOMERS	81.RD *	B641677			-	113,088
LANL GRA PROGRAM	81.RD *	567327			-	141,339
MODELING AND THEORY OF DYNAMIC QUANTUM STATES AND UNCONVENTIONAL ORDERS	81.RD *	597496			-	16,872
STOCHASTIC SIZING AND OPERATION OF GRID-LEVEL ENERGY STORAGE SYSTEMS	81.RD *	BNL-0000350226			43,411	174,632
STOCHASTIC SIZING AND OPERATION OF GRID-LEVEL ENERGY STORAGE SYSTEMS UNDER INTERMITTENT RENEWABLE GENERATION AND INCREASING LOAD FORECASTING UNCERTAINTIES	81.RD *	Contract No. 350226			641	1,033
SYNTHESIS, CHARACTERIZATION, AND MAKING OF ZNO/BAO BASED NANO-ARRAY MONOLITHS	81.RD *	4000166671			-	(378)
THE NATIONAL ALLIANCE FOR WATER INNOVATION	81.RD *	No. 7550806			-	87,735
TRIPLET-DRIVEN SOLAR ENERGY CAPTURE	81.RD *	357745			-	75,464
DEPARTMENT OF ENERGY DIRECT PROGRAMS Total					\$ 1,876,357	\$ 6,129,689
DEPARTMENT OF ENERGY PASS THROUGH PROGRAMS						
OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM	81.049*		PHYSICAL SCIENCES TUFTS UNIVERSITY UES GINER RADIATION MONITORING DEVICES	SC 87361-8011-46 DOE423 S-159-000-001 403117 C21-08	\$ -	\$ 331,053
CONSERVATION RESEARCH AND DEVELOPMENT	81.086*		STANFORD UNIVERSITY UNIVERSITY OF NEW HAVEN	62279026-154262 PO #0034767	-	107,662
RENEWABLE ENERGY RESEARCH AND DEVELOPMENT	81.087*		UNIVERSITY OF TENNESSEE SKYRE GINER GINER GINER CASE WESTERN RESERVE UNIVERSITY AMERICAN INSTITUTE OF CHEMICAL ENGINEERS NEXTECH CLEAN ENERGY SMART MANUFACTURING INNOVATION INSTITUTE (CESMII)	A18-1252-S003 DE-EE0008423-UCONN 404045 AG181061 AG181061-1 RESS12578 DE-EE0007888-07-08 AG 191296 4550 G WA333	-	1,013,700
FOSSIL ENERGY RESEARCH AND DEVELOPMENT	81.089*		CUMMINS	IND4097881	-	42,151
STEWARDSHIP SCIENCE GRANT PROGRAM	81.112*		TEXAS A&M UNIVERSITY	M1803472	-	163,903
ADVANCED RESEARCH PROJECTS AGENCY - ENERGY	81.135*		WOODS HOLE OCEANOGRAPHIC INSTITUTION MARINE BIOLOGICAL LABORATORY UNIVERSITY OF ALASKA, FAIRBANKS CHEMTRONERGY	A101412 53721 UAF 20-0133 2019-02	-	794,264
EVALUATION AND VALIDATION OF A MULTIMODAL BRAIN FUNCTION BIOMARKER WITH NPC	81.RD *	AG200289	BRAINSCOPE COMPANY	AG200289	-	22,159
DEPARTMENT OF ENERGY PASS THROUGH PROGRAMS Total					\$ -	\$ 2,474,891
DEPARTMENT OF ENERGY Total					\$ 1,876,357	\$ 8,604,580
DEPARTMENT OF EDUCATION						
DEPARTMENT OF EDUCATION DIRECT PROGRAMS						
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002				\$ 4,061,896	\$ 4,968,730

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS	84.007				-	5,092,239
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES	84.010				134,769,707	140,576,800
TITLE I STATE AGENCY PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN AND YOUTH	84.013				-	676,014
INTERNATIONAL RESEARCH AND STUDIES	84.017*				-	4,559
SPECIAL EDUCATION GRANTS TO STATES	84.027				115,847,279	134,853,951
HIGHER EDUCATION INSTITUTIONAL AID	84.031				-	1,212,608
FEDERAL WORK-STUDY PROGRAM	84.033				-	3,064,295
FEDERAL PERKINS LOAN PROGRAM FEDERAL CAPITAL CONTRIBUTIONS (SEE NOTE 5)	84.038				-	16,264,742
TRIO STUDENT SUPPORT SERVICES	84.042				-	876,072
TRIO TALENT SEARCH	84.044				-	194,984
TRIO UPWARD BOUND	84.047				-	1,656,039
CAREER AND TECHNICAL EDUCATION -- BASIC GRANTS TO STATES	84.048				6,928,633	10,535,543
FEDERAL PELL GRANT PROGRAM	84.063				-	138,356,432
COVID-19 REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES	84.126*				-	(12)
REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES	84.126*	COVID-19			-	24,283,853
SPECIAL EDUCATION PRESCHOOL GRANTS	84.173				3,631,670	5,004,847
REHABILITATION SERVICES INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND	84.177				-	442,329
SPECIAL EDUCATION-GRANTS FOR INFANTS AND FAMILIES	84.181				-	2,303,411
SCHOOL SAFETY NATIONAL ACTIVITIES	84.184				-	34,195
SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	84.187				-	31,373
EDUCATION FOR HOMELESS CHILDREN AND YOUTH	84.196				674,340	808,629
GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED	84.200*				-	1,107,713
JAVITS GIFTED AND TALENTED STUDENTS EDUCATION	84.206*				32,999	1,922,957
TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT	84.217				-	190,260
CENTERS FOR INTERNATIONAL BUSINESS EDUCATION	84.220				-	(45)
FEDERAL DIRECT STUDENT LOANS	84.268				-	294,870,311
TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS	84.287				6,528,225	7,348,516
EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION	84.305*				151,056	1,221,348
RESEARCH IN SPECIAL EDUCATION	84.324*				486,309	1,136,932
SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.325*				1,006,810	3,280,828
COVID-19 GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	84.334				-	469,922
GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	84.334	COVID-19			1,150	4,344,228
CHILD CARE ACCESS MEANS PARENTS IN SCHOOL	84.335				-	268,470
COVID-19 ENGLISH LANGUAGE ACQUISITION STATE GRANTS	84.365	COVID-19			-	800
ENGLISH LANGUAGE ACQUISITION STATE GRANTS	84.365				5,583,880	5,892,728
SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS	84.367				15,220,830	16,616,561
GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES	84.369				-	4,025,635
STATEWIDE LONGITUDINAL DATA SYSTEMS	84.372				-	45,125
SCHOOL IMPROVEMENT GRANTS	84.377				912,936	912,936
TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)	84.379				-	60,352
SCHOOL IMPROVEMENT GRANTS, RECOVERY ACT	84.388*	ARRA			-	7,888
COVID-19 STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	84.424	COVID-19			-	145,991
STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	84.424				9,120,848	9,641,302
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425C			-	22,650,571
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425D			77,729,961	83,635,088
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425E			-	45,739,407
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425F			-	105,873,399
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425L			-	1,345,445
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425M			-	1,536,384
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425R			182,311	7,535,000
COVID-19 EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425U			-	221,738

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DISASTER RECOVERY ASSISTANCE FOR EDUCATION	84.938				(13,125)	(13,125)
DEPARTMENT OF EDUCATION DIRECT PROGRAMS Total					\$ 382,857,715	\$ 1,113,276,298
DEPARTMENT OF EDUCATION PASS THROUGH PROGRAMS						
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002		EDUCATION CONNECTION, FOOTHILL ADULTS & CONTINUING ED.	49149	\$ -	\$ 2,500
SPECIAL EDUCATION GRANTS TO STATES	84.027		MA DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION	PREAWARD	-	440,330
JAVITS GIFTED AND TALENTED STUDENTS EDUCATION	84.206*		EAST TENNESSEE STATE UNIVERSITY	19-287-1-52.1	-	26,472
EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION	84.305*		UNIVERSITY OF ILLINOIS, URBANA- CHAMPAIGN	16662 UNIV60628	-	81,541
RESEARCH IN SPECIAL EDUCATION	84.324*		VANDERBILT UNIVERSITY UNIVERSITY OF KANSAS	FY2019-117 Z2104001	-	315,478
SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.325*		UNIVERSITY OF MARYLAND, COLLEGE PARK UNIVERSITY OF TENNESSEE UNIVERSITY OF KANSAS LEHIGH UNIVERSITY	544235-78001	-	315,478
SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.326		UNIVERSITY OF FLORIDA-CEEDAR CENTER	H325A120003 UNIV58451	-	382,387
SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.326*		VANDERBILT UNIVERSITY VANDERBILT UNIVERSITY BOSTON UNIVERSITY	VUMC61372 4500003383	-	927,384
SPECIAL EDUCATION TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.326*		UNIVERSITY OF OREGON UNIVERSITY OF OREGON	224440K 282070G	-	(1,694)
GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	84.334		AMERICAN INSTITUTES FOR RESEARCH	0313000102	-	(1,694)
SUPPORTING EFFECTIVE EDUCATOR DEVELOPMENT PROGRAM	84.423*		NEW HAVEN BOARD OF EDUCATION	PO#96107437	-	1,293
STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	84.424		FLORIDA STATE UNIVERSITY	R000002705	-	103,955
DEPARTMENT OF EDUCATION PASS THROUGH PROGRAMS Total			WATERBURY PUBLIC SCHOOLS	SDE000000000002	-	19,630
DEPARTMENT OF EDUCATION Total					\$ -	\$ 2,299,276
					\$ 382,857,715	\$ 1,115,575,574
NATIONAL ARCHIVES & RECORDS ADMINISTRATION						
NATIONAL ARCHIVES & RECORDS ADMINISTRATION DIRECT PROGRAMS						
NATIONAL HISTORICAL PUBLICATIONS AND RECORDS GRANTS	89.003				\$ 20,847	\$ 58,060
NATIONAL ARCHIVES & RECORDS ADMINISTRATION DIRECT PROGRAMS Total					\$ 20,847	\$ 58,060
NATIONAL ARCHIVES & RECORDS ADMINISTRATION Total					\$ 20,847	\$ 58,060
DELTA REGIONAL AUTHORITY						
DELTA REGIONAL AUTHORITY DIRECT PROGRAMS						
COVID-19 HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	90.401	COVID-19			\$ -	\$ 4,560,552
HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	90.401				2,548,436	7,386,623
DELTA REGIONAL AUTHORITY DIRECT PROGRAMS Total					\$ 2,548,436	\$ 11,947,175
DELTA REGIONAL AUTHORITY Total					\$ 2,548,436	\$ 11,947,175
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DEPARTMENT OF HEALTH AND HUMAN SERVICES DIRECT PROGRAMS						
PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND	93.003				\$ -	\$ 137,224
SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 3, PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	93.041				36,999	42,605
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	93.042	COVID-19			-	150,397

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
SPECIAL PROGRAMS FOR THE AGING, TITLE VII, CHAPTER 2, LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	93.042				39,004	191,840
SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART D, DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	93.043				190,814	190,814
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044	COVID-19			419,313	897,580
SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044				3,099,834	3,099,834
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	93.045	COVID-19			6,160,714	6,160,714
SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	93.045				7,290,538	7,290,538
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	93.048*				156,459	329,531
SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	93.048*				493,530	519,722
COVID-19 NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	93.052	COVID-19			132,296	132,461
NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	93.052				1,873,436	1,873,436
NUTRITION SERVICES INCENTIVE PROGRAM (SEE NOTE 4)	93.053				994,019	994,019
TRAINING IN GENERAL, PEDIATRIC, AND PUBLIC HEALTH DENTISTRY	93.059*				-	(1,851)
LABORATORY TRAINING, EVALUATION, AND QUALITY ASSURANCE PROGRAMS	93.064				-	69,352
STATE VITAL STATISTICS IMPROVEMENT PROGRAM	93.066				-	14,001
COVID-19 PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069*	COVID-19			-	175,025
PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069*				2,988,297	7,843,231
ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE	93.070				215,675	1,179,033
MEDICARE ENROLLMENT ASSISTANCE PROGRAM	93.071				209,579	209,579
BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE	93.073*				201,889	369,767
FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT REGULATORY RESEARCH	93.077*				-	279,746
COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	93.079				-	122,201
GUARDIANSHIP ASSISTANCE	93.090				-	4,896,713
AFFORDABLE CARE ACT (ACA) PERSONAL RESPONSIBILITY EDUCATION PROGRAM	93.092				368,232	383,527
WELL INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN) PROGRAM	93.094*				-	109,586
HHS PROGRAMS FOR DISASTER RELIEF APPROPRIATIONS ACT - NON CONSTRUCTION	93.095				(11,404)	(11,404)
FOOD AND DRUG ADMINISTRATION RESEARCH	93.103*				87,097	3,688,391
COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)	93.104				274,386	655,677
AREA HEALTH EDUCATION CENTERS	93.107*				468,215	585,537
COVID-19 AREA HEALTH EDUCATION CENTERS	93.107*	COVID-19			-	90,722
MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	93.110*				213,028	436,672
ENVIRONMENTAL HEALTH	93.113*				459,894	622,670
PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	93.116				-	541,936
ORAL DISEASES AND DISORDERS RESEARCH	93.121*				104,440	3,589,018
COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	93.130				-	123,122
INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	93.136*				1,558,155	6,751,476
PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	93.150				-	799,408
HUMAN GENOME RESEARCH	93.172*				1,240,807	2,272,915
RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS	93.173*				274,295	1,898,974
CHILDHOOD LEAD POISONING PREVENTION PROJECTS, STATE AND LOCAL CHILDHOOD LEAD POISONING PREVENTION AND SURVEILLANCE OF BLOOD LEAD LEVELS IN CHILDREN	93.197				-	298,158
RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH	93.213*				-	430,697
NATIONAL CENTER ON SLEEP DISORDERS RESEARCH	93.233*				19,590	60,087
GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	93.236				293,752	451,861
MENTAL HEALTH RESEARCH GRANTS	93.242*				1,500,837	7,294,169
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243*				1,573,149	9,660,331

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
ADVANCED NURSING EDUCATION WORKFORCE GRANT PROGRAM	93.247				32,079	684,357
EARLY HEARING DETECTION AND INTERVENTION	93.251*				42,490	303,864
COVID-19 POISON CENTER SUPPORT AND ENHANCEMENT GRANT	93.253*	COVID-19			-	7,354
POISON CENTER SUPPORT AND ENHANCEMENT GRANT	93.253*				-	145,555
OCCUPATIONAL SAFETY AND HEALTH PROGRAM	93.262*				22,300	846,687
NURSE FACULTY LOAN PROGRAM (NFLP) (SEE NOTE 5)	93.264				-	3,576,178
COVID-19 IMMUNIZATION COOPERATIVE AGREEMENTS	93.268	COVID-19			-	12,225,326
IMMUNIZATION COOPERATIVE AGREEMENTS (SEE NOTE 4)	93.268				8,204,840	36,041,747
VIRAL HEPATITIS PREVENTION AND CONTROL	93.270				-	389,496
ALCOHOL RESEARCH PROGRAMS	93.273*				132,294	3,967,322
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	93.279*				755,166	3,371,510
CENTERS FOR DISEASE CONTROL AND PREVENTION INVESTIGATIONS AND TECHNICAL ASSISTANCE	93.283*				-	57,473
COVID-19 DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*	COVID-19			-	197,767
DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*				833,124	1,850,199
PPHF 2018: OFFICE OF SMOKING AND HEALTH-NATIONAL STATE-BASED TOBACCO CONTROL PROGRAMS - FINANCED IN PART BY 2018 PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.305				14,498	244,741
MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH	93.307*				-	449,132
COVID-19 TRANS-NIH RESEARCH SUPPORT	93.310*	COVID-19			-	20,288
TRANS-NIH RESEARCH SUPPORT	93.310*				116,922	384,001
COVID-19 EMERGING INFECTIONS PROGRAMS	93.317	COVID-19			-	282,344
EMERGING INFECTIONS PROGRAMS	93.317				824,815	3,187,194
COVID-19 EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323	COVID-19			7,437,999	105,823,253
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323				2,041,499	2,041,499
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323*				-	219,591
STATE HEALTH INSURANCE ASSISTANCE PROGRAM	93.324				406,734	512,182
BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM	93.336				-	298,923
HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS	93.342				-	393
COVID-19 PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	93.354	COVID-19			(325,910)	5,643,723
NURSING RESEARCH	93.361*				86,650	1,087,041
NURSING STUDENT LOANS (SEE NOTE 5)	93.364				-	19,571
STATE ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES AND PARTNER ACTIONS TO IMPROVE ORAL HEALTH OUTCOMES	93.366				363,426	544,279
FLEXIBLE FUNDING MODEL - INFRASTRUCTURE DEVELOPMENT AND MAINTENANCE FOR STATE MANUFACTURED FOOD REGULATORY PROGRAMS	93.367				-	250,766
ACL INDEPENDENT LIVING STATE GRANTS	93.369				-	185,252
NATIONAL AND STATE TOBACCO CONTROL PROGRAM (B)	93.387				-	767,562
CANCER CAUSE AND PREVENTION RESEARCH	93.393*				790,120	1,860,848
CANCER DETECTION AND DIAGNOSIS RESEARCH	93.394*				39,196	564,534
CANCER TREATMENT RESEARCH	93.395*				129,832	1,419,875
CANCER BIOLOGY RESEARCH	93.396*				299,140	1,400,797
CANCER RESEARCH MANPOWER	93.398*				-	40,278
ARRA NURSE FACULTY LOAN PROGRAM (SEE NOTE 5)	93.408	ARRA			-	29,763
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH	93.421*				56,000	56,000
IMPROVING THE HEALTH OF AMERICANS THROUGH PREVENTION AND MANAGEMENT OF DIABETES AND HEART DISEASE AND STROKE	93.426*				328,730	1,228,577
COVID-19 EVERY STUDENT SUCCEEDS ACT/PRESCHOOL DEVELOPMENT GRANTS	93.434	COVID-19			-	17,322
EVERY STUDENT SUCCEEDS ACT/PRESCHOOL DEVELOPMENT GRANTS	93.434				15,825	5,719,505
WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN)	93.436				139,799	505,114
STATE PHYSICAL ACTIVITY AND NUTRITION (SPAN)	93.439*				-	155,266

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
STATE PHYSICAL ACTIVITY AND NUTRITION (SPAN)	93.439*				394,616	728,032
FOOD SAFETY AND SECURITY MONITORING PROJECT	93.448				-	567
COVID-19 HRSA COVID-19 CLAIMS REIMBURSEMENT FOR THE UNINSURED PROGRAM AND THE COVID-19 COVERAGE ASSISTANCE FUND	93.461	COVID-19			-	769,862
ACL ASSISTIVE TECHNOLOGY	93.464				-	540,322
PREVENTING MATERNAL DEATHS: SUPPORTING MATERNAL MORTALITY REVIEW COMMITTEES (B)	93.478				132,832	268,998
COVID-19 PROVIDER RELIEF FUND AND AMERICAN RESCUE PLAN (ARP) RURAL DISTRIBUTION	93.498*	COVID-19			-	41,114
COVID-19 PROVIDER RELIEF FUND AND AMERICAN RESCUE PLAN (ARP) RURAL DISTRIBUTION	93.498*	COVID-19			-	17,097,868
PREGNANCY ASSISTANCE FUND PROGRAM	93.500*				(77,406)	160,860
COVID-19 MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM	93.556*	COVID-19			-	130,253
MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM	93.556*				1,487,473	3,625,976
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558				1,202,520	239,228,894
CHILD SUPPORT ENFORCEMENT (SEE NOTE 8)	93.563				-	52,390,637
REFUGEE AND ENTRANT ASSISTANCE STATE/REPLACEMENT DESIGNEE ADMINISTRED PROGRAM	93.566				1,058,994	1,440,600
COVID-19 LOW-INCOME HOME ENERGY ASSISTANCE	93.568	COVID-19			-	14,069,603
LOW-INCOME HOME ENERGY ASSISTANCE	93.568				63,209,883	65,643,760
COMMUNITY SERVICES BLOCK GRANT	93.569				7,717,268	7,717,268
COVID-19 COMMUNITY SERVICES BLOCK GRANT	93.569	COVID-19			2,324,527	2,566,198
CHILD CARE AND DEVELOPMENT BLOCK GRANT	93.575*				-	73,653,409
COVID-19 CHILD CARE AND DEVELOPMENT BLOCK GRANT	93.575*	COVID-19			-	59,288,453
REFUGEE AND ENTRANT ASSISTANCE DISCRETIONARY GRANTS	93.576				7,148	7,198
STATE COURT IMPROVEMENT PROGRAM	93.586				-	218,086
COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	93.590*				-	963,015
COVID-19 COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	93.590*	COVID-19			-	24,468
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	93.596				-	28,757,484
GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS	93.597				56,790	61,590
CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	93.599				-	434,390
HEAD START	93.600				-	15,341
ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS	93.603				-	731,760
COMMUNITY HEALTH ACCESS AND RURAL TRANSFORMATION (CHART) MODEL	93.624				-	(10,415)
COMMUNITY HEALTH ACCESS AND RURAL TRANSFORMATION (CHART) MODEL	93.624*				-	(747)
DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	93.630*				134,000	592,908
UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE	93.632*				20,190	577,853
CHILDREN'S JUSTICE GRANTS TO STATES	93.643				10,000	210,450
COVID-19 STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM	93.645	COVID-19			-	145,833
STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM	93.645				301,750	1,685,574
FOSTER CARE TITLE IV-E	93.658				-	60,747,666
ADOPTION ASSISTANCE	93.659				-	49,007,243
SUBSTANCE USE-DISORDER PREVENTION THAT PROMOTES OPIOID RECOVERY AND TREATMENT (SUPPORT) FOR PATIENTS AND COMMUNITIES ACT	93.664				-	1,872,306
COVID-19 EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19	93.665*	COVID-19			-	1,642,069
SOCIAL SERVICES BLOCK GRANT	93.667				11,384,539	16,166,944
CHILD ABUSE AND NEGLECT STATE GRANTS	93.669				597,903	1,068,975
COVID-19 FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	93.671	COVID-19			374,306	375,266
FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	93.671				1,245,175	1,245,175
JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD	93.674				695,348	1,508,101
MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS	93.732*				-	1,064,508

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
COVID-19 PPHF: RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH PROGRAM FINANCED SOLELY BY PUBLIC PREVENTION AND HEALTH FUNDS	93.738	COVID-19			-	711
PPHF: RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH PROGRAM FINANCED SOLELY BY PUBLIC PREVENTION AND HEALTH FUNDS	93.738				329,110	855,494
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.758				1,032,664	1,872,231
CHILDREN'S HEALTH INSURANCE PROGRAM	93.767				-	52,839,163
COVID-19 CHILDREN'S HEALTH INSURANCE PROGRAM	93.767	COVID-19			-	2,912,463
COVID-19 MEDICARE PRESCRIPTION DRUG COVERAGE	93.770	COVID-19			-	724,841
STATE MEDICAID FRAUD CONTROL UNITS	93.775				-	888,723
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	93.777				-	6,360,261
COVID-19 MEDICAL ASSISTANCE PROGRAM	93.778*	COVID-19			-	418,447,901
MEDICAL ASSISTANCE PROGRAM	93.778*				-	5,518,273,127
COVID-19 OPIOID STR	93.788*	COVID-19			-	40,000
OPIOID STR	93.788*				731,402	14,872,692
COVID-19 MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION	93.791	COVID-19			-	937,441
MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION	93.791				-	26,009,221
ORGANIZED APPROACHES TO INCREASE COLORECTAL CANCER SCREENING	93.800				-	20,717
HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES	93.817				653,510	653,510
CARDIOVASCULAR DISEASES RESEARCH	93.837*				680,569	2,178,642
LUNG DISEASES RESEARCH	93.838*				-	475,560
BLOOD DISEASES AND RESOURCES RESEARCH	93.839*				-	758,156
ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH	93.846*				797,779	5,937,152
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH	93.847*				627,622	4,022,253
EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS	93.853*				245,833	7,693,953
ALLERGY AND INFECTIOUS DISEASES RESEARCH	93.855*				1,933,203	8,607,757
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859*				748,439	13,702,135
CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH	93.865*				592,684	4,488,334
AGING RESEARCH	93.866*				513,721	5,752,037
VISION RESEARCH	93.867*				-	1,889,123
COVID-19 MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT	93.870*	COVID-19			-	19,290
MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT	93.870*				7,747,246	8,518,163
MEDICAL LIBRARY ASSISTANCE	93.879*				-	15,343
COVID-19 NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM	93.889	COVID-19			-	1,944,918
NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM	93.889				1,475,298	2,103,566
CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS	93.898				770,670	1,229,816
GRANTS TO STATES FOR OPERATION OF STATE OFFICES OF RURAL HEALTH	93.913				-	227,175
COVID-19 HIV CARE FORMULA GRANTS	93.917*	COVID-19			187,480	191,680
HIV CARE FORMULA GRANTS	93.917*				-	186,729
HIV CARE FORMULA GRANTS (SEE NOTE 9)	93.917*				12,335,984	12,335,984
SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	93.925				-	485,065
HEALTHY START INITIATIVE	93.926				726,711	1,118,903
HIV PREVENTION ACTIVITIES HEALTH DEPARTMENT BASED	93.940				908,003	3,803,391
RESEARCH, PREVENTION, AND EDUCATION PROGRAMS ON LYME DISEASE IN THE UNITED STATES	93.942*				74,615	167,271
EPIDEMIOLOGIC RESEARCH STUDIES OF ACQUIRED IMMUNODEFICIENCY SYNDROME (AIDS) AND HUMAN IMMUNODEFICIENCY VIRUS (HIV) INFECTION IN SELECTED POPULATION GROUPS	93.943				203,793	250,402
ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION AND CONTROL	93.945*				-	(9,741)
COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS	93.946				-	177,639
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	93.958				1,766,699	8,248,804
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959*				-	18,960,254

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH	93.153*		CONNECTICUT CHILDREN'S SPECIALTY GROUP INC	CCSG 19-185023-04 CONT/HRSA CCSG 19-185023-04 SUPP/HRSA CCSG 20-185026-01/HRSA		
HUMAN GENOME RESEARCH	93.172*		THE JACKSON LABORATORY YALE UNIVERSITY	JAX 210256-0121-03 / PO #213231 YALE GR100950 NIH SUB#CON-80000961	-	192,177
RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS	93.173*		SMARTY EARS APPS NORTHWESTERN UNIVERSITY	SAS189 NWU SP0044830- PROJ0012557/NIHR01DC	-	212,290
RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH	93.213*		GEORGIA STATE UNIVERSITY ERGO HEALTH, LLC MIRIAM HOSPITAL UNIVERSITY OF CALIFORNIA, LOS ANGELES UNIVERSITY OF CALIFORNIA, LOS ANGELES	GSU SP00013079-01/NIH R34AT009538 001/ NIH R41AT010878-01 710-9196 1900 G XA869 1900 G YA571 1-340-0217178-65974L	-	17,193
HEALTH CENTER PROGRAM (COMMUNITY HEALTH CENTERS, MIGRANT HEALTH CENTERS, HEALTH CARE FOR THE HOMELESS, AND PUBLIC HOUSING PRIMARY CARE)	93.224*		RTI INTERNATIONAL MASSACHUSETTS LEAGUE OF COMMUNITY HEALTH CENTERS, INC.	CONNECTICUT RIVER VALLEY FARMWORKER	-	210,513
POLICY RESEARCH AND EVALUATION GRANTS	93.239*		UNIVERSITY OF ILLINOIS, CHICAGO	17854-00	-	15,600
MENTAL HEALTH RESEARCH GRANTS	93.242*		NORTHWESTERN UNIVERSITY UNIVERSITY OF MASSACHUSETTS UNIVERSITY OF PITTSBURGH YALE UNIVERSITY YALE UNIVERSITY NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION INC NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION INC JOHNS HOPKINS UNIVERSITY DREXEL UNIVERSITY SAN DIEGO STATE UNIVERSITY	NWU 60042322/NIH R01 MH107652 S51110000046594 PO L001082538/NIH AWD00003706 (135732-2)/R21MH118986 YALE GR107375 (CON-80001895) / NIH YALE GR11063 (CON-80002442)/NIH BYE2129-01/NIH RF1 MH117604 BYE2267-01/NIH RF1 MH117604 JOHNSHOPKINS 2002554852/R01MH103799 PREAWARD SA0000470	-	10,238
MENTAL HEALTH RESEARCH GRANTS	93.242*		STANFORD UNIVERSITY UNIVERSITY OF CALIFORNIA, SAN FRANCISCO UNIVERSITY OF CALIFORNIA, SAN FRANCISCO UNIVERSITY OF CALIFORNIA, SAN FRANCISCO UNIVERSITY OF CALIFORNIA, SAN FRANCISCO UNIVERSITY OF MASSACHUSETTS, LOWELL YALE UNIVERSITY BRIGHAM AND WOMEN'S HOSPITAL NEUROLUX	61138664-121865 10530SC 9371SC 9397SC S51110000046594 GR112293 (CON-80003009) 119452 AG 210288	-	727,816
					-	145,119

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
ALCOHOL RESEARCH PROGRAMS	93.273*		ROWAN UNIVERSITY DUKE UNIVERSITY THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK YALE UNIVERSITY CHILDRENS CTR AT SUNY BROOKLYN, INC VIRGINIA COMMONWEALTH UNIVERSITY NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE PACIFIC INSTITUTE FOR RESEARCH AND EVALUATION (PIRE)	R15AA028637 DUKE A032132 / NIH R01 AA021719 SUNY 1009189- 82217/UJ0AA008401-30 SUNY 1009189- 85979/2U10AA00840131 SUNY 1009189- 89135/SU10AA008401 M16A12437(A10599) YALE/NIH SUNY 62189 VCU FP00009381_SA001/NIHR01AA024466 RFMH PO# 149940/NIH R01AA025947 PROJECT CODE 0915		
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	93.279*		NEW YORK UNIVERSITY THE JACKSON LABORATORY THE JACKSON LABORATORY YALE UNIVERSITY YALE UNIVERSITY YALE UNIVERSITY Q2I, LLC NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE RESEARCH FOUNDATION MENTAL HYGIENE	NYU PO M210396142/NIH R33DA049252 NIH U01DA043809/JAX PO212270 NIH U01DA043809/JAX 210306-0721-03 YALE M15A11968/A10835 NIH DA009241 YALEGR104007/CON80001373/NIH DA009241 YALEG101087(CON80000947)NIHD A009241 2QI 1R42DA049448/NIDA R42DA049448 RFMH PO# 149489/NIH R01 DA043122 RFMH PO 151295/NIH UG1 DA 050071 RFMH PO 153676 /NIH UG1 DA 050071		828,896
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	93.279*		RESEARCH TRIANGLE INSTITUTE SAN DIEGO STATE UNIVERSITY UNIVERSITY OF IOWA UNIVERSITY OF WASHINGTON VIRGINIA COMMONWEALTH UNIVERSITY YALE UNIVERSITY YALE UNIVERSITY UNIVERSITY OF NORTH TEXAS FORDHAM UNIVERSITY	RTI 2312-0217620- 66088L/R01DA052294 PREAWARD 1001408117 UWSC12624 PREAWARDED GK000135 (CON-80000448) PREAWARD PREAWARD FORD0066-30290		213,903
DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*		THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK UNIVERSITY OF WASHINGTON	SUNY#100-1135875-76398/NIH R01 NIH P41EB023912/UWSC10558 PO#35498		326,675
TEENAGE PREGNANCY PREVENTION PROGRAM	93.297*		CITY OF HARTFORD	COH HHS2020-11/DHHS/OAH		207,533 2

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH	93.307*		UNIVERSITY OF ALABAMA, TUSCALOOSA	A19-0258-S001	-	14,523
TRANS-NIH RESEARCH SUPPORT	93.310*		THE UNIVERSITY OF TEXAS AT EL PASO	UTEP 226141289J / NIH 2TL4GM118971		
			THE UNIVERSITY OF TEXAS AT EL PASO	UTEP 226141328J / NIH 2TL4GM118971		
			CONNECTICUT CHILDREN'S MEDICAL CENTER	21-181040-01 114245C		
			UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	0301-0171-002		
RESEARCH INFRASTRUCTURE PROGRAMS	93.351*		KLEIN BUENDEL YALE UNIVERSITY	YALE GR103597 (CON-80001318) / NIH	-	74,518
21ST CENTURY CURES ACT - BEAU BIDEN CANCER MOONSHOT NURSING RESEARCH	93.353* 93.361*		KLEIN BUENDEL BRIGHAM AND WOMEN'S HOSPITAL INC	PREAWARD BRIGHAM119993/NIH R21NR017256	-	142,238
			COLUMBIA UNIVERSITY	GG014619-16		7,887
			UNIVERSITY OF MARYLAND, BALTIMORE	F301414-1 F218419-2		
SICKLE CELL TREATMENT DEMONSTRATION PROGRAM	93.365*		UNIVERSITY OF MARYLAND, BALTIMORE		-	280,594
			JOHNS HOPKINS UNIVERSITY	JHOP PO2003735150 HRSA U1EMC27864		
			JOHNS HOPKINS UNIVERSITY	JHOP PO2003735150/HRSA U1EMC27864	-	17,263
CANCER CAUSE AND PREVENTION RESEARCH	93.393*		PHYSICAL SCIENCES RUTGERS UNIVERSITY	87498-8014-46 PO#931471/SUBAWARD#0519		
			UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL	OSP31650-00		
			KLEIN BUENDEL	0301-0171-002	-	244,676
CANCER DETECTION AND DIAGNOSIS RESEARCH	93.394*		UNIVERSITY OF MARYLAND AT BALTIMORE	UMD 1903275		
			UNIVERSITY OF PENNSYLVANIA	PO#SR00005694/NIH 574776/PO-4565592		
			UNIVERSITY OF KENTUCKY	3200003104-21-220	-	123,700
CANCER TREATMENT RESEARCH	93.395*		UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	87625C 5101332		
			UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL	NM2019_SA001		
CANCER BIOLOGY RESEARCH	93.396*		NAMI THERAPEUTICS YALE UNIVERSITY	PREAWARD 01062347	-	138,307
			BETH ISRAEL DEACONESS MEDICAL CENTER	R41CA247113-S1		
CANCER CENTERS SUPPORT GRANTS	93.397*		QUERCUS MOLECULAR DESIGN YALE UNIVERSITY	YALE GR108273(CON-80002118)/NIH	-	328,126
			YALE UNIVERSITY	YALE GR111083(CON-80002868)/NIH		
			INSTITUTE FOR CANCER RESEARCH D/B/A FOX CHASE CANCER CENTER	FOX 120305-56/NIH 3P30CA006927-5452	-	21,418
COVID-19 STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH	93.421*		ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	AUCD 15-21-8814/CDC 6 NU380T000280		
		COVID-19	ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	CDC ACT EARLY AMBASSADOR FOR CT	-	73,893
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH	93.421*		ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	ACT EARLY AMBASSADORS AUCD 3-20-8813 / CDC 6		
			ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	NU380T000280	-	16,420

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEALTH	93.421*		CSTE	1 NU38OT000297	-	6,436
ALZHEIMER'S DISEASE PROGRAM INITIATIVE (ADPI)	93.470*		LIVEWELL ALLIANCE, INC	LIVEWELL ALLIANCE, INC./ACL	-	32,210
BUILDING CAPACITY OF THE PUBLIC HEALTH SYSTEM TO IMPROVE POPULATION HEALTH THROUGH NATIONAL, NON-PROFIT ORGANIZATIONS- FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.524		ASSOCIATION OF UNIVERSITIES CENTER ON DISABILITY (AUCD)	ASTHO	-	1,334
GRANTS FOR NEW AND EXPANDED SERVICES UNDER THE HEALTH CENTER PROGRAM	93.527*		COMMUNITY HEALTH CENTER ASSOC CT	CHCACT/HRSA HCCN 6H2QCS30239-04-02	-	47,830
ACA-TRANSFORMING CLINICAL PRACTICE INITIATIVE: PRACTICE TRANSFORMATION NETWORKS (PTNS)	93.638*		UNIVERSITY OF MASSACHUSETTS UNIVERSITY OF MASSACHUSETTS	WA00564192/OSP2016104/UMAS S/DHHS WA00794163/OSP2016104/UMAS S/DHHS	-	(32,920)
PPHF: RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH PROGRAM FINANCED SOLELY BY PUBLIC PREVENTION AND HEALTH FUNDS	93.738		CLIFFORD BEERS	2B2CMS331760	-	61,361
OPIOID STR	93.788*		WHEELER CLINIC WHEELER CLINIC WHEELER CLINIC WHEELER CLINIC WHEELER CLINIC WHEELER CLINIC WHEELER CLINIC	20MHA1028 19MHA1043 19MHA1043 H79TI080253 H79TI080253 H79TI080253 H79TI080253	-	28,699
SECTION 223 DEMONSTRATION PROGRAMS TO IMPROVE COMMUNITY MENTAL HEALTH SERVICES	93.829*		COMMUNITY MENTAL HEALTH AFFILIATES INC COMMUNITY MENTAL HEALTH AFFILIATES INC	CMHA/SAMHSA 1H79SM083086-01 CMHA/SAMHSA 6H79SM083086-01M002	-	74,735
CARDIOVASCULAR DISEASES RESEARCH	93.837*		THE PENNSYLVANIA STATE UNIVERSITY BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY CORNOVUS PHARMACEUTICALS CORNOVUS PHARMACEUTICALS DUKE UNIVERSITY UNIVERSITY OF RHODE ISLAND YALE UNIVERSITY UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL BOSTON UNIVERSITY	SUB AWD# 5275 UCHC DHHS 2311 STNFRD62054803- 136064NIHR01HL146111 RUTGERS0905 P01101901/R01HL147350 CORNOVUS PHARMA/NIH R44 HL152710 CORNOVUS PHARM/NIH R41 HL156322 PREAWARD 0006829/110718 PREAWARD OSP2018074/WA00691205 4500002297	-	1,071,612
LUNG DISEASES RESEARCH	93.838*		THE WASHINGTON UNIVERSITY THE WASHINGTON UNIVERSITY UNIVERSITY OF ARIZONA	PO2941623H WU20-459/R01 HL13087605 PO2940934K WU21-352/R01 HL13087605 UNIV OF ARIZONA 553566/NIH PO A071106 / NIH R21AR071536	-	43,505
ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH	93.846*		EMORY UNIVERSITY		-	43,135

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH	93.847*		UNIVERSITY OF MINNESOTA CELL AND MOLECULAR TISSUE ENGINEERING, LLC CELL AND MOLECULAR TISSUE ENGINEERING, LLC UNIVERSITY OF PITTSBURGH YALE UNIVERSITY CONNECTICUT CHILDREN'S MEDICAL CENTER PENNSYLVANIA STATE UNIVERSITY VANDERBILT UNIVERSITY YALE UNIVERSITY STATE UNIVERSITY OF NEW YORK, UPSTATE MEDICAL UNIVERSITY	P007639702 CELL&MOLECULAR/NIH R43 DK120011 CMTE/NIH R43 DK123770 AWD00002047(134533-1)/5R01DK118239 YALE CON-80002899 (GR112143)/NIH 19-179499-01 UCONNDK0088244 PREAWARD GR102645 (CON-80001230) 1138946-77867		
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH	93.847*		UNIVERSITY OF PENNSYLVANIA	PREAWARD	-	284,900
EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS	93.853*		IMPERIAL COLLEGE OF SCIENCE TECHNOLOGY AND MEDICINE THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON JACKSON LABORATORY NORTHWESTERN UNIVERSITY UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER, DALLAS	IMPERIAL COL/001NS099573 PO 3668156 UT SA0000749/NIH 1R21NS114836 210277-0821-05 60051731 UCONN GMO:201013_PO#0000001874	-	28,127
ALLERGY AND INFECTIOUS DISEASES RESEARCH	93.855*		IOWA STATE UNIVERSITY THE JACKSON LABORATORY THE JACKSON LABORATORY THE JACKSON LABORATORY YALE UNIVERSITY RHODE ISLAND HOSPITAL UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL QUERCUS MOLECULAR DESIGN	022586A JAX LABS/NIH R01AI142086 PO#213434 JAX NIH U01 AI124297 JAX LABS/NIH R01AI142086 PO#210311 YALE GK000139 (CON-80000451) RI HOSP 7137472WP / NIH R01AI141522 5116257 PREAWARD	-	162,443
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859*		JOHNS HOPKINS UNIVERSITY RESEARCH FOUNDATION FOR THE STATE UNIVERSITY OF NEW YORK UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL RHODE ISLAND HOSPITAL UNIVERSITY OF TEXAS, AUSTIN	2004755289 2-83291 5104923 7017137314 UTA19-001129	-	353,592
					-	171,313

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859*		NORTHEASTERN UNIVERSITY	NORHEASTERN UNIV 500568-78050/NIH		
			THE JACKSON LABORATORY	NIH R35 GM124922/JAX LABS PO#212481		
			THE JACKSON LABORATORY	JAX 210309-0121-02/NIH R01 GM127531		
			THE JACKSON LABORATORY	NIH R35 GM124922/JAX LABS PO214189		
			YALE UNIVERSITY	JAX 210309-0122-02/NIH R01 GM127531		
			UNIVERSITY OF VIRGINIA	YALE		
			UNIVERSITY OF WISCONSIN	C17A12640(CON80000126)/NIH U VA GB10638.160152/NIH R01GM080219		
			UNIVERSITY OF FLORIDA	UNIV OF WISCONSIN/NIH 889K453		
			JOHNS HOPKINS UNIVERSITY	UFL/NIH R01 GM127909 2005010845		
			CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH	93.865*		
HASKINS LABORATORIES	A214-538.30					
HASKINS LABORATORIES	A222-02					
HASKINS LABORATORIES	AG170579					
UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	110775C					
AGING RESEARCH	93.866*		BROWN UNIVERSITY	SUB:00001382/ NIA: 1U54AG063546-01		267,321
			NOVA SOUTHEASTERN UNIVERSITY INC	NSU 331768/ NIH R01AG064003		
			ADICET BIO, INC	PRIME: 3R01 AG064802-02S1		
			COLUMBIA UNIVERSITY	1(GG010946-08)		
			UNIVERSITY OF WASHINGTON	UWSC11748/PO#BPO46863		
			YALE UNIVERSITY	GR111652 (CON-80002882)		
			JACKSON LABORATORY	PO 213085		
			HUTCHINSON (FRED) CANCER RESEARCH CENTER	0000981458		
AGING RESEARCH	93.866*		DUKE UNIVERSITY	A032807/ NIH 3UH2-AG056925-0351		327,168
			DUKE UNIVERSITY			
			THE JACKSON LABORATORY	A032807/NIH 5UH3AG056925-04		
			THE JACKSON LABORATORY	JAX LABS/NIH R01AG052608		
			UNIVERSITY OF MARYLAND AT BALTIMORE	PO#212056		
			MAYO CLINIC	NIH R56AG060746/JAX LABS PO213079		
			MAYO CLINIC	UMB SR00004448		
			MAYO CLINIC	UNI-250202/ PRIME: R33AG061456		
			THE WASHINGTON UNIVERSITY	CON-275475/PO#67674986/ R01AG072301		
			THE WASHINGTON UNIVERSITY	UNI-250202/PO#67842761 WU/NIH R01 AG051647 PO#2933904G		
COVID-19 HIV EMERGENCY RELIEF PROJECT GRANTS	93.914*	COVID-19	CITY OF HARTFORD	CITY OF HARTFORD/HRSA COVID-19		694,422
						23,680

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
HIV EMERGENCY RELIEF PROJECT GRANTS	93.914*		CITY OF HARTFORD CITY OF HARTFORD	CITY OF HARTFORD/HRSA/OUTP AMB CARE CITY OF HARTFORD/HRSA/MED CASE	-	289,027
SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE	93.928*		CITY OF HARTFORD	COH HHS2019- 20/HRSAU90HA30516	-	1
SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE	93.928*		YALE YALE	GR104873 (CON-80001525) GR104873 (CON-80001525)	(19,229)	53,487
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959*		WHEELER CLINIC	LTR-3-14-12	-	624
COMPUTATIONAL DRUG DELIVERY: LEVERAGING PREDICTIVE MODELS TO DEVELOP BIOEQUIVALENT GENERIC LONG-ACTING INJECTIONS	93.RD*	AG181316	QRONO	AG181316	-	690
MICROSTRUCTURE CHARACTERIZATION WITH MICRO-IMAGING AND IMAGE-BASED ANALYTICS: A NEW TOOL TO CHARACTERIZE COMPLEX POLYMER-BASED LONG ACTING DRUG PRODUCTS	93.RD*	75F40119C10157	DIGIM SOLUTION	75F40119C10157	-	151,711
RANDOMIZED CONTROLLED TRIALS OF LIFESTYLE WEIGHT LOSS INTERVENTIONS FOR GENOME-WIDE ASSOCIATION STUDIES	93.RD*	6632.01-506	WESTAT	6632.01-506	-	607
SAFETY AND PERFORMANCE MONITORING DURING OCCUPATIONAL WORK	93.RD*	T42 OH008416	HARVARD EDUCATION AND RESEARCH CENTER	T42 OH008416	-	10,237
DEPARTMENT OF HEALTH AND HUMAN SERVICES PASS THROUGH PROGRAMS Total					\$ (19,229)	\$ 11,593,859
DEPARTMENT OF HEALTH AND HUMAN SERVICES Total					\$ 184,562,238	\$ 7,166,195,395
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE DIRECT PROGRAMS						
STATE COMMISSIONS	94.003				\$ -	\$ 446,967
AMERICORPS	94.006				2,071,893	2,173,317
TRAINING AND TECHNICAL ASSISTANCE	94.009				-	111,068
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE DIRECT PROGRAMS Total					\$ 2,071,893	\$ 2,731,352
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PASS THROUGH PROGRAMS						
AMERICORPS	94.006		JUMPSTART	2540200	\$ -	\$ 133,096
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PASS THROUGH PROGRAMS Total					\$ -	\$ 133,096
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE Total					\$ 2,071,893	\$ 2,864,448
EXECUTIVE OFFICE OF THE PRESIDENT						
EXECUTIVE OFFICE OF THE PRESIDENT PASS THROUGH PROGRAMS						
RESEARCH AND DATA ANALYSIS	95.007*		WATERBURY POLICE DEPARTMENT, CT	AG200512	\$ -	\$ 47,298
EXECUTIVE OFFICE OF THE PRESIDENT PASS THROUGH PROGRAMS Total					\$ -	\$ 47,298
EXECUTIVE OFFICE OF THE PRESIDENT Total					\$ -	\$ 47,298
SOCIAL SECURITY ADMINISTRATION						
SOCIAL SECURITY ADMINISTRATION DIRECT PROGRAMS						
COVID-19 SOCIAL SECURITY DISABILITY INSURANCE	96.001	COVID-19			\$ -	\$ 25,083
SOCIAL SECURITY DISABILITY INSURANCE	96.001				-	27,151,577
SOCIAL SECURITY - WORK INCENTIVES PLANNING AND ASSISTANCE PROGRAM	96.008				-	148,954
SOCIAL SECURITY ADMINISTRATION DIRECT PROGRAMS Total					\$ -	\$ 27,325,614
SOCIAL SECURITY ADMINISTRATION PASS THROUGH PROGRAMS						
SOCIAL SECURITY DISABILITY INSURANCE	96.001		ABT ASSOCIATES INC	SUBCONTRACT # 48507	\$ -	\$ 382,806
SOCIAL SECURITY ADMINISTRATION PASS THROUGH PROGRAMS Total					\$ -	\$ 382,806
SOCIAL SECURITY ADMINISTRATION Total					\$ -	\$ 27,708,420
DEPARTMENT OF HOMELAND SECURITY						
DEPARTMENT OF HOMELAND SECURITY DIRECT PROGRAMS						
NON-PROFIT SECURITY PROGRAM	97.008				\$ 281,699	\$ 281,699
BOATING SAFETY FINANCIAL ASSISTANCE	97.012				-	1,326,578
COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES ELEMENT (CAP-SSSE)	97.023				-	241,848
FLOOD MITIGATION ASSISTANCE	97.029				41,978	41,979
COVID-19 CRISIS COUNSELING	97.032	COVID-19			-	483,486

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Amount Passed Through to Subrecipients	Federal Expenditures
COVID-19 DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	97.036				-	9,591,315
DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	97.036	COVID-19			62,000,570	62,953,185
HAZARD MITIGATION GRANT	97.039				4,575,184	4,584,927
NATIONAL DAM SAFETY PROGRAM	97.041				-	120,657
COVID-19 EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042	COVID-19			-	336
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042				593,549	4,153,993
ASSISTANCE TO FIREFIGHTERS GRANT	97.044				-	649,139
COVID-19 ASSISTANCE TO FIREFIGHTERS GRANT	97.044	COVID-19			-	16,553
BRIC: BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES	97.047				738,877	738,877
PRESIDENTIAL DECLARED DISASTER ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS - OTHER NEEDS	97.050				-	366,939,459
PORT SECURITY GRANT PROGRAM	97.056				-	205,668
HOMELAND SECURITY GRANT PROGRAM	97.067				1,782,078	3,282,167
NATIONAL EXPLOSIVES DETECTION CANINE TEAM PROGRAM	97.072				-	184,357
DEPARTMENT OF HOMELAND SECURITY DIRECT PROGRAMS Total					\$ 70,013,935	\$ 455,796,223
DEPARTMENT OF HOMELAND SECURITY PASS THROUGH PROGRAMS						
SECURING THE CITIES PROGRAM	97.106		NYPD	UNKNOWN	-	239,532
DEPARTMENT OF HOMELAND SECURITY PASS THROUGH PROGRAMS Total					\$ -	\$ 239,532
DEPARTMENT OF HOMELAND SECURITY Total					\$ 70,013,935	\$ 456,035,755
U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT						
U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT PASS THROUGH PROGRAMS						
USAID FOREIGN ASSISTANCE FOR PROGRAMS OVERSEAS	98.001*		EURASIA FOUNDATION	W20-5006	-	2,400
USAID FOREIGN ASSISTANCE FOR PROGRAMS OVERSEAS	98.001*		UNIVERSITY OF GEORGIA	SUB000012331		
			NATIONAL ACADEMY OF SCIENCES	2000009132		
			CONTRACEPTIVE RESEARCH AND DEVELOPMENT PROGRAM (CONRAD/EVMS)	NXS-19-010		
					-	351,833
U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT PASS THROUGH PROGRAMS Total					\$ -	\$ 354,233
U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT Total					\$ -	\$ 354,233
Total Federal Expenditures					\$ 1,283,955,032	\$ 17,977,628,077

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
AGING CLUSTER Program					
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044	COVID-19			\$ 897,580
SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART B, GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044				3,099,834
COVID-19 SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	93.045	COVID-19			6,160,714
SPECIAL PROGRAMS FOR THE AGING, TITLE III, PART C, NUTRITION SERVICES	93.045				7,290,538
NUTRITION SERVICES INCENTIVE PROGRAM (SEE NOTE 4)	93.053				994,019
AGING CLUSTER Program Total					\$ 18,442,685
CCDF CLUSTER Program					
CHILD CARE AND DEVELOPMENT BLOCK GRANT	93.575*				\$ 73,647,302
COVID-19 CHILD CARE AND DEVELOPMENT BLOCK GRANT	93.575*	COVID-19			59,288,453
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	93.596				28,757,484
CCDF CLUSTER Program Total					\$ 161,693,239
CDBG - DISASTER RECOVERY GRANTS - PUB. L. NO. 113-2 CLUSTER Program					
HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)	14.269*				\$ 8,554,649
NATIONAL DISASTER RESILIENCE COMPETITION	14.272				3,049,622
CDBG - DISASTER RECOVERY GRANTS - PUB. L. NO. 113-2 CLUSTER Program Total					\$ 11,604,271
CDBG - ENTITLEMENT GRANTS CLUSTER Program					
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218		CITY OF MIDDLETOWN	18-0008	\$ 373
CDBG - ENTITLEMENT GRANTS CLUSTER Program Total					\$ 373
CHILD NUTRITION CLUSTER Program					
COVID-19 SCHOOL BREAKFAST PROGRAM	10.553	COVID-19			\$ 7,053,105
SCHOOL BREAKFAST PROGRAM	10.553				8,878,953
COVID-19 NATIONAL SCHOOL LUNCH PROGRAM	10.555	COVID-19			17,062,628
NATIONAL SCHOOL LUNCH PROGRAM (SEE NOTE 4)	10.555				44,629,966
COVID-19 SPECIAL MILK PROGRAM FOR CHILDREN	10.556	COVID-19			3,280
SPECIAL MILK PROGRAM FOR CHILDREN	10.556				22,904
COVID-19 SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559*	COVID-19			28,027,084
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (SEE NOTE 4)	10.559*				55,573,532
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	10.579				211,530
CHILD NUTRITION CLUSTER Program Total					\$ 161,462,982
DISABILITY INSURANCE/SSI CLUSTER Program					
COVID-19 SOCIAL SECURITY DISABILITY INSURANCE	96.001	COVID-19			\$ 25,083
SOCIAL SECURITY DISABILITY INSURANCE	96.001				27,151,577
SOCIAL SECURITY DISABILITY INSURANCE	96.001		ABT ASSOCIATES INC	SUBCONTRACT # 48507	382,806
DISABILITY INSURANCE/SSI CLUSTER Program Total					\$ 27,559,466
EMPLOYMENT SERVICE CLUSTER Program					
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES (SEE NOTE 1)	17.207*				\$ 6,649,027
JOBS FOR VETERANS STATE GRANTS (SEE NOTE 1)	17.801				358,332
LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE PROGRAM	17.804				1,063,323
EMPLOYMENT SERVICE CLUSTER Program Total					\$ 8,070,682
FEDERAL TRANSIT CLUSTER Program					
FEDERAL TRANSIT CAPITAL INVESTMENT GRANTS	20.500				\$ 70,445,975
COVID-19 FEDERAL TRANSIT FORMULA GRANTS	20.507	COVID-19			263,738,860
FEDERAL TRANSIT FORMULA GRANTS	20.507				63,894,860
STATE OF GOOD REPAIR GRANTS PROGRAM	20.525				10,995,140
BUSES AND BUS FACILITIES FORMULA, COMPETITIVE, AND LOW OR NO EMISSIONS PROGRAMS	20.526				4,865,990
FEDERAL TRANSIT CLUSTER Program Total					\$ 413,940,825
FISH AND WILDLIFE CLUSTER Program					
SPORT FISH RESTORATION	15.605				\$ 3,002,383
WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	15.611				4,425,148
FISH AND WILDLIFE CLUSTER Program Total					\$ 7,427,531
FMCSA CLUSTER Program					
MOTOR CARRIER SAFETY ASSISTANCE	20.218				\$ 2,410,159
MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS	20.237*				1,588,738

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
FMCSA CLUSTER Program Total					\$ 3,998,897
FOOD DISTRIBUTION CLUSTER Program					
COMMODITY SUPPLEMENTAL FOOD PROGRAM	10.565				\$ 104,881
COVID-19 EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	10.568	COVID-19			1,741,082
EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	10.568				427,064
FOOD DISTRIBUTION CLUSTER Program Total					\$ 2,273,027
HEAD START CLUSTER Program					
HEAD START	93.600				\$ 15,341
HEAD START CLUSTER Program Total					\$ 15,341
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER Program					
COVID-19 HIGHWAY PLANNING AND CONSTRUCTION	20.205*	COVID-19			\$ 14,745
HIGHWAY PLANNING AND CONSTRUCTION	20.205*				523,377,534
RECREATIONAL TRAILS PROGRAM	20.219				197,216
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER Program Total					\$ 523,589,495
HIGHWAY SAFETY CLUSTER Program					
STATE AND COMMUNITY HIGHWAY SAFETY	20.600				\$ 2,422,104
INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING	20.611				260,884
INCENTIVE GRANT PROGRAM TO PROHIBIT RACIAL PROFILING	20.611		STATE OF RHODE ISLAND DEPARTMENT OF TRANSPORTATION		65,172
NATIONAL PRIORITY SAFETY PROGRAMS	20.616*			3541623	4,553,760
HIGHWAY SAFETY CLUSTER Program Total					\$ 7,301,920
HOUSING VOUCHER CLUSTER Program					
COVID-19 SECTION 8 HOUSING CHOICE VOUCHERS	14.871	COVID-19			\$ 3,643,777
SECTION 8 HOUSING CHOICE VOUCHERS (SEE NOTE 1)	14.871				94,413,178
MAINSTREAM VOUCHERS	14.879				2,437,411
HOUSING VOUCHER CLUSTER Program Total					\$ 100,494,366
HURRICANE SANDY RELIEF CLUSTER Program					
HHS PROGRAMS FOR DISASTER RELIEF APPROPRIATIONS ACT - NON CONSTRUCTION	93.095				\$ (11,404)
HURRICANE SANDY RELIEF CLUSTER Program Total					\$ (11,404)
MEDICAID CLUSTER Program					
STATE MEDICAID FRAUD CONTROL UNITS	93.775				\$ 888,723
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	93.777				6,360,261
COVID-19 MEDICAL ASSISTANCE PROGRAM	93.778*	COVID-19			418,447,901
MEDICAL ASSISTANCE PROGRAM	93.778*				5,518,273,127
MEDICAID CLUSTER Program Total					\$ 5,943,970,012
RESEARCH AND DEVELOPMENT Program					
AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH	10.001*				\$ 955,779
AGRICULTURAL RESEARCH BASIC AND APPLIED RESEARCH	10.001*		VERMONT LAW SCHOOL	USDA-NAL-58-8250-8-002-2	39,786
PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE	10.025*				190,976
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170*				197,495
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170*		UNIVERSITY OF NEBRASKA	26-6231-0340-003	19,502
GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS	10.200*				(70)
GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH GRANTS	10.200*		RUTGERS UNIVERSITY RUTGERS UNIVERSITY	5890-NER15OHP-AULAKH 5966-NER16OHP-LAMONDIA	5,373
COOPERATIVE FORESTRY RESEARCH	10.202*				518,936
PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT	10.203*				2,220,065
ANIMAL HEALTH AND DISEASE RESEARCH	10.207*				6,330
SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION	10.215*		UNIVERSITY OF MASSACHUSETTS, AMHERST UNIVERSITY OF VERMONT UNIVERSITY OF VERMONT UNIVERSITY OF VERMONT	SUBAWARD 18 010456 B 00 GNE19-213-33243 LNE18-363-32231 LNE20-412R34268	87,947
CONSUMER DATA AND NUTRITION RESEARCH	10.253*				16,375
RESEARCH INNOVATION AND DEVELOPMENT GRANTS IN ECONOMIC (RIDGE)	10.255*		TUFTS UNIVERSITY	AG9002	12,155
INTEGRATED PROGRAMS	10.303*				84,823

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
INTEGRATED PROGRAMS	10.303*		UNIVERSITY OF IDAHO UNIVERSITY OF IDAHO	2013-51102-21015 BJKR15-58-001	
HOMELAND SECURITY AGRICULTURAL	10.304*		PENNSYLVANIA STATE UNIVERSITY CORNELL UNIVERSITY MICHIGAN STATE UNIVERSITY	5000395-USDA 80289-10764 SUBAWARD# RC106556AD	59,196 29,829
SPECIALTY CROP RESEARCH INITIATIVE	10.309*				23,327
SPECIALTY CROP RESEARCH INITIATIVE	10.309*		RUTGERS UNIVERSITY	6063-PP2016-STONER	82,151
AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)	10.310*				2,503,814
AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)	10.310*		PENNSYLVANIA STATE UNIVERSITY LOUISIANA STATE UNIVERSITY OHIO STATE UNIVERSITY OHIO STATE UNIVERSITY UNIVERSITY OF FLORIDA UNIVERSITY OF MARYLAND, COLLEGE PARK UNIVERSITY OF WISCONSIN, MADISON UNIVERSITY OF NEVADA, RENO NORTHERN ARIZONA UNIVERSITY	6103-CAES-USDA-9568 PO-0000128215 60050299-UC SUBAWARD NO. 60045862 SUB00002478 SUBAWARD # 61010-Z5065204 SUBAWARD # 000000430 UNR-20-46 PREAWARD	431,666
CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM	10.329*		CORNELL UNIVERSITY UNIVERSITY OF WISCONSIN-MILWAUKEE CORNELL UNIVERSITY CORNELL UNIVERSITY FARM FRESH RHODE ISLAND	86935-11206 213405497 86935-11195 86935-11354 AG190893	56,122 37,902 11,924 87,458
FOOD INSECURITY NUTRITION INCENTIVE GRANTS PROGRAM	10.331*				803,606
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559*				101,989
STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	10.560*				23,186
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561*		CALIFORNIA PRUNE BOARD	PN 21-02	128,054
TECHNICAL ASSISTANCE FOR SPECIALTY CROPS PROGRAM	10.604*		THE FOREST STEWARDS GUILD	COST CENTER 10646	38,775
COOPERATIVE FORESTRY ASSISTANCE	10.664*				8,000
FOREST HEALTH PROTECTION	10.680*				28,360
PARTNERSHIP AGREEMENTS	10.699*				131,553
RESEARCH JOINT VENTURE AND COST REIMBURSABLE AGREEMENTS	10.707*				130,326
GRANT PROGRAM TO ESTABLISH A FUND FOR FINANCING WATER AND WASTEWATER PROJECTS	10.864*				3,704
SOIL SURVEY	10.903*				50,554
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	10.912*		UNIVERSITY OF RHODE ISLAND	#0008145/07132020	
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	10.912*				22,194
REGIONAL CONSERVATION PARTNERSHIP PROGRAM	10.932*		CONNECTICUT ASSOCIATION OF CONSERVATION DISTRICTS	AGREEMWNT #11-UCONN-SH	3,190
REGIONAL CONSERVATION PARTNERSHIP PROGRAM	10.932*				
MONITORING AND MODELING TRANSITIONS IN URBAN TREE COMMUNITIES OVER TIME	10.RD *	19JV-11242308-074			
INTEGRATED OCEAN OBSERVING SYSTEM (IOOS)	11.012*		NORTHEASTERN REGIONAL ASSOCIATION OF COASTAL OCEAN OBSERVING SYSTEMS NORTHEASTERN REGIONAL ASSOCIATION OF COASTAL OCEAN OBSERVING SYSTEMS RUTGERS UNIVERSITY RUTGERS UNIVERSITY UNIVERSITY OF WASHINGTON	A008-001A 05-A008-001 1622 PO 1379373 PID 804635 6166 PO#779203 UWSC10786	378,241 109,641 31,911 117,650 99,802 316,642
OCEAN ACIDIFICATION PROGRAM (OAP)	11.017*				24,811
CLUSTER GRANTS	11.020*		CALIFORNIA STATE UNIVERSITY, NORTHBRIDGE	PREAWARD	41,147
ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE	11.303*				17,249
COVID-19 ECONOMIC ADJUSTMENT ASSISTANCE	11.307*	COVID-19			5,856
SEA GRANT SUPPORT	11.417*		UNIVERSITY OF WASHINGTON	UWSC10546/BPO32188	8,556
SEA GRANT SUPPORT	11.417*		UNIVERSITY OF WASHINGTON	UWSC10474	(21)
COASTAL ZONE MANAGEMENT ESTUARINE RESEARCH RESERVES	11.420*		NATURE CONSERVANCY	MA1112017CT	5,134
CLIMATE AND ATMOSPHERIC RESEARCH	11.431*				204,913
CLIMATE AND ATMOSPHERIC RESEARCH	11.431*				118,950
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA) COOPERATIVE INSTITUTES	11.432*				
OFFICE FOR COASTAL MANAGEMENT	11.473*				
CENTER FOR SPONSORED COASTAL OCEAN RESEARCH COASTAL OCEAN PROGRAM	11.478*				
MEASUREMENT AND ENGINEERING RESEARCH AND STANDARDS	11.609*				
ARRANGEMENTS FOR INTERDISCIPLINARY RESEARCH INFRASTRUCTURE	11.619*		NATIONAL INSTITUTE OF PHARMACEUTICAL TECHNOLOGY AND EDUCATION NATIONAL INSTITUTE OF PHARMACEUTICAL TECHNOLOGY AND EDUCATION	AG180853 AG200794	15,736

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
MARINE DEBRIS PROGRAM	11.999*				31,682
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.300*				10,150,395
BASIC AND APPLIED SCIENTIFIC RESEARCH			CREARE	PO 108423	
			PENNSYLVANIA STATE UNIVERSITY	5000561-ONR	
	12.300*		UNIVERSITY OF MISSOURI	C00066003-5	
			PURDUE UNIVERSITY	13000469-028	
			PURDUE UNIVERSITY	13000458-014	609,870
BASIC SCIENTIFIC RESEARCH - COMBATING WEAPONS OF MASS DESTRUCTION	12.351*		LABORATORY OF THE MINISTRY OF AGRICULTURE OF GEORGIA	HDTM1-18-1-0053/P00001	105,319
PEST MANAGEMENT AND VECTOR CONTROL RESEARCH	12.355*		CORNELL UNIVERSITY	89560-11277	32,761
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420*				828,436
MILITARY MEDICAL RESEARCH AND DEVELOPMENT			STEVENS INSTITUTE OF TECHNOLOGY	SIT-2103075-01/DOD-	
			UNIVERSITY OF PITTSBURGH	W81XWH2010321	
			UNIVERSITY OF VERMONT	0056666(413614-	
	12.420*		UNIVERSITY OF SOUTHERN CALIFORNIA	15)/DODW81XWH1720073	
			JACKSON (HENRY M.) FOUNDATION	UNIV OF VERMONT	
				PO#182157/DOD	
				94598298	
				SUBAWARD# 3885/PO#	
				915062	347,874
BASIC SCIENTIFIC RESEARCH	12.431*				136,001
BASIC SCIENTIFIC RESEARCH			NORTHEASTERN UNIVERSITY	598291-78050	
	12.431*		NORTHEASTERN UNIVERSITY	504141-78056	
			UNIVERSITY OF CALIFORNIA, LOS ANGELES	1000 G SA915	359,773
			ACADEMY OF APPLIED SCIENCE	US ARMY/AAS	
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING			NATIONAL SCIENCE TEACHERS ASSOCIATION	NSTA 20-871-103 / W911SR-15-	
			NATIONAL SCIENCE TEACHERS ASSOCIATION	2-0001	
			UNIVERSITY OF WASHINGTON	NSTA 21-871-004 / W911SR-15-	
	12.630*		ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	2-0001	
			ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	UWSC11559	
			ADVANCED ROBOTICS FOR MANUFACTURING (ARM) INSTITUTE	ARM-TEC-20-DC-F01	
				ARM-TEC-20-DC-F02	
			WICHITA STATE UNIVERSITY	WSU20-00138	559,756
AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	12.800*				1,576,100
AIR FORCE DEFENSE RESEARCH SCIENCES PROGRAM	12.800*		PURDUE UNIVERSITY	13000716-071	1,835
MATHEMATICAL SCIENCES GRANTS	12.901*				80,747
PORTABLE CO REMOVAL DEVICE FOR SUBMARINES	12.RD*	404505	GINER	404505	7,639
ADDITIVE MANUFACTURING FOR LI-ION BATTERIES	12.RD *	SC 87363-8012-46	PHYSICAL SCIENCES	SC 87363-8012-46	133,305
ADVANCED CONTROL ARCHITECTURES AND ALGORITHMS FOR AGILE MANUFACTURING	12.RD *	FA8650-20-C-5206			85,355
ADVANCED MANUFACTURING OF CERAMIC SHELLS FOR INVESTMENT CASTING	12.RD *	FA8650-20-C-5206			192,569
COMPUTATIONALLY EFFICIENT, ACCURATE AND UNCERTAINTY CHARACTERIZED CHEMICAL KINETICS FOR HYDROCARBON FUELS	12.RD *	20190768	CFD RESEARCH CORPORATION	20190768	103,716
HIGH SENSITIVITY SQUIDS FOR MAGNETIC FIELD DETECTION	12.RD *	PO 4440943540	MINISTRY OF DEFENSE (ISRAEL)	PO 4440943540	142,093
HIGHLY-MANEUVERING OBSCURED TARGET EXTRACTION WITH OTHR	12.RD *	CRFR-054	MATRIX RESEARCH	CRFR-054	24,316
IMPACT POINT PREDICTION RESEARCH FOR SHORT & MEDIUM RANGE THRUSTING PROJECTILES"	12.RD *	PO #4440278825	MINISTRY OF DEFENSE (ISRAEL)	PO #4440278825	76,088
INTEGRATED BIAS ESTIMATION AND TRACKING FOR EO/IR FUSED SYSTEMS	12.RD *	SC17-C046-1	TOYON	SC17-C046-1	23,939
INTELLIGENT ULTRAFAST LASER SYSTEM FOR INSPECTION OF MICROELECTRONICS	12.RD *	10651158	AEROCYONICS	10651158	48,021
IOT-ENABLED AND AI-CONTROLLED COBOTS FOR MANUFACTURING	12.RD *	FA8650-20-C-5206			80,073
MANUFACTURING DIAGNOSTICS, PROGNOSTICS AND HEALTH MANAGEMENT	12.RD *	FA8650-20-C-5206			56,730
MANUFACTURING DIGITAL TWIN	12.RD *	FA8650-20-C-5206			70,617
MATERIALS AND PROCESSES FOR SMART, AGILE AIR FORCE MANUFACTURING TECHNOLOGIES. AFRL PHASE II ADMIN. ACCOUNT.	12.RD *	FA8650-20-C-5206			180,913
MATERIALS BEHAVIOR AND PROPERTIES UNDER EXTREME CONDITIONS	12.RD *	FA8650-20-C-5206			167,739
MODEL- BASED SYSTEMS ENGINEERING FOR MANUFACTURING LIFECYCLES	12.RD *	FA8650-20-C-5206			48,643
NEW MATHEMATICAL MODELS AND ANALYSIS FOR STOCHASTIC MEAN-FIELDS, STOCHASTIC RECURSIVE ALGORITHMS WITH INTERACTIONS HYE	12.RD *	W912HQ19C0019	WAYNE STATE UNIVERSITY	WSU21020	71,900
NTO AND DNAN TRANSFORMATIONS QUANTIFIED USING ENRICHED STABLE ISOTOPE TRACERS	12.RD *	W912HQ19C0019			286,770
OCCLUSION EFFECT-REDUCING EARPLUG WITH PASS-THROUGH COMMUNICATION AND SITUATIONAL AWARENESS	12.RD *	TSI-2683-20-20202295	TRITON SYSTEMS	TSI-2683-20-20202295	75,000
RELIABLE AND OPTIMAL COORDINATION OF NETWORKED SYSTEMS AND ACTION-BASED SPACE TRAJECTORY GENERATION/ESTIMATION	12.RD *	KR 703960	UNIVERSITY OF CALIFORNIA, SAN DIEGO	KR 703960	76,395
SENSING FOR ADDITIVE MANUFACTURING	12.RD *	FA8650-20-C-5206			255,265
SHE COOL (SEMICONDUCTOR HEAT EXTRACTION COOLING)	12.RD *	AG 210692	KELVI	AG210692	11,742
SIMULATION-BASED UNCERTAINTY QUANTIFICATION OF MANUFACTURING TECHNOLOGIES	12.RD *	FA8650-18-C-5700			1,258,978
SPHERE RESONATOR FABRICATION	12.RD *	MASIDSUB-0007497	MANTECH INTERNATIONAL CORPORATION	MASIDSUB-0007497	41,659
STABLE-ISOTOPE LABELED TRACERS, AN INNOVATION WAY TO VALIDATE NATURAL ATTENUATION OF RDX IN GROUNDWATER	12.RD *	W912HZ19P0173			20,172
SUPPORT FOR ADVANCED DATA ASSOCIATION ALGORITHMS TO ADDRESS EMERGING THREATS	12.RD *	2010-501	BLACK RIVER SYSTEMS	2010-501	32,267
TD-O2-009: BIORISK MANAGEMENT CURRICULUM DEVELOPMENT -- ACADEMIC TRACK - JORDAN	12.RD *		LEIDOS	P010204923	
		P010204923	LEIDOS	P010204923	78,863

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
THE EFFECT OF AMP HUMAN PR LOTION ON HYDRATION STUDY	12.RD *	AG 210073	AMP HUMAN	AG210073	75,683
THE PANTHEON SECURE COMPUTATION SYSTEM	12.RD *	AG 180652	STEALTH SOFTWARE	AG 180652	7,397
TRACKING THE HEALTH OF SOLDIERS WITH ADVANCED IMPLANTABLE NANO-SENSORS	12.RD *	W81XWH-15-C-0069			218,384
UNCERTAINTY QUANTIFICATION OF HEAT TREATING FOR AEROSPACE GEAR MANUFACTURING	12.RD *	FA8650-20-C-5206			159,373
WATCH: WIDE AREA TERRESTRIAL CHANGE HYPERCUBE	13.RD *	K003034-00-S03	KITWARE	K003034-00-S03	46,139
HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANTS (CDBG-DR)	14.269*				2,120,742
JOINT FIRE SCIENCE PROGRAM	15.232*				24,998
BUREAU OF OCEAN ENERGY MANAGEMENT (BOEM) ENVIRONMENTAL STUDIES (ES)	15.423*		UNIVERSITY OF RHODE ISLAND	0007060/071918	12,915
WATER DESALINATION RESEARCH AND DEVELOPMENT	15.506*				61,526
WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	15.611*				211,246
COASTAL	15.630*				29,301
STATE WILDLIFE GRANTS	15.634*				568
RESEARCH GRANTS (GENERIC)	15.650*				6,584
MIGRATORY BIRD MONITORING, ASSESSMENT AND CONSERVATION	15.655*				19,917
CANDIDATE SPECIES CONSERVATION	15.660*				2,480
HURRICANE SANDY DISASTER RELIEF ACTIVITIES-FWS	15.677*		UNIVERSITY OF DELAWARE	49130	19,939
ASSISTANCE TO STATE WATER RESOURCES RESEARCH INSTITUTES	15.805*				50,425
U.S. GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION	15.808*				155,166
NATIONAL COOPERATIVE GEOLOGIC MAPPING	15.810*				5,061
AMERICAN BATTLEFIELD PROTECTION	15.926*		TEXAS TECH UNIVERSITY TOWN OF MONTAGUE, MA STONINGTON HISTORICAL SOCIETY	21H095-01 AG190779 AG191186	17,405
ASSESSING PROCESSES THAT DRIVE FISHERIES PRODUCTIVITY ON NEW ENGLAND SAND SHOALS	15.RD *	MOA2018-036/11582			64,415
TOWARD NEAR REAL-TIME MONITORING AND CHARACTERIZATION OF LAND SURFACE CHANGE FOR THE CONTERMINOUS US	15.RD *	140G0119C0008			207,818
SECOND CHANCE ACT REENTRY INITIATIVE	16.812*				127,410
GIRLS IN THE JUVENILE JUSTICE SYSTEM	16.830*		POLICY RESEARCH ASSOCIATES, INC.	PRA 1106-0003-001-001 / USDOJ	1,360
NATIONAL SEXUAL ASSAULT KIT INITIATIVE	16.833*				37,487
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	17.207*		MATHEMATICA POLICY RESEARCH INC	MATHEMATICA 50723S05952/US DOL	25,763
DISABILITY EMPLOYMENT POLICY DEVELOPMENT	17.720*				616,856
AVIATION RESEARCH GRANTS	20.108*				70,436
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200*				262,483
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200*		NATIONAL ACADEMIES NATIONAL ACADEMY OF SCIENCES UNIVERSITY OF CENTRAL FLORIDA UNIVERSITY OF CENTRAL FLORIDA	HR 12-111 PO# SUB0000987 HR 17-85 PO SUB0001265 UCF 16208A17 UCF REFERENCE NO. 16208A27	327,015
HIGHWAY PLANNING AND CONSTRUCTION	20.205*				5,830,657
HIGHWAY TRAINING AND EDUCATION	20.215*				9,324
MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY ACTIVITIES GRANTS AND COOPERATIVE AGREEMENTS	20.237*				231
RAILROAD RESEARCH AND DEVELOPMENT	20.313*				16,264
NATIONAL PRIORITY SAFETY PROGRAMS	20.616*				113,764
UNIVERSITY TRANSPORTATION CENTERS PROGRAM	20.701*		UNIVERSITY OF MAINE UNIVERSITY OF MAINE UNIVERSITY OF NORTH CAROLINA, CHARLOTTE UNIVERSITY OF TEXAS, ARLINGTON	UMS-1184 UMS1184 20160688-03-UOC 2017GC609	440,751
STATE AND LOCAL GOVERNMENT DATA ANALYSIS TOOLS FOR ROADWAY SAFETY	20.935*				212,616
SAFETY ASSESSMENT OF NEW ENGLAND ROADWAYS DURING THE COVID-19 PANDEMIC	20.RD *	PO# 5100572100	UNIVERSITY OF MAINE	PO# 5100572100	1,454
COVID-19 TELEHEALTH PROGRAM	32.006*	COVID-19			135,707
SCIENCE	43.001*				1,006,700
SCIENCE	43.001*		AMERICAN MUSEUM OF NATURAL HISTORY CALIFORNIA INSTITUTE OF TECHNOLOGY FLORIDA INSTITUTE OF TECHNOLOGY	A25-2018-3/PO 111694 1590854 202550 UCONN/ PO# 0059286	132,820
AERONAUTICS	43.002*				35,367
OFFICE OF STEM ENGAGEMENT (OSTEM)	43.008*		UNIVERSITY OF HARTFORD UNIVERSITY OF HARTFORD UNIVERSITY OF HARTFORD	P-1634 P-1638 P-1567	15,373

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
OFFICE OF STEM ENGAGEMENT (OSTEM)			UNIVERSITY OF HARTFORD, CONNECTICUT SPACE GRANT CONSORTIUM		
			UNIVERSITY OF HARTFORD	0NSSC20M0129	
			UNIVERSITY OF HARTFORD	NNX15AI12H P-1460	
			UNIVERSITY OF HARTFORD, CONNECTICUT SPACE GRANT CONSORTIUM	NNX15AI12H (P-1562)	
	43.008*		UNIVERSITY OF HARTFORD	0NSSC20M0129	
			UNIVERSITY OF HARTFORD	NNX15AI12H	
			UNIVERSITY OF HARTFORD	80NSSC20M0129	
			UNIVERSITY OF HARTFORD	P-1415	
			UNIVERSITY OF HARTFORD	P-1461	
			UNIVERSITY OF HARTFORD	P-1563	
			UNIVERSITY OF HARTFORD	P-1554	49,773
SAFETY, SECURITY AND MISSION SERVICES	43.009*		SKYRE	80NSSC20M0177_UCONN	40,946
SPACE TECHNOLOGY	43.012*		PURDUE UNIVERSITY	12000295-028	606,169
EXPANDING HST'S ASTROMETRY LEGACY: A COMPREHENSIVE ASTROMETRIC CALIBRATION OF WFPC2	43.RD*	HST-AR-15632.001-A	SPACE TELESCOPE SCIENCE INSTITUTE	HST-AR-15632.001-A	133,014
DESIGN OF SPRAY COOLING SYSTEMS FOR CHILLDOWN OF PROPELLANT TANKS	43.RD *		COMBUSTION RESEARCH AND FLOW TECHNOLOGY (CRAFT TECH)		
		80NSSC20C0639/C811		80NSSC20C0639/C811	47,436
PARTICULATE CARBON FILTRATION USING NANOARRAY CONFIGURED POROUS METAL MONOLITH FOR EFFICIENT SPACE OXYGEN RECOVERY	43.RD *	AG201089	3D ARRAY TECHNOLOGY	AG201089	24,539
PRESSURE AND LOW TEMPERATURE TOLERANT, HIGH CURRENT DENSITY SOLID ELECTROLYTE FOR PROPELLANT GRADE REACTANTS	43.RD *	AG200996	PRECISION COMBUSTION	AG200996	1,259
SEQUENTIAL STTR PHASE II: HYDROGEN BASED ENERGY CONSERVATION SYSTEM (HECS)	43.RD *	80NSSC19C0066-UConn	SKYRE	80NSSC19C0066-UCONN	121,175
THE COSMIC EVOLUTION EARLY RELEASE SCIENCE SURVEY	43.RD *	JWST-ERS-01345.016-A	SPACE TELESCOPE SCIENCE INSTITUTE	JWST-ERS-01345.016-A	18,000
ULTRAVIOLET ECHOES OF QUASAR ACCRETION DISKS	43.RD *	HST-GO-15260.001-A	SPACE TELESCOPE SCIENCE INSTITUTE	HST-GO-15260.001-A	(1,759)
ULTRAVIOLET ECHOES OF QUASAR ACCRETION DISKS FY19	43.RD *	HST-GO-15650.002-A	SPACE TELESCOPE SCIENCE INSTITUTE	HST-GO-15650.002-A	46,424
PROMOTION OF THE HUMANITIES FELLOWSHIPS AND STIPENDS	45.160*				29,456
COVID-19 ENGINEERING	47.041*	COVID-19			71,916
ENGINEERING	47.041*				4,905,405
			COLORADO SCHOOL OF MINES	401627-580	
			STONY BROOK UNIVERSITY	87558/2/1160024	
			LONGSLEEVE	AG210061	206,334
MATHEMATICAL AND PHYSICAL SCIENCES	47.049*				3,901,921
MATHEMATICAL AND PHYSICAL SCIENCES	47.049*		NORTHWESTERN UNIVERSITY	60053790 UCONN	
			NATIONAL RADIO ASTRONOMY OBSERVATORY	SOSPA7-007/PO#367976	59,683
GEOSCIENCES	47.050*				2,415,306
GEOSCIENCES			UNIVERSITY OF CALIFORNIA, LOS ANGELES		
			UNIVERSITY OF MICHIGAN		
			DENISON UNIVERSITY	2095 G XA032	
	47.050*		UNIVERSITY CORPORATION FOR ATMOSPHERIC RESEARCH	3004146005	
			RESEARCH	NSF2023710-UCONN-1	
			NATIONAL CENTER FOR ATMOSPHERIC RESEARCH	SUBAWD001989	
				SUBAWD002423	318,427
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING	47.070*				2,729,737
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING			RUTGERS UNIVERSITY		
			STONY BROOK UNIVERSITY		
			UNIVERSITY OF CINCINNATI		
	47.070*		UNIVERSITY OF CINCINNATI	PO# 1407407	
			UNIVERSITY OF CINCINNATI	87656/1160227	
				012486-002/L21-4500118398	
				012486-002/L21-4500118030	
				012486-002/L21-4500118210	95,080
BIOLOGICAL SCIENCES	47.074*				3,433,882
BIOLOGICAL SCIENCES			THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS	UNIV OF ILLINOIS 18062/NSF 2003415	
			UNIVERSITY OF GEORGIA	SUB00001802	
			UNIVERSITY OF PUERTO RICO, SAN JUAN	2019-004	
	47.074*		WASHINGTON STATE UNIVERSITY	123664-G003628	
			CITY COLLEGE OF NEW YORK	CM00002246-00	
			UNIVERSITY OF TEXAS, AUSTIN	UTA20-00892	
			MONTANA STATE UNIVERSITY	620-014-01	
			CHAPMAN UNIVERSITY	500427SUB01	
			COLORADO STATE UNIVERSITY	G-45144-03	384,281
COVID-19 BIOLOGICAL SCIENCES	47.074*	COVID-19			299,428
COVID-19 SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES	47.075*	COVID-19			80,940
SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES	47.075*				894,103

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
SOCIAL, BEHAVIORAL, AND ECONOMIC SCIENCES			HASKINS LABORATORIES	A241-538-00	
	47.075*		UNIVERSITY OF CHICAGO	AWD100263 (SUB0000127)	
			FLORIDA POLYTECHNIC UNIVERSITY	SC-2000047	
			UNIVERSITY OF NEVADA, RENO	UNR-20-69	61,068
COVID-19 EDUCATION AND HUMAN RESOURCES	47.076*	COVID-19			70,717
EDUCATION AND HUMAN RESOURCES	47.076*				4,698,834
EDUCATION AND HUMAN RESOURCES			EDADVANCE	SCSU#17056	
			EDADVANCE	ARX21-STEM	
			NFP NEXUS	2000670	
			AMERICAN MUSEUM OF NATURAL HISTORY	2-2014	
	47.076*		RUTGERS UNIVERSITY	PREAWARD	
			UNIVERSITY OF SOUTH FLORIDA	2014-1281-00-A	
			UNIVERSITY OF VIRGINIA	GA11161 150024	
			UNIVERSITY OF WISCONSIN, MADISON	886K524	
			WASHINGTON STATE UNIVERSITY	133380-G003963	
			NEW YORK UNIVERSITY	F1231-01	230,651
EDUCATION AND HUMAN RESOURCES			RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NEW YORK	CM00003365-01	
	47.076*		MOTLOW STATE COLLEGE	180166	49,829
POLAR PROGRAMS	47.078*				7,100
OFFICE OF INTERNATIONAL SCIENCE AND ENGINEERING	47.079*				676,009
LONG ISLAND SOUND PROGRAM	66.437*				1,065,542
LONG ISLAND SOUND PROGRAM			YALE UNIVERSITY		
			NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COM	GR109668(CON-80002415)	
	66.437*		NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COM	AG191197	
				AG201153	
			CONNECTICUT RIVER CONSERVANCY	AG181261	80,139
SCIENCE TO ACHIEVE RESULTS (STAR) RESEARCH PROGRAM	66.509*				97,632
PERFORMANCE PARTNERSHIP GRANTS	66.605*				15,654
ADAPTING A NONPOINT SOURCE POLLUTION AND STORMWATER TRACKING TOOL TO LONG ISLAND SOUND	66.RD *	AG191223	CENTER FOR WATERSHED PROTECTION	AG191223	3,267
OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM	81.049*				1,799,681
OFFICE OF SCIENCE FINANCIAL ASSISTANCE PROGRAM			PHYSICAL SCIENCES	SC 87361-8011-46	
			TUFTS UNIVERSITY	DOE423	
	81.049*		UES	S-159-000-001	
			GINER	403117	
			RADIATION MONITORING DEVICES	C21-08	331,053
CONSERVATION RESEARCH AND DEVELOPMENT	81.086*				360,814
CONSERVATION RESEARCH AND DEVELOPMENT			STANFORD UNIVERSITY	62279026-154262	
	81.086*		UNIVERSITY OF NEW HAVEN	PO #0034767	107,662
RENEWABLE ENERGY RESEARCH AND DEVELOPMENT	81.087*				631,410
RENEWABLE ENERGY RESEARCH AND DEVELOPMENT			UNIVERSITY OF TENNESSEE		
			SKYRE		
			GINER	A18-1252-5003	
			GINER	DE-EE0008423-UCONN	
			GINER	404045	
	81.087*		CASE WESTERN RESERVE UNIVERSITY	AG181061	
			AMERICAN INSTITUTE OF CHEMICAL ENGINEERS	AG181061-1	
			NEXTech	RES512578	
			CLEAN ENERGY SMART MANUFACTURING	DE-EE0007888-07-08	
			INNOVATION INSTITUTE (CESMII)	AG 191296	
				4550 G WA333	1,013,700
FOSSIL ENERGY RESEARCH AND DEVELOPMENT	81.089*				193,365
FOSSIL ENERGY RESEARCH AND DEVELOPMENT	81.089*		CUMMINS	IND4097881	42,151
STEWARDSHIP SCIENCE GRANT PROGRAM	81.112*		TEXAS A&M UNIVERSITY	M1803472	163,903
NUCLEAR ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION	81.121*				178,564
ADVANCED RESEARCH PROJECTS AGENCY - ENERGY	81.135*				12,694
ADVANCED RESEARCH PROJECTS AGENCY - ENERGY			WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101412	
			MARINE BIOLOGICAL LABORATORY	53721	
	81.135*		UNIVERSITY OF ALASKA, FAIRBANKS	UAF 20-0133	
			CHEMTRONERGY	2019-02	794,264
ADDITIONAL WORK SCOPE ON CHARACTERIZATION HE EFFECTS IN ISHI FERRITIC ALLOYS	81.RD *	460134			25,631
ANALYSIS AND DEVELOPMENT OF NOVEL MULTI-RATE COUPLING SCHEMES BASED ON DISCONTINUOUS-GALERKIN-IN-TIME METHODS	81.RD *	PO#2222794			2,796
DEVELOPMENT OF REDUCED MODELS AND EFFICIENT CHEMISTRY SOLVERS	81.RD *	PO #1833988			28,974

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
EIC BACKGROUND STUDIES AND THE IMPACT ON THE IR AND DETECTOR DESIGN	81.RD *	341820			(33,545)
EIC BACKGROUND STUDIES AND THE IMPACT ON THE IR AND DETECTOR DESIGN	81.RD *	Contract No. 341820 Amend 1			78,004
EVALUATION AND VALIDATION OF A MULTIMODAL BRAIN FUNCTION BIOMARKER WITH NPC	81.RD *	AG200289	BRAINSCOPE COMPANY	AG200289	22,159
EXPERIMENTAL MEASUREMENT OF FUEL REACTIVITY AND PHI SENSITIVITY	81.RD *	B630575			31,130
EXPERIMENTAL MEASUREMENT OF FUEL REACTIVITY AND SOOT	81.RD *	B642986			69,605
INTEGRATED MULTISCALE MODELING AND EXPERIMENTAL APPROACH TO UNDERSTAND VISCOELASTICITY OF ELASTOMERS	81.RD *	B632271			9,026
INTEGRATED MULTISCALE MODELING AND EXPERIMENTAL APPROACH TO UNDERSTAND VISCOELASTICITY OF ELASTOMERS	81.RD *	B641677			113,088
LANL GRA PROGRAM	81.RD *	567327			141,339
MODELING AND THEORY OF DYNAMIC QUANTUM STATES AND UNCONVENTIONAL ORDERS	81.RD *	597496			16,872
STOCHASTIC SIZING AND OPERATION OF GRID-LEVEL ENERGY STORAGE SYSTEMS	81.RD *	BNL-0000350226			174,632
STOCHASTIC SIZING AND OPERATION OF GRID-LEVEL ENERGY STORAGE SYSTEMS UNDER INTERMITTENT RENEWABLE GENERATION AND INCRE	81.RD *	Contract No. 350226			1,033
SYNTHESIS, CHARACTERIZATION, AND MAKING OF ZNO/BAO BASED NANO-ARRAY MONOLITHS	81.RD *	4000166671			(378)
THE NATIONAL ALLIANCE FOR WATER INNOVATION	81.RD *	No. 7550806			87,735
TRIPLET-DRIVEN SOLAR ENERGY CAPTURE	81.RD *	357745			75,464
INTERNATIONAL RESEARCH AND STUDIES	84.017*				4,559
REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANTS TO STATES	84.126*				65,500
GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED	84.200*				1,107,713
JAVITS GIFTED AND TALENTED STUDENTS EDUCATION	84.206*				1,413,167
JAVITS GIFTED AND TALENTED STUDENTS EDUCATION	84.206*		EAST TENNESSEE STATE UNIVERSITY	19-287-1-52.1	26,472
EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION	84.305*		UNIVERSITY OF ILLINOIS, URBANA-CHAMPAIGN		1,221,348
EDUCATION RESEARCH, DEVELOPMENT AND DISSEMINATION	84.305*		VANDERBILT UNIVERSITY	16662	
				UNIV60628	81,541
RESEARCH IN SPECIAL EDUCATION	84.324*				1,136,932
RESEARCH IN SPECIAL EDUCATION			UNIVERSITY OF KANSAS	FY2019-117	
			UNIVERSITY OF MARYLAND, COLLEGE PARK	Z2104001	
	84.324*		UNIVERSITY OF TENNESSEE	PREAWARD	
			UNIVERSITY OF KANSAS	FY2019-104	
			LEHIGH UNIVERSITY	544235-78001	315,478
SPECIAL EDUCATION - PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.325*				3,096,174
SPECIAL EDUCATION _TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	84.326*		AMERICAN INSTITUTES FOR RESEARCH	0141010602	
			AMERICAN INSTITUTES FOR RESEARCH	0313000102	(1,694)
SCHOOL IMPROVEMENT GRANTS, RECOVERY ACT	84.388*	ARRA			7,888
SUPPORTING EFFECTIVE EDUCATOR DEVELOPMENT PROGRAM	84.423*		FLORIDA STATE UNIVERSITY	R000002705	103,955
SPECIAL PROGRAMS FOR THE AGING, TITLE IV, AND TITLE II, DISCRETIONARY PROJECTS	93.048*				26,192
TRAINING IN GENERAL, PEDIATRIC, AND PUBLIC HEALTH DENTISTRY	93.059*				(1,851)
INNOVATIONS IN APPLIED PUBLIC HEALTH RESEARCH	93.061*		SONATA SCIENTIFIC, LLC	SONATA SCIENTIFIC/CDC	8,572
PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069*				14,123
BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE	93.073*				369,767
FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT REGULATORY RESEARCH	93.077*				279,746
PREVENTION OF DISEASE, DISABILITY, AND DEATH BY INFECTIOUS DISEASES	93.084*		CORNELL UNIVERSITY	81477-10821	694,743
WELL INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN) PROGRAM	93.094*				109,586
FOOD AND DRUG ADMINISTRATION RESEARCH	93.103*				2,549,033
FOOD AND DRUG ADMINISTRATION RESEARCH			YALE UNIVERSITY	GR107685(CON-80002252)	
	93.103*		ASSOCIATION OF FOOD AND DRUG OFFICIALS (AFDO)	G-SP1810-06800/G-MP-1810-06829/G-T-1810-06839	3,069
AREA HEALTH EDUCATION CENTERS	93.107*				585,537
COVID-19 AREA HEALTH EDUCATION CENTERS	93.107*	COVID-19			90,722
MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	93.110*				291,020
MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS			ORGANIZATION OF TERATOLOGY INFORMATION SERVICES		
			ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI(ISMMS)	HRSA 5UG4MC27861	
	93.110*		ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI(ISMMS)	ISMMS 0253-6548-4609/HRSA ISMMS0253-6549-4609 PO	
			ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI(ISMMS)	#SC142357G	
			ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI(ISMMS)	ISMMS 0253-6540-4609/HRSA	76,945
ENVIRONMENTAL HEALTH	93.113*				622,670
ENVIRONMENTAL HEALTH			JOHNS HOPKINS UNIVERSITY	2003338059	
	93.113*		UNIVERSITY OF MINNESOTA	P007567001	
			CIENCIA	PROJECT #753601	294,190
ORAL DISEASES AND DISORDERS RESEARCH	93.121*				3,589,018

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
ORAL DISEASES AND DISORDERS RESEARCH			THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY D/B/A CAROLINAS NOVA SOUTHEASTERN UNIVERSITY INC AMERICAN ASSOC FOR DENTAL RESEARCH AMERICAN ASSOC FOR DENTAL RESEARCH NEW YORK UNIVERSITY UNIVERSITY OF PENNSYLVANIA UNIVERSITY OF SOUTH CAROLINA	CMC-NIH U01DE022939 NOVA 331647/NIH R03 DE027153 AADR/NIDCR 1UE5DE029439-01 AADR/NIDCR 5UE5DE029439-02 F0397-1 PO#B00132940 580833 20-3977 PO#2000050245	303,718 581,470
INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS NIEHS SUPERFUND HAZARDOUS SUBSTANCES_BASIC RESEARCH AND EDUCATION	93.121*				
	93.136*		DARTMOUTH COLLEGE BOSTON UNIVERSITY	R154 4500003395	80,970
COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH			CONNECTICUT CHILDREN'S SPECIALTY GROUP INC CONNECTICUT CHILDREN'S SPECIALTY GROUP INC CONNECTICUT CHILDREN'S SPECIALTY GROUP INC	CCSG 19-185023-04 CONT/HRSA CCSG 19-185023-04 SUPP/HRSA CCSG 20-185026-01/HRSA	192,177 2,272,915
HUMAN GENOME RESEARCH HUMAN GENOME RESEARCH	93.172*		THE JACKSON LABORATORY YALE UNIVERSITY	JAX 210256-0121-03 / PO #213231 YALE GR100950 NIH SUB#CON- 80000961	212,290 1,898,974
RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS RESEARCH RELATED TO DEAFNESS AND COMMUNICATION DISORDERS	93.173*		SMARTY EARS APPS NORTHWESTERN UNIVERSITY	SAS189 NWU SP0044830- PROJ0012557/NIHR01DC	17,193 430,697
RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH RESEARCH AND TRAINING IN COMPLEMENTARY AND INTEGRATIVE HEALTH	93.213*		GEORGIA STATE UNIVERSITY ERGO HEALTH, LLC MIRIAM HOSPITAL UNIVERSITY OF CALIFORNIA, LOS ANGELES UNIVERSITY OF CALIFORNIA, LOS ANGELES RTI INTERNATIONAL	GSU SP00013079-01/NIH R34AT009538 001/ NIH R41AT010878-01 710-9196 1900 G XA869 1900 G YA571 1-340-0217178-65974L	210,513
HEALTH CENTER PROGRAM (COMMUNITY HEALTH CENTERS, MIGRANT HEALTH CENTERS, HEALTH CARE FOR THE HOMELESS, AND PUBLIC HOL	93.224*		MASSACHUSETTS LEAGUE OF COMMUNITY HEALTH CENTERS, INC.	CONNECTICUT RIVER VALLEY FARMWORKER	15,600 60,087
NATIONAL CENTER ON SLEEP DISORDERS RESEARCH	93.233*				10,238
POLICY RESEARCH AND EVALUATION GRANTS	93.239*		UNIVERSITY OF ILLINOIS, CHICAGO	17854-00	7,294,169
MENTAL HEALTH RESEARCH GRANTS MENTAL HEALTH RESEARCH GRANTS	93.242*		NORTHWESTERN UNIVERSITY UNIVERSITY OF MASSACHUSETTS UNIVERSITY OF PITTSBURGH YALE UNIVERSITY YALE UNIVERSITY NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION INC NORTHERN CALIFORNIA INSTITUTE FOR RESEARCH AND EDUCATION INC JOHNS HOPKINS UNIVERSITY DREXEL UNIVERSITY SAN DIEGO STATE UNIVERSITY	NWU 60042322/NIH R01 MH107652 S51110000046594 PO L001082538/NIH AWD00003706 (135732- 2)/R21MH118986 YALE GR107375 (CON- 80001895) / NIH YALE GR11063 (CON- 80002442)/NIH BYE2129-01/NIH RF1 MH117604 BYE2267-01/NIH RF1 MH117604 JOHNSHOPKINS 2002554852/R01MH103799 PREAWARD SA0000470	727,816

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
MENTAL HEALTH RESEARCH GRANTS			STANFORD UNIVERSITY	61138664-121865	
			UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	10530SC	
			UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	9371SC	
	93.242*		UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	9397SC	
			UNIVERSITY OF MASSACHUSETTS, LOWELL	551110000046594	
			YALE UNIVERSITY	GR112293 (CON-80003009)	
			BRIGHAM AND WOMEN'S HOSPITAL	119452	
			NEUROLUX	AG 210288	145,119
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243*		COMMUNITY RENEWAL TEAM INCORPORATED		1,842,856
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE			NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION		
			MENTAL HYGIENE		
	93.243*		VILLAGE FOR FAMILIES AND CHILDREN	SAMHSA H79TI081390	
			OKLAHOMA DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES	RFMH PO 150455/SAMHSA AG161497	
			OKLAHOMA DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES	4529062417	
				PO #45290585524	195,968
EARLY HEARING DETECTION AND INTERVENTION	93.251*				70,720
COVID-19 POISON CENTER SUPPORT AND ENHANCEMENT GRANT	93.253*	COVID-19			7,354
POISON CENTER SUPPORT AND ENHANCEMENT GRANT	93.253*				145,555
OCCUPATIONAL SAFETY AND HEALTH PROGRAM	93.262*				567,602
OCCUPATIONAL SAFETY AND HEALTH PROGRAM			UNIVERSITY OF MASSACHUSETTS	551130000040057 CORE	
			UNIVERSITY OF MASSACHUSETTS	PO#L000780525	
			UNIVERSITY OF MASSACHUSETTS	551130000043620 PR B	
			UNIVERSITY OF MASSACHUSETTS	PO#L000990266	
			UNIVERSITY OF MASSACHUSETTS	551130000043620C OUT	
			UNIVERSITY OF MASSACHUSETTS	PO#L000990265	
			UNIVERSITY OF MASSACHUSETTS	551130000043620 PILOT	
			UNIVERSITY OF MASSACHUSETTS	GRANT PROGRAM	
	93.262*		UNIVERSITY OF MASSACHUSETTS	551130000043620 CORE	
			CREARE	PO#L000990267	
				551130000047719 CORE	
				PO#L001119652	
				551130000047719 PR B	
				PO#L001119651	
				551130000047719 OUT	
				PO#L001119641	
				551130000047719 PILOT	
				GRANT PROGRAM	
				PO 110106	461,921
OCCUPATIONAL SAFETY AND HEALTH PROGRAM	93.262*		UNIVERSITY OF MASSACHUSETTS, LOWELL	551130000047719	134,549
ALCOHOL RESEARCH PROGRAMS	93.273*				3,967,322
ALCOHOL RESEARCH PROGRAMS			ROWAN UNIVERSITY	R15AA028637	
			DUKE UNIVERSITY	DUKE A032132 / NIH R01	
			THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK	AA021719	
			THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK	SUNY 1009189-	
			THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK	82217/UIOAA008401-30	
			THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK	SUNY 1009189-	
			THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK	85979/2U10AA00840131	
			YALE UNIVERSITY	SUNY 1009189-	
	93.273*		CHILDRENS CTR AT SUNY BROOKLYN, INC	89135/5U10AA008401	
			VIRGINIA COMMONWEALTH UNIVERSITY	M16A12437(A10599)	
			NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION	YALE/NIH	
			MENTAL HYGIENE	SUNY 62189	
			PACIFIC INSTITUTE FOR RESEARCH AND EVALUATION (PIRE)	VCU	
				FP00009381_SA001/NIHR01A	
				A024466	
				RFMH PO# 149940/NIH	
				R01AA025947	
				PROJECT CODE 0915	828,896
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	93.279*				3,371,510

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS			NEW YORK UNIVERSITY THE JACKSON LABORATORY THE JACKSON LABORATORY YALE UNIVERSITY YALE UNIVERSITY YALE UNIVERSITY Q2I, LLC	NYU PO M210396142/NIH R33DA049252 NIH U01DA043809/JAX PO212270 NIH U01DA043809/JAX 210306-0721-03 YALE M15A11968/A10835 NIH DA009241	
	93.279*		NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE NY PSYCHIATRIC INSTITUTE RESEARCH FOUNDATION MENTAL HYGIENE	YALEGR104007CON80001373/NIHDA009241 YALEG101087(CON80000947)NIHDA009241 2QJ 1R42DA049448/NIDA R42DA049448 RFMH PO# 149489/NIH R01 DA043122 RFMH PO 151295/NIH UG1 DA 050071 RFMH PO 153676 /NIH UG1 DA 050071	213,903
DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS			RESEARCH TRIANGLE INSTITUTE SAN DIEGO STATE UNIVERSITY UNIVERSITY OF IOWA UNIVERSITY OF WASHINGTON VIRGINIA COMMONWEALTH UNIVERSITY YALE UNIVERSITY YALE UNIVERSITY UNIVERSITY OF NORTH TEXAS FORDHAM UNIVERSITY	RTI 2312-0217620-66088L/R01DA052294 PREAWARD 1001408117 UWSC12624 PREAWARDED GK000135 (CON-80000448) PREAWARD PREAWARD FORD0066-30290	
	93.279*				
CENTERS FOR DISEASE CONTROL AND PREVENTION INVESTIGATIONS AND TECHNICAL ASSISTANCE	93.283*				326,675
COVID-19 DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*	COVID-19			55,825
DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*				197,767
DISCOVERY AND APPLIED RESEARCH FOR TECHNOLOGICAL INNOVATIONS TO IMPROVE HUMAN HEALTH	93.286*		THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK UNIVERSITY OF WASHINGTON	SUNY#100-1135875-76398/NIH R01 NIH P41EB023912/UWSC10558 PO#35498	1,850,199
TEENAGE PREGNANCY PREVENTION PROGRAM	93.297*		CITY OF HARTFORD		207,533
MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH	93.307*			COH HHS2020-11/DHHS/OAH	2
MINORITY HEALTH AND HEALTH DISPARITIES RESEARCH	93.307*				449,132
COVID-19 TRANS-NIH RESEARCH SUPPORT	93.310*	COVID-19	UNIVERSITY OF ALABAMA, TUSCALOOSA	A19-0258-S001	14,523
TRANS-NIH RESEARCH SUPPORT	93.310*				20,288
TRANS-NIH RESEARCH SUPPORT	93.310*		THE UNIVERSITY OF TEXAS AT EL PASO THE UNIVERSITY OF TEXAS AT EL PASO CONNECTICUT CHILDREN'S MEDICAL CENTER UNIVERSITY OF CALIFORNIA, SAN FRANCISCO KLEIN BUENDEL	UTEP 226141289J / NIH 2TL4GM118971 UTEP 226141328J / NIH 2TL4GM118971 21-181040-01 114245C 0301-0171-002	384,001
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323*				74,518
RESEARCH INFRASTRUCTURE PROGRAMS	93.351*		YALE UNIVERSITY	YALE GR103597 (CON-80001318) / NIH PREAWARD	219,591
21ST CENTURY CURES ACT - BEAU BIDEN CANCER MOONSHOT	93.353*		KLEIN BUENDEL		142,238
NURSING RESEARCH	93.361*				7,887
NURSING RESEARCH	93.361*		BRIGHAM AND WOMEN'S HOSPITAL INC COLUMBIA UNIVERSITY UNIVERSITY OF MARYLAND, BALTIMORE UNIVERSITY OF MARYLAND, BALTIMORE	BRIGHAM119993/NIH R21NR017256 GG014619-16 F301414-1 F218419-2	1,087,041
	93.361*				280,594

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
SICKLE CELL TREATMENT DEMONSTRATION PROGRAM	93.365*		JOHNS HOPKINS UNIVERSITY JOHNS HOPKINS UNIVERSITY	JHOP PO2003735150 HRSA U1EMC27864 JHOP PO2003735150/HRSA U1EMC27864	17,263 1,860,848
CANCER CAUSE AND PREVENTION RESEARCH CANCER CAUSE AND PREVENTION RESEARCH	93.393*		PHYSICAL SCIENCES RUTGERS UNIVERSITY	87498-8014-46	
	93.393*		UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL KLEIN BUENDEL	PO#931471/SUBAWARD#0519 OSP31650-00 0301-0171-002	244,676 564,534
CANCER DETECTION AND DIAGNOSIS RESEARCH CANCER DETECTION AND DIAGNOSIS RESEARCH	93.394*		UNIVERSITY OF MARYLAND AT BALTIMORE UNIVERSITY OF PENNSYLVANIA UNIVERSITY OF KENTUCKY	UMD 1903275 PO#SR00005694/NIH 574776/PO-4565592 3200003104-21-220	123,700 1,419,875
CANCER TREATMENT RESEARCH CANCER TREATMENT RESEARCH	93.395*		UNIVERSITY OF CALIFORNIA, SAN FRANCISCO UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL NAMI THERAPEUTICS	87625C 5101332 NM2019_SA001	138,307 1,400,797
CANCER BIOLOGY RESEARCH CANCER BIOLOGY RESEARCH	93.396*		YALE UNIVERSITY BETH ISRAEL DEACONESS MEDICAL CENTER QUERCUS MOLECULAR DESIGN	PREAWARD 01062347 R41CA247113-S1	328,126
CANCER CENTERS SUPPORT GRANTS	93.397*		YALE UNIVERSITY YALE UNIVERSITY INSTITUTE FOR CANCER RESEARCH D/B/A FOX CHASE CANCER CENTER	YALE GR108273(CON-80002118)/NIH YALE GR111083(CON-80002868)/NIH FOX 120305-56/NIH 3P30CA006927-54S2	21,418 40,278
CANCER RESEARCH MANPOWER COVID-19 STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NAT	93.398*		ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	AUCD 15-21-8814/CDC 6 NU38OT000280	
	93.421*	COVID-19	ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	CDC ACT EARLY AMBASSADOR FOR CT	73,893
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATION'S HEA	93.421*		ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	ACT EARLY AMBASSADORS	
	93.421*		ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES	AUCD 3-20-8813 / CDC 6 NU38OT000280	16,420 187,889 155,266
IMPROVING THE HEALTH OF AMERICANS THROUGH PREVENTION AND MANAGEMENT OF DIABETES AND HEART DISEASE AND STROKE STATE PHYSICAL ACTIVITY AND NUTRITION (SPAN ALZHEIMER'S DISEASE PROGRAM INITIATIVE (ADPI)	93.426* 93.439* 93.470*		LIVEWELL ALLIANCE, INC	LIVEWELL ALLIANCE, INC./ACL	32,210
COVID-19 PROVIDER RELIEF FUND AND AMERICAN RESCUE PLAN (ARP) RURAL DISTRIBUTION PREGNANCY ASSISTANCE FUND PROGRAM GRANTS FOR NEW AND EXPANDED SERVICES UNDER THE HEALTH CENTER PROGRAM	93.498* 93.500* 93.527*	COVID-19	COMMUNITY HEALTH CENTER ASSOC CT	CHCACT/HRSA HCCN 6H2QCS30239-04-02	17,097,868 457 47,830 290,920 6,107 277,885 (747) 147,112 577,853
MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM CHILD CARE AND DEVELOPMENT BLOCK GRANT COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS COMMUNITY HEALTH ACCESS AND RURAL TRANSFORMATION (CHART) MODEL DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE ACA-TRANSFORMING CLINICAL PRACTICE INITIATIVE: PRACTICE TRANSFORMATION NETWORKS (PTNS)	93.556* 93.575* 93.590* 93.624* 93.630* 93.632* 93.638*		UNIVERSITY OF MASSACHUSETTS UNIVERSITY OF MASSACHUSETTS	WA00564192/OSP2016104/U MASS/DHHS WA00794163/OSP2016104/U MASS/DHHS	(32,920) 154,709 327,885 247,915
COVID-19 EMERGENCY GRANTS TO ADDRESS MENTAL AND SUBSTANCE USE DISORDERS DURING COVID-19 MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS OPIOID STR SECTION 223 DEMONSTRATION PROGRAMS TO IMPROVE COMMUNITY MENTAL HEALTH SERVICES	93.665* 93.732* 93.788* 93.829*	COVID-19	COMMUNITY MENTAL HEALTH AFFILIATES INC COMMUNITY MENTAL HEALTH AFFILIATES INC	CMHA/SAMHSA 1H79SM083086-01 CMHA/SAMHSA 6H79SM083086-01M002	74,735

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
CARDIOVASCULAR DISEASES RESEARCH	93.837*				2,178,642
CARDIOVASCULAR DISEASES RESEARCH			THE PENNSYLVANIA STATE UNIVERSITY BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY	SUB AWD# 5275 UCHC DHHS 2311 STNFRD62054803-	
			RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY CORNOVUS PHARMACEUTICALS CORNOVUS PHARMACEUTICALS	136064NIHR01HL146111 RUTGERS0905 P01101901/R01HL147350	
	93.837*		DUKE UNIVERSITY UNIVERSITY OF RHODE ISLAND YALE UNIVERSITY	CORNOVUS PHARMA/NIH R44 HL152710 CORNOVUS PHARM/NIH R41	
			UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL BOSTON UNIVERSITY	HL156322 PREAWARD 0006829/110718 PREAWARD	
				OSP2018074/WA00691205 4500002297	1,071,612 475,560
LUNG DISEASES RESEARCH	93.838*		THE WASHINGTON UNIVERSITY		
LUNG DISEASES RESEARCH			THE WASHINGTON UNIVERSITY UNIVERSITY OF ARIZONA	PO2941623H WU20-459/R01 HL13087605 PO2940934K WU21-352/R01 HL13087605	
	93.838*			UNIV OF ARIZONA 553566/NIH	43,505
BLOOD DISEASES AND RESOURCES RESEARCH	93.839*				758,156
ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH	93.846*				5,937,152
ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASES RESEARCH	93.846*		EMORY UNIVERSITY	PO A071106 / NIH R21AR071536	43,135
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH	93.847*				4,022,253
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH			UNIVERSITY OF MINNESOTA CELL AND MOLECULAR TISSUE ENGINEERING, LLC CELL AND MOLECULAR TISSUE ENGINEERING, LLC	P007639702 CELL&MOLECULAR/NIH R43 DK120011	
			UNIVERSITY OF PITTSBURGH YALE UNIVERSITY CONNECTICUT CHILDREN'S MEDICAL CENTER	CMTE/NIH R43 DK123770 AWD00002047(134533- 1)/5R01DK118239	
	93.847*		PENNSYLVANIA STATE UNIVERSITY VANDERBILT UNIVERSITY YALE UNIVERSITY	YALE CON-80002899 (GR112143)/NIH 19-179499-01	
			STATE UNIVERSITY OF NEW YORK, UPSTATE MEDICAL UNIVERSITY	UCONNDK0088244 PREAWARD GR102645 (CON-80001230)	284,900
DIABETES, DIGESTIVE, AND KIDNEY DISEASES EXTRAMURAL RESEARCH	93.847*		UNIVERSITY OF PENNSYLVANIA	1138946-77867 PREAWARD	28,127
EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS	93.853*				7,693,953
EXTRAMURAL RESEARCH PROGRAMS IN THE NEUROSCIENCES AND NEUROLOGICAL DISORDERS			IMPERIAL COLLEGE OF SCIENCE TECHNOLOGY AND MEDICINE THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	IMPERIAL COL/U01NS099573 PO 3668156 UT SA0000749/NIH 1R21NS114836	
	93.853*		JACKSON LABORATORY NORTHWESTERN UNIVERSITY UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER, DALLAS	210277-0821-05 60051731 UCONN GMO:201013_PO#000000187 4	
ALLERGY AND INFECTIOUS DISEASES RESEARCH	93.855*				162,443 8,607,757

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 SUMMARY OF PROGRAM CLUSTERS
 For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
ALLERGY AND INFECTIOUS DISEASES RESEARCH			IOWA STATE UNIVERSITY	022586A	
			THE JACKSON LABORATORY	JAX LABS/NIH R01A1142086	
			THE JACKSON LABORATORY	PO#213434	
			THE JACKSON LABORATORY	JAX NIH U01 A1124297	
			YALE UNIVERSITY	JAX LABS/NIH R01A1142086	
	93.855*		RHODE ISLAND HOSPITAL	PO#210311	
			UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL	YALE GK000139 (CON-80000451)	
			QUERCUS MOLECULAR DESIGN	RI HOSP 7137472WP / NIH R01A1141522	
				5116257	
				PREAWARD	353,592
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859*				13,702,135
BIOMEDICAL RESEARCH AND RESEARCH TRAINING			JOHNS HOPKINS UNIVERSITY		
			RESEARCH FOUNDATION FOR THE STATE		
			UNIVERSITY OF NEW YORK	2004755289	
	93.859*		UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL	2-83291	
			RHODE ISLAND HOSPITAL	5104923	
			UNIVERSITY OF TEXAS, AUSTIN	7017137314	
				UTA19-001129	171,313
BIOMEDICAL RESEARCH AND RESEARCH TRAINING			NORTHEASTERN UNIVERSITY	NORHTEASTERN UNIV 500568-	
			THE JACKSON LABORATORY	78050/NIH	
			THE JACKSON LABORATORY	NIH R35 GM124922/JAX LABS	
			THE JACKSON LABORATORY	PO#212481	
			THE JACKSON LABORATORY	JAX 210309-0121-02/NIH R01	
			YALE UNIVERSITY	GM127531	
			UNIVERSITY OF VIRGINIA	NIH R35 GM124922/JAX LABS	
			UNIVERSITY OF WISCONSIN	PO214189	
			UNIVERSITY OF FLORIDA	JAX 210309-0122-02/NIH R01	
	93.859*		JOHNS HOPKINS UNIVERSITY	GM127531	
				YALE	
				C17A12640(CON80000126)/NIH	
				H	
				U VA GB10638.160152/NIH	
				R01GM080219	
				UNIV OF WISCONSIN/NIH	
				889K453	
				UFL/NIH R01 GM127909	
				2005010845	381,946
CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH	93.865*				4,488,334
CHILD HEALTH AND HUMAN DEVELOPMENT EXTRAMURAL RESEARCH			DREXEL UNIVERSITY	232645	
			HASKINS LABORATORIES	A214-538.30	
	93.865*		HASKINS LABORATORIES	A222-02	
			HASKINS LABORATORIES	AG170579	
			UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	110775C	267,321
AGING RESEARCH	93.866*				5,752,037
AGING RESEARCH			BROWN UNIVERSITY		
			NOVA SOUTHEASTERN UNIVERSITY INC	SUB:00001382/ NIA:	
			ADICET BIO, INC	1U54AG063546-01	
			COLUMBIA UNIVERSITY	NSU 331768/ NIH	
			UNIVERSITY OF WASHINGTON	R01AG064003	
	93.866*		YALE UNIVERSITY	PRIME: 3R01 AG064802-02S1	
			JACKSON LABORATORY	1(GG010946-08)	
			HUTCHINSON (FRED) CANCER RESEARCH CENTER	UWSC11748/PO#BPO46863	
				GR111652 (CON-80002882)	
				PO 213085	
				0000981458	327,168

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
AGING RESEARCH			DUKE UNIVERSITY	A032807/ NIH 3UH2-	
			DUKE UNIVERSITY	AG056925-03S1	
			THE JACKSON LABORATORY	A032807/NIH 5UH3AG056925-	
			THE JACKSON LABORATORY	04	
			UNIVERSITY OF MARYLAND AT BALTIMORE	JAX LABS/NIH R01AG052608	
			MAYO CLINIC	PO#212056	
			MAYO CLINIC	NIH R56AG060746/JAX LABS	
			MAYO CLINIC	PO213079	
	93.866*		THE WASHINGTON UNIVERSITY	UMB SR00004448	
			THE WASHINGTON UNIVERSITY	UNI-250202/ PRIME:	
				R33AG061456	
				CON-275475/PO#67674986/	
				R01AG072301	
				UNI-250202/PO#67842761	
				WU/NIH R01 AG051647	
				PO#2933904G	
				WU/NIH R01AG051647	
				PO#2933904G	694,422
VISION RESEARCH	93.867*				1,889,123
MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT	93.870*				(7,822)
MEDICAL LIBRARY ASSISTANCE	93.879*				5,346
COVID-19 HIV EMERGENCY RELIEF PROJECT GRANTS	93.914*		CITY OF HARTFORD	CITY OF HARTFORD/HRSA	
		COVID-19		COVID-19	23,680
HIV EMERGENCY RELIEF PROJECT GRANTS			CITY OF HARTFORD		
			CITY OF HARTFORD		
	93.914*			CITY OF HARTFORD/HRSA/OUTP AMB CARE	
				CITY OF HARTFORD/HRSA/MED CASE	289,027
COVID-19 HIV CARE FORMULA GRANTS	93.917*	COVID-19			4,200
HIV CARE FORMULA GRANTS	93.917*				186,729
SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE	93.928*		CITY OF HARTFORD	COH HHS2019-20/HRSAU90HA30516	1
RESEARCH, PREVENTION, AND EDUCATION PROGRAMS ON LYME DISEASE IN THE UNITED STATES	93.942*				167,271
ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION AND CONTROL	93.945*				(9,741)
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959*				358,936
INTERNATIONAL RESEARCH AND RESEARCH TRAINING	93.989*				59,936
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994*				41,274
ACUTE PAIN MANAGEMENT BY EMS IN THE PREHOSPITAL SETTING	93.RD*	75Q80118F32004			(220)
COMPUTATIONAL DRUG DELIVERY: LEVERAGING PREDICTIVE MODELS TO DEVELOP BIOEQUIVALENT GENERIC LONG-ACTING INJECTIONS	93.RD*	AG181316	QRONO	AG181316	690
CONTINUOUS PROCESSING OF LIPOSOMAL NANOPARTICLES AS REFERENCE MATERIALS FOR DRUG PRODUCT DEVELOPMENT	93.RD*	75F40120C00201			136,257
IMPACT OF POLYMER ATTRIBUTES ON THE PERFORMANCE OF IN SITU FORMING IMPLANTS	93.RD*	75F40120C00021			321,892
IMPACT OF POLYMER SOURCE VARIATIONS ON PARENTERAL MICROSPHERE DRUG PRODUCT PERFORMANCE	93.RD*	HHSF223201810115C			161,851
IN VITRO AND IN VIVO ASSESSMENT OF OPHTHALMIC OINTMENTS FOR GENERIC PRODUCT EQUIVALENCE	93.RD*	HHSF223201810114C			295,451
IN VITRO IN-VIVO CORRELATION OF THE LONG-ACTING INJECTABLE SUSPENSIONS	93.RD*	HHSF223201710135C			(37,442)
METHODS AND DISSEMINATION: COLLABORATION TO IMPROVE VALIDITY, CONSISTENCY, AND UTILITY OF SYSTEMATIC REVIEWS	93.RD*	HHSA290201500012I/TO 1			49,378
MICROSTRUCTURE CHARACTERIZATION WITH MICRO-IMAGING AND IMAGE-BASED ANALYTICS: A NEW TOOL TO CHARACTERIZE COMPLEX POL'	93.RD*	75F40119C10157	DIGIM SOLUTION	75F40119C10157	151,711
RANDOMIZED CONTROLLED TRIALS OF LIFESTYLE WEIGHT LOSS INTERVENTIONS FOR GENOME-WIDE ASSOCIATION STUDIES	93.RD*	6632.01-S06	WESTAT	6632.01-S06	607
SAFETY AND PERFORMANCE MONITORING DURING OCCUPATIONAL WORK	93.RD*	T42 OH008416	HARVARD EDUCATION AND RESEARCH CENTER	T42 OH008416	10,237
SINGLE-ADMINISTRATION MICRONEEDLE SKIN PATCH FOR NOVEL VACCINATION TECHNOLOGY	93.RD*	75A50120C00162			281,873
THE FEASIBILITY AND EFFECTIVENESS OF AN OPIOID PACKAGE (OPP) TO IMPACT OPIOID PRESCRIBING, DISPENSING, AND PATIENT USE OUTCOM	93.RD*	75F40119C10152			201,773
RESEARCH AND DATA ANALYSIS	95.007*		WATERBURY POLICE DEPARTMENT, CT	AG200512	47,298
USAID FOREIGN ASSISTANCE FOR PROGRAMS OVERSEAS			UNIVERSITY OF GEORGIA		
	98.001*		NATIONAL ACADEMY OF SCIENCES	SUB000012331	
			CONTRACEPTIVE RESEARCH AND DEVELOPMENT PROGRAM (CONRAD/EVMS)	2000009132	
				NXS-19-010	351,833
RESEARCH AND DEVELOPMENT Program Total					\$ 214,522,544
SECTION 8 PROJECT-BASED CLUSTER Program					
SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM (SEE NOTE 1)	14.195				\$ 2,081,189
SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY (SEE NOTE 1)	14.249				69,754
SECTION 8 PROJECT-BASED CLUSTER Program Total					\$ 2,150,943
SNAP CLUSTER Program					

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARY OF PROGRAM CLUSTERS
For the Fiscal Year Ended June 30, 2021

Cluster Name/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Federal Expenditures
COVID-19 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.551	COVID-19			\$ 271,781,859
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SEE NOTE 4)	10.551				663,641,321
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561*				66,004,606
SNAP CLUSTER Program Total					\$ 1,001,427,786
SPECIAL EDUCATION CLUSTER (IDEA) Program					
SPECIAL EDUCATION GRANTS TO STATES	84.027				\$ 134,853,951
SPECIAL EDUCATION GRANTS TO STATES	84.027		MA DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION		440,330
SPECIAL EDUCATION PRESCHOOL GRANTS	84.173			PREAWARD	5,004,847
SPECIAL EDUCATION CLUSTER (IDEA) Program Total					\$ 140,299,128
STUDENT FINANCIAL ASSISTANCE Program					
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS	84.007				\$ 5,092,239
FEDERAL WORK-STUDY PROGRAM	84.033				3,064,295
FEDERAL PERKINS LOAN PROGRAM FEDERAL CAPITAL CONTRIBUTIONS (SEE NOTE 5)	84.038				16,264,742
FEDERAL PELL GRANT PROGRAM	84.063				138,356,432
FEDERAL DIRECT STUDENT LOANS	84.268				294,870,311
TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)	84.379				60,352
NURSE FACULTY LOAN PROGRAM (NFLP) (SEE NOTE 5)	93.264				3,576,178
HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS	93.342				393
NURSING STUDENT LOANS (SEE NOTE 5)	93.364				19,571
SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	93.925				485,065
STUDENT FINANCIAL ASSISTANCE Program Total					\$ 461,789,578
TRANSIT SERVICES PROGRAMS CLUSTER Program					
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES	20.513				\$ 2,934,217
NEW FREEDOM PROGRAM	20.521				428,694
TRANSIT SERVICES PROGRAMS CLUSTER Program Total					\$ 3,362,911
TRIO CLUSTER Program					
TRIO STUDENT SUPPORT SERVICES	84.042				\$ 876,072
TRIO TALENT SEARCH	84.044				194,984
TRIO UPWARD BOUND	84.047				1,656,039
TRIO MCNAIR POST-BACCALAUREATE ACHIEVEMENT	84.217				190,260
TRIO CLUSTER Program Total					\$ 2,917,355
WIOA CLUSTER Program					
WIOA ADULT PROGRAM	17.258				\$ 6,685,023
WIOA YOUTH ACTIVITIES	17.259				8,464,804
WIOA YOUTH ACTIVITIES	17.259		NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002	388,443
	17.259		NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002	388,443
	17.259		NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002	388,443
	17.259		NORTHWEST REGIONAL INVESTMENT BOARD	OSY-12-002	388,443
WIOA DISLOCATED WORKER FORMULA GRANTS	17.278				12,970,386
WIOA CLUSTER Program Total					\$ 28,508,656
Total Cluster Expenditures					\$ 9,246,812,608

* Assistance Listing Number includes expenditures reported under the Research and Development Cluster

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FEDERAL LOAN PROGRAMS
 For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Outstanding Balance as of 6/30/2021
DEPARTMENT OF EDUCATION LOAN PROGRAMS	FEDERAL PERKINS LOAN PROGRAM FEDERAL CAPITAL CONTRIBUTIONS (SEE NOTE 5)	84.038	\$ 13,155,532
DEPARTMENT OF EDUCATION LOAN PROGRAMS Total			<u>\$ 13,155,532</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES LOAN PROGRAMS	NURSE FACULTY LOAN PROGRAM (NFLP) (SEE NOTE 5)	93.264	\$ 3,071,494
	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS AND LOANS FOR DISADVANTAGED STUDENTS	93.342	606,939
	NURSING STUDENT LOANS (SEE NOTE 5)	93.364	19,571
	ARRA NURSE FACULTY LOAN PROGRAM (SEE NOTE 5)	93.408	ARRA 12,373
DEPARTMENT OF HEALTH AND HUMAN SERVICES LOAN PROGRAMS Total			<u>\$ 3,710,377</u>
Total Federal Loan Programs Outstanding			<u>\$ 16,865,909</u>

STATE OF CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity:

The accompanying Schedule of Expenditures of Federal Awards 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 *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (OMB Uniform Guidance).

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* (#17.002), *Compensation and Working Conditions* (#17.005), *Employment Service/Wagner-Peyser Funded Activities* (#17.207), *Trade Adjustment Assistance* (#17.245), *WIOA Adult Program* (#17.258), *WIOA Youth Activities* (#17.259), *H-1B Job Training Grants* (#17.268), *Reentry Employment Opportunities* (#17.270), *Work Opportunity Tax Credit Program (WOTC)* (#17.271), *Temporary Labor Certification for Foreign Workers* (#17.273), *WIOA National Dislocated Worker Grants/WIA National Emergency Grants* (#17.277), *WIOA Dislocated Worker Formula Grants* (#17.278), *Workforce Innovation Fund* (#17.283), *Apprenticeship USA Grants* (#17.285), *Occupational Safety and Health State Program* (#17.503), *Consultation Agreements* (#17.504), *Disability Employment Policy Development* (#17.720), *Disabled Veterans' Outreach Program* (#17.801), *Local Veterans' Employment Representative Program* (#17.804), *Presidential Declared Disaster Assistance to Individuals and Households – Other Needs* (#97.050), and the administrative portion of *Unemployment Insurance* (#17.225).

The total expenditures presented for *Section 8 Housing Assistance Payments Program* (#14.195), *Section 8 Moderate Rehabilitation Single Room Occupancy Program* (#14.249), *Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation* (#14.856), *Section 8 Housing Choice Voucher* (#14.871) and *Mainstream Vouchers* (#14.879) programs represent the net Annual Contributions Contract subsidy received for the state's fiscal year ended June 30, 2021. 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, and the Connecticut Community Colleges include certain accruals at the program level.

C. Basis of Presentation:

The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (OMB Uniform Guidance). Therefore, some amounts presented in this 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 expenditures until the funds are expended by the subrecipient state agency.

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.

STATE OF CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 2 – 10% De Minimis Cost Rate

The State of Connecticut did not elect to use the 10% de minimis cost rate as covered in 2 CFR 200.414 Indirect (F&A) cost.

Note 3 – Research Programs

Federally funded research programs at the University of Connecticut and its Health Center and 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 and its Health Center are considered one Major Federal Financial Assistance Program for purposes of compliance with the Federal Single Audit Act (OMB Uniform Guidance).

Note 4 – Non-cash Assistance

The state received non-cash federal financial assistance, which are included in the schedule and are as follows:

10.542	Pandemic EBT Food Benefits	\$73,767,615
10.551	Supplemental Nutrition Assistance Program	\$935,423,180
10.555	National School Lunch Program	\$15,599,921
10.559	Summer Food Service Program for Children	\$169,915
39.003	Donation of Federal Surplus Personal Property*	\$0
93.053	Nutrition Services Incentive Program*	\$0
93.268	Immunization Grants	\$31,547,477
	Centers for Disease Control & Prevention Investigations & Technical	
93.283	Assistance*	\$0
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters) *	\$0

*There was no non-cash federal assistance received during the fiscal year.

Note 5 - Federally Funded Student Loan Programs

The summary for the federally funded student loan programs below includes both those loans that have continuing compliance requirements and those that do not. They are:

a) Student loan programs with continuing compliance requirement:

Assistance Listing Number	Program Name	Loans Outstanding On June 30, 2021	New Loans Processed
84.038	Federal Perkins Loan Program	\$13,155,532	\$0
93.264	Nurse Faculty Loan Program	\$3,071,494	\$393,863
93.342	Health Professions Student Loans	\$606,939	\$0
93.364	Nursing Student Loans	\$19,571	\$0
93.408	ARRA-Nurse Faculty Loan Program	\$12,373	\$0

STATE OF CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

b) Other student loan programs that do not have a continuing compliance requirement:

Assistance Listing Number	Program Name	<u>New Loans Processed</u>
84.268	Federal Direct Student Loans	316,150,717

Note 6 - Rebates on the Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

The expenditures presented on the schedule for the federal WIC program are presented net of rebates and amounts for penalties and fines.

During the fiscal year the state received \$11,709,434 from rebates from infant formula and cereal manufacturers on the sales of formula to participants in the *U.S. Department of Agriculture's WIC program* (#10.557). The WIC program collected \$115 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 2021 Under 2 CFR 225, rebates enabled the state to serve more eligible persons with the same federal dollars thereby reducing the federal cost per person.

Note 7 - State Unemployment Insurance Funds

In accordance with The Uniform Guidance Compliance Supplement, State Unemployment Insurance Funds, as well as federal funds, shall be included in the Schedule of Expenditures of Federal Awards with assistance listing #17.225. During the fiscal year ended June 30, 2021, the state funds expended from the Federal Unemployment Trust Fund amounted to \$1,423,136,378. The total expenditures from the federal portion equaled \$3,978,864,188. The \$147,455,575 in Unemployment Insurance program administrative expenditures was financed by the U.S. Department of Labor.

Note 8 - Child Support Enforcement

During the fiscal year ended June 30, 2021 the Department of Social Services expended a total of \$52,335,313 (federal share) to accomplish the goals of the *Child Support Enforcement Program* (#93.563). The state received \$17,806,936 of the total expenditures by withholding a portion of various collections received through the process of implementing the *Child Support Enforcement Program*. The other \$34,528,378 of the federal share of expenditures was reimbursed to the state directly from the federal government.

Note 9 - HIV Care Formula Grants

Expenditures reported on the SEFA totaled \$12,714,393 for the *HIV Care Formula Grants* (#93.917). The state also expended \$26,950,411 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 SEFA expenditures.

STATE OF CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 10 – ARRA American Recovery and Reinvestment Act

Under the provisions of the American Recovery and Reinvestment Act of 2009, recovery expenditures used to be separately identified using the code, “ARRA” along with the Assistance Listing number. During the fiscal year ended June 30, 2021, a total of \$29,763 ARRA non-research funds and \$7,888 ARRA research funds were expended.

Note 11 – 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 12 – 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. This 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 Assistance Listing Number, Grantor, Grantor ID and Expenditure Amount, and is presented on the accompanying Schedule of Expenditures of Federal Awards.

Note 13 – COVID-19 Related Expenditures and Federal Programs

In response to the COVID-19 pandemic Federal Government provided State of Connecticut with new funding and various federal programs. Under the provisions of the OMB 2020 Compliance Supplement Appendix VII, COVID-19 related award expenditures are separately identified by assistance listing number with “COVID-19” prefix to the program name.

During fiscal year ended June 30, 2021 all *Personal Protective Equipment (PPE)* donations were received from private sources and other non-federal agencies.

Note 14- FEMA’s Public Assistance Programs

During the fiscal year ended June 30, 2021, the State of Connecticut reported \$72,544,500 of expenditures under “Disaster Grants – Public Assistance (Presidentially Declared Disasters)” Assistance Listing Number 97.036. Of this amount, the following expenditures were incurred in a prior year:

- \$0 in ALN 97.036 were incurred in a prior year
- \$6,591,894 in ALN 97.036 COVID-19 were incurred in a prior year

Schedule of Findings and Questioned Costs

**STATE OF CONNECTICUT
STATEWIDE SINGLE AUDIT
FISCAL YEAR ENDED JUNE 30, 2021
INDEX OF SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

		<u>Status</u>	<u>Page</u>
Section I.	Summary of Auditors' Results		197
Section II.	Financial Statement Related Findings Required to be Reported in Accordance with <i>Government Auditing Standards</i>		200
Section III.	Findings and Questioned Costs for Federal Awards		202
<u>Department of Social Services</u>			
001.	Activities Allowed or Unallowed – Non-qualified Aliens	B,D,H	202
002.	Activities Allowed or Unallowed – School based Child Health Claims	B,D,H	204
003.	Allowable Costs/Cost Principles – Third-Party Liability	B,D	206
004.	Allowable Costs/Cost Principles – Rates for DCF Operated Facilities	B,D	207
005.	Eligibility – Redeterminations	B,D	209
006.	Eligibility – Home and Community-Based Waivers	B,H	211
007.	Eligibility – Medicaid Waiver Recipient Annual Reevaluations	B	212
008.	Financial Reporting	B,D,H	214
009.	Special Tests and Provisions – Refunding of Federal Share of Medicaid and CHIP Overpayments to Providers	B,D,H	218
010.	Special Tests and Provisions – Medicaid Fraud Control Unit	B,H	221
011.	Special Tests and Provisions – Utilization Control and Program Integrity	B	222
012.	Special Tests and Provisions – ADP Risk Analysis and System Security Review – Service Organization Controls Report	B,H	223
013.	Special Tests and Provisions – Medicaid National Correct Coding Initiative	B,H	226
014.	Special Tests and Provisions – Provider Eligibility	B,H	227
015.	Special Tests and Provisions – Long-Term Care Facility Audits	B,H	230
016.	Special Tests and Provisions – Controls Over Income and Eligibility Verification System Related to Wage and Date of Death Matches	B,D,H	232
017.	Eligibility - Determinations	B,D,H	234
018.	Matching – Prior Period Adjustments	B,D,H	236
019.	Allowable Costs / Cost Principles - Cost Allocation Plan – Allocation Methodology	B	238
020.	Special Reporting - Federal Funding Accountability and Transparency Act	B	239
021.	Special Reporting – Status of Claims Against Households (FNS-209)	B,H	240
022.	Special Tests and Provisions – ADP System for SNAP	B	242

	<u>Status</u>	<u>Page</u>
023. Special Tests and Provisions – EBT Card Security	B	244
024. Allowable Costs/Cost Principles – Eligibility Rates and Expenditures Claimed	B,H	245
025. Subrecipient Monitoring	B,H	247
026. Subrecipient Monitoring	B,H	251
 <u>Department of Transportation</u>		
100. Cash Management – Cash Balances	B,H	254
 <u>Department of Labor</u>		
150. Reporting – ETA 227	B,H	257
151. Special Tests and Provisions – UI Benefit Overpayments	B,H	258
152. Subrecipient Monitoring – Compliance Monitoring Reviews	B,H	260
153. Governance	B,H	261
154. Allowable Costs	B,H	263
 <u>Department of Public Health</u>		
200. Subrecipient Monitoring	B	265
 <u>Department of Children and Families</u>		
250. Allowable Costs/Cost Principles – Foster Care Maintenance Payments	B,D,H	267
251. Eligibility – Adoption Assistance Subsidy Payments	B,D	269
 <u>State Department of Education</u>		
300. Suspension and Debarment	B	272
301. Allowable Costs/Cost Principles – Review of CTECS Title I, Part A Expenditures	B,D,H	273
302. Special Reporting – Federal Funding Accountability and Transparency Act	B	275
303. Special Reporting – Untimely Federal Funding Accountability and Transparency Act	B	276
 <u>Department of Emergency Services and Public Protection</u>		
350. Reporting – Federal Funding Accountability and Transparency Act	B	278
351. Subrecipient Monitoring and Reporting – Quarterly Progress Reports	B	280
 <u>Office of Policy and Management</u>		
400. Subrecipient Monitoring	C,A,D	283
401. Activities Allowed or Unallowed–Provider Payments	B,H	285
402. Activities Allowed or Unallowed – Cost Reports	B,D	289
403. Activities Allowed or Unallowed – Temporary Emergency Lodging Program	B,D	291
404. Activities Allowed or Unallowed – Inadequate Control Over Invoices and Lack of Third-Party Insurance Recovery	B	294

	<u>Status</u>	<u>Page</u>
405. Allowable Costs / Cost Principles	B,D,H	297
406. Activities Allowed or Unallowed – Temporary Rental Housing Assistance Program	B,D	299
407. Subrecipient Monitoring – Homeless Shelter Decompression	B	301
408. Activities Allowed or Unallowed – Small Business Grant Program	B,D	303
409. Subrecipient Monitoring – Workforce Training Innovation Fund Program	B	305
 <u>Southern Connecticut State University</u>		
600. Allowable Costs/Cost Principles – Time and Effort or Equivalent Reporting Records	B,H	308
 <u>Federal Student Financial Assistance – State Colleges and Universities</u>		
650. Special Reporting - Fiscal Operations Report and Application to Participate (FISAP)	B	311
651. Special Tests and Provisions – Return of Title IV Funds	B,H	312
652. Special Tests and Provisions – Enrollment Reporting	B	315
653. Special Tests and Provisions – Perkins Loan Recordkeeping and Record Retention	B	318
654. Special Tests and Provisions – Borrower Data and Reconciliation	B,H	321
 <u>Department of Aging and Disability Services</u>		
700. Reporting – Federal Funding Accountability and Transparency Act	B	323
701. Certification of Maintenance of Effort	B	324
702. Matching	B,D	326
703. Subrecipient Monitoring	B	328
 <u>Department of Housing</u>		
725. Allowable Costs / Cost Principles – Inadequate Monitoring	C,D,H	331
726. Allowable Costs / Cost Principles – Reconciliations	B	333
727. Financial Reporting – HUD-52681-B	B,H	334
728. Reporting – Financial Assessment Subsystem for Public Housing	B,H	336
729. Special Tests and Provisions – Reasonable Rent	B,H	338
730. Special Tests and Provisions – Housing Quality Standards Enforcement	B,D,H	340
731. Allowable Costs/Cost Principles – Payroll Costs	B,D,H	344
732. Suspension and Debarment – Inadequate Procedures	B,H	346
733. Allowable Costs/Cost Principles – Assistance Payments	B,D	348
734. Allowable Costs/Cost Principles – Eligibility	B,D	351
735. Reporting	B	354
 <u>Office of Early Childhood</u>		
775. Eligibility - Verification Process – Care 4 Kids Program	B,D,H	356
776. Subrecipient Monitoring	B	361
 <u>Department of Mental Health and Addiction Services</u>		
800. Eligibility	B,D,H	364

Status **Page**

Connecticut State Library

975. Maintenance of Effort Calculation

B

366

STATUS

- A. Material instances of non-compliance 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 non-compliance 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, 2021
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?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	Yes
Significant deficiencies identified that are not considered to be material weakness(es)?	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>
10.551 and 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
10.542	Pandemic Electronic Benefit Transfer (EBT) Food Benefits
12.401	National Guard Military Operations and Maintenance Projects
14.267	Continuum of Care Program
14.871 and 14.879	Housing Voucher Cluster
17.225	Unemployment Insurance
17.258,17.259, and 17.278	Workforce Innovation and Opportunity Act (WIOA) Cluster
20.500, 20.507, 20.525, and 20.526	Federal Transit Cluster
21.019	Coronavirus Relief Fund
21.023	Emergency Rental Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
84.007, 84.033, 84.038, 84.063, 84.268 84.379, 93.264, 93.342, 93.364, and 93.925	Student Financial Assistance Programs
84.010	Title I Grants to Local Educational Agencies
84.027 and 84.173	Special Education Cluster (IDEA)
84.425	Education Stabilization Fund
93.044, 93.045, and 93.053	Aging Cluster
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases
93.568	Low Income Home Energy Assistance Program
93.575 and 93.596	Child Care and Development Fund (CCDF) Cluster



93.659	Adoption Assistance – Title IV-E
93.767	Children’s Health Insurance Program
93.775, 93.777, and 93.778	Medicaid Cluster
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
97.050	Presidential Declared Disaster Assistance to Individuals and Households – Other Needs
Various	Research and Development Programs

Dollar threshold used to distinguish between Type A and Type B programs: \$30,000,000

Auditee qualified as a low-risk auditee? No



SECTION II

**FINANCIAL STATEMENT RELATED FINDINGS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

There were no financial statement related findings required to be reported in accordance with *Government Auditing Standards*.



THIS PAGE LEFT INTENTIONALLY BLANK



SECTION III

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

DEPARTMENT OF SOCIAL SERVICES

2021-001 Activities Allowed or Unallowed – Non-qualified Aliens

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Criteria:

Title 42 *U.S. United States Code* 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 of the alien and such care and services are not related to an organ transplant procedure. The term emergency medical condition means a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in placing the patient's health in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.

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. The CFR requires the non-federal entity to take prompt action when it identifies instances of noncompliance, including noncompliance identified in audit findings.

Condition:

Our review of services provided to 49 non-qualified aliens totaling \$4,457,920, of which the Department of Social Services (DSS) received \$2,505,496 in federal reimbursement, disclosed that DSS issued \$234,909 in payments for non-emergency medical services provided to seven non-qualified aliens ineligible to receive services.

Context:

A review of fee-for-service benefit payments disclosed that DSS did not list Social Security numbers (SSN) for 15,374 clients who were over three



years old. DSS made payments on behalf of these 15,374 clients, totaling \$73,508,151, and received \$41,583,448 in federal reimbursement. Of the 15,374 clients, we could not determine the number of non-qualified aliens.

The sample was not statistically valid.

Questioned Costs: We computed total questioned costs of \$132,019 by applying the applicable federal financial participation rate to the unallowed expenditures. These questioned costs included \$117,455 in Medicaid and \$14,564 in COVID-19 funds.

Effect: DSS received federal reimbursement for unallowed expenditures.

Cause: DSS eligibility workers did not consistently enter the specific dates approved for emergency medical services into the Integrated Management of Public Assistance for Connecticut (ImpaCT) system.

Access Health Connecticut (AHCT) grants applicants Medicaid benefits for 90 days until they can prove their immigration status. One applicant did not provide the necessary documentation. AHCT deemed the applicant ineligible after 90 days but did not transfer their eligibility status to ImpaCT.

Prior Audit Finding: We previously reported this as finding 2020-001 and in 11 prior audits.

Recommendation: The Department of Social Services should establish procedures to ensure that it does not claim payments made for non-emergency medical services provided to non-qualified aliens for federal reimbursement under the Medicaid program. In addition, the Department of Social Services should strengthen internal controls to ensure that only eligible clients receive Medicaid services according to federal laws and regulations.

The Department of Social Services should return federal reimbursements for unallowed expenditures that it claimed under Medicaid.

Views of Responsible Officials:

“The Department agrees with this finding. The Department acknowledges the importance of ensuring payments made for non-emergency medical services provided to non-qualified aliens are not claimed for federal reimbursement under the Medicaid program. The Department has refined the controls within its eligibility system, ImpaCT, improving how the Department manages medical program assistance for non-citizens. The Department will return federal reimbursements for any unallowed expenditures claimed.”



school on four days of claimed SBCH services. The five SBCH exceptions totaled \$368, of which \$207 was federally reimbursed. Because DSS did not have a parental consent form on file, it could not claim two clients' SBCH services to the Medicaid program for the fiscal year. These additional exceptions totaled \$5,023, of which \$2,823 was federally reimbursed.

Context: During the fiscal year ended June 30, 2021, DSS claimed \$31,628,982 in SBCH expenditures and received \$18,459,145 in federal reimbursement.

The sample was not statistically valid.

Questioned Costs: We computed questioned costs of \$3,030 by applying the applicable federal financial participation rate to the unallowed expenditures. These questioned costs included \$2,696 in Medicaid and \$334 in COVID-19 funds.

Effect: DSS received federal reimbursement for unallowed SBCH expenditures.

Cause: The department's Medicaid Management Information System lacks automated controls to prevent payment when a parental consent form is not on file.

DSS did not monitor SBCH claims to ensure the collection of written parental consent forms and the maintenance of sufficient service delivery records.

Prior Audit Finding: We previously reported this as finding 2020-002 and in one prior audit.

Recommendation: The Department of Social Services should recoup any improper payments made to School Based Child Health service providers and refund any corresponding federal reimbursements to the Department of Health and Human Services' Centers for Medicare and Medicaid Services. In addition, the Department of Social Services should establish and implement controls to ensure that it adequately supports School Based Child Health costs claimed for federal reimbursement under the Medicaid program.

Views of Responsible Officials:

"The Department agrees with this finding. The Department has informed each enrolled district of the program details, including the necessity of obtaining parental consent and maintaining documentation to support services."



2021-003 Allowable Costs/Cost Principles – Third-Party Liability

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Background: The Department of Social Services (DSS) contracts with a healthcare technology organization to assist with the identification of third parties liable for medical expenditures and the corresponding collections.

Criteria: Title 42 *U.S. Code of Federal Regulations* Part 433 requires the Medicaid state agency to determine the legal liability of third parties to pay for services provided under the Medicaid State plan. The agency should exhaust third-party resources prior to paying claims with program funds. When the agency establishes third-party liability after payment, the agency should seek reimbursement from the third party.

Condition: Our review of ten extended care facility expenditures totaling \$26,364, for which the department received \$14,816 in federal reimbursement, disclosed that DSS did not seek \$6,129 in third-party reimbursements for one expenditure.

Our review of 25 data matches to determine third-party liability and reimbursement disclosed that DSS did not seek \$8,482 in third-party reimbursements for one data match.

Context: During the fiscal year ended June 30, 2021, DSS claimed \$1,147,487,735 in extended care facility expenditures and received \$645,042,067 in federal reimbursement.

The department's contractor recorded 293,422 potential third-party liability data matches.

The samples were not statistically valid.

Questioned Costs: We computed questioned costs of \$8,211 by applying the applicable federal financial participation rate to the unallowed expenditures.

Effect: Medicaid was not the payer of last resort. DSS received federal reimbursement for unallowed expenditures.



Cause: The department’s contractor informed us that a system edit prevented these claims from billing to third-party insurance carriers. The contractor subsequently removed the edit and plans to process the claims.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should exhaust third-party liabilities to ensure that Medicaid is the payer of last resort.

Views of Responsible Officials:

“The Department agrees with this finding. The Department’s Third-Party Liability contractor removed the system edit that led to the instances identified. The Department will continue to monitor and ensure that third-party liability insurance is exhausted, and that Medicaid is the payer of last resort.”

2021-004 Allowable Costs/Cost Principles – Rates for DCF Operated Facilities

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5021 and 2105CT5021

Background: The Department of Social Services (DSS) is designated the single state agency to administer medical assistance programs, including Medicaid and the Children’s Health Insurance Program (CHIP). Under these programs, DSS claims federal reimbursement for services provided by two psychiatric residential treatment facilities and a public psychiatric hospital operated by the Department of Children and Families (DCF).

Criteria: Title 42 *U.S. Code of Federal Regulations* (CFR) Part 447.201 provides that the State Plan must describe the policy and the methods to be used in setting payment rates for each type of service included in the state’s Medicaid program.

State Plan Attachment 4.19-A establishes the methods and standards for establishing rates for DCF facilities. DSS calculates the per-diem rates for these facilities based on cost reports for DCF. Expenses included in the cost reports are based on Per Capita Rate Calculation Reports. The



expenses and costs included in the Per Capita Rate Calculation Report adhere to the Medicare cost guidelines used to complete Form HCFA-2552-96. During the state fiscal year, rates paid are based on interim rates. Once cost reports are available, final rates are calculated, and the interim rates are adjusted in aggregate. A reconciliation will occur within 24 months of the end of the reporting period.

Title 42 CFR Part 457.1203 provides that a state must use payment rates for CHIP based on public or private payment rates for comparable services for comparable populations, consistent with actuarially sound principles. DSS uses rates established for the Medicaid program for services provided under CHIP.

Title 2 CFR Part 200.403(f) provides that to be allowable under federal awards, costs must not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.

Condition: During the fiscal year ended June 30, 2021, DSS finalized Medicaid rates for DCF facilities for the fiscal year ended June 30, 2019. Costs used to calculate the per-diem rates included \$1,849,633 in salaries for licensing personnel claimed under the Title IV-E Foster Care program. This resulted in overstated per diem rates.

Context: DSS claimed \$69,870,076 under the Medicaid program and \$1,856,207 under CHIP for services provided during the fiscal year ended June 30, 2019 in facilities operated by DCF and received \$38,902,572 in federal reimbursement under the Medicaid program and \$1,633,462 under CHIP.

Questioned Costs: We computed questioned costs of \$47,266 by applying the applicable federal financial rate to the unallowable expenditures. These questioned costs included \$45,361 in Medicaid and \$1,905 in CHIP funds.

Effect: DSS received federal reimbursement for unallowed expenditures.

Cause: The error was due to an oversight. The department did not identify that salary costs related to licensing personnel included in cost reports are claimed under the Title IV-E Foster Care Program.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Children and Families should strengthen internal controls to ensure that it uses allowable costs to calculate per-diem rates for its psychiatric residential treatment facilities and hospital and does not include costs claimed under other federally financed programs.



The Department of Social Services should return federal reimbursements for unallowed expenditures that it claimed under Medicaid.

Views of Responsible Officials:

Response provided by the Department of Children and Families:

“We agree with the finding and concur that it was caused by an oversight that allowed salary costs of DCF licensing personnel already claimed under the Title IV-E Foster Care Program to be included in the per capita calculations.

Internal Budget Unit procedures have been revised to require documentation of all DCF licensing personnel claimed under the Title IV-E Foster Care Program during the time period the per capita calculation will cover from the Revenue Enhancement Division. When creating the per capita calculation exhibits, these individuals, current and past, will be listed separately on Exhibit C - Legal Department with a notation that they have already been claimed by the Title IV-E Foster Care Program.

DCF is working with DSS to determine the amount of overclaim caused by this miscalculation and adjust as necessary.”

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. DCF and DSS are working together to determine the amount of questioned costs. Once the amounts are confirmed, the Department will return any federal reimbursements claimed for unallowed expenditures.”

2021-005 Eligibility – Redeterminations

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Background:

The Department of Social Services (DSS) utilizes two systems to determine Medicaid eligibility. The Access Health Connecticut (AHCT) web portal determines Medicaid eligibility based on applicable modified adjusted gross income (MAGI) standards. The Integrated Management of



Public Assistance for Connecticut (ImpaCT) system determines Medicaid eligibility based on non-MAGI standards. AHCT interfaces with ImpaCT, which then interfaces with the Medicaid Management Information System (MMIS) to process payments for medical services.

Criteria: Title 42 U.S. Code of Federal Regulations (CFR) Part 435.10 requires the state Medicaid agency to determine client eligibility in accordance with eligibility requirements defined in the approved state plan.

Title 42 CFR Part 435.916 requires the state to redetermine the eligibility of recipients whose Medicaid eligibility is determined based on the modified adjusted gross income method once every 12 months.

Condition: Our review of 40 MAGI applications to determine whether recipients met eligibility requirements disclosed that DSS issued \$19,954 in benefit payments for one recipient who was ineligible due to failure to renew their eligibility.

Context: DSS issued \$4.9 billion in benefit payments on behalf of 995,214 Medicaid MAGI recipients.

The sample was not statistically valid.

Questioned Costs: We computed total questioned costs of \$11,214 by applying the applicable federal financial participation rate to the unallowed expenditures. These questioned costs included \$9,977 in Medicaid and \$1,237 in COVID-19 funds.

Effect: DSS provided Medicaid benefits to an ineligible individual. DSS claimed federal reimbursement for unallowed expenditures.

Cause: DSS did not transfer the client's ineligibility status in AHCT to ImpaCT and MMIS.

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 Medicaid services according to federal laws and regulations. The Department of Social Services should return federal reimbursements for unallowed expenditures that it claimed under Medicaid.

Views of Responsible Officials: "The Department agrees with this finding. It should be noted that that one error out of forty samples tested appears to be an isolated incident and is



not indicative of an internal control weakness. The Department will return federal reimbursements for unallowed expenditures claimed by December 31, 2022.”

2021-006 Eligibility – Home and Community-Based Waivers

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Background: Medicaid offers waiver programs that permit a state to provide home and community-based services to assist Medicaid beneficiaries to live in the community and avoid institutionalization. The Department of Social Services (DSS) submits waiver applications to the federal Centers for Medicare and Medicaid Services for approval.

Criteria: Title 2 *U.S. Code of Federal Regulations* 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.

Appendix A of the Home and Community-Based Services waiver application states that DSS contracts with access agencies to perform case management functions. DSS monitors access agencies by conducting comprehensive onsite or desk audit reviews of client records. These reviews monitor access agency compliance with its contract and state and federal regulations. DSS uses the client record review worksheet to document these reviews.

Condition: Our review of 25 client record review worksheets disclosed that DSS could not locate 13 worksheets to support its monitoring activities of access agencies over Medicaid home and community-based waiver programs.

Context: DSS conducted 320 client record reviews on six access agencies during the fiscal year ended June 30, 2021.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: DSS has reduced assurance that access agencies effectively performed



case management functions in compliance with its contract, and state and federal regulations.

Cause: Record retention of monitoring activities was inadequate.

Prior Audit Finding: We previously reported this as finding 2020-008.

Recommendation: The Department of Social Services should strengthen internal controls to ensure that it retains records to support its monitoring activities of access agencies over Medicaid home and community-based waivers.

Views of Responsible Officials:

“The Department agrees with this finding and sees an opportunity for improvement. Procedures have been established where paper forms alone are not an acceptable documentation standard. Paper forms must be entered into a master spreadsheet. Additionally, file folders have been created for each staff member. Staff have been educated on where to file the audit forms. The Health Program Supervisor will monitor and ensure that staff have filed their forms under the correct access agency audit.”

2021-007 Eligibility – Medicaid Waiver Recipient Annual Reevaluations

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

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 Developmental Services (DDS). DSS and DDS have executed a memorandum of understanding outlining each agency’s responsibilities. DDS conducts and documents evaluations and reevaluations to determine individual eligibility and establish level of care.

Criteria: 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.



Title 42 CFR Part 441.302(c) requires the state to provide assurances, through an initial evaluation and annual reevaluations, of each individual receiving home or community-based services to determine if the individual needs or continues to need the level of care provided to avoid being institutionalized.

The Centers for Medicare and Medicaid Services (CMS) approved several state Medicaid waiver applications. Each Medicaid waiver application describes the internal control of the Connecticut Level of Need Assessment and Screening Tool (LON). The LON is a comprehensive assessment of an individual's level of support needs and identification of health and safety risks. The Medicaid waiver application requires DDS to complete the LON every twelve months.

Condition: Our review of 40 case files to confirm documentation of annual reevaluations and services disclosed that DDS did not conduct an annual LON assessment for one individual.

Context: DDS served 11,062 individuals on Medicaid waivers during the fiscal year ended June 30, 2021.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: DDS has less assurance that the individual was eligible to receive Medicaid waiver services. The individual may not have received sufficient and necessary services.

Cause: DDS did not adequately monitor the reevaluation process.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Developmental Services should strengthen internal controls to ensure that it conducts annual reevaluations of Medicaid waiver services for all clients according to federal regulations.

Views of Responsible Officials:

Response provided by the Department of Developmental Services:

“We agree, in part, with this finding. In this case, the 2019 LON reevaluation was conducted, but not in coordination with the annual plan as it was done four months before the annual plan and meeting occurred. DDS Training and Guidance articulates that the Level of Need



(LON) Assessment is to be completed up to 90 days (three months) prior to the annual planning meeting. While the assessment was not reviewed close enough to the planning meeting as per DDS Person Centered Planning training/guidelines, ongoing and continuous reevaluation for the purpose of ensuring appropriate level of care per CMS and federal regulation did occur.

While we believe this issue to be isolated, we will remind staff of LON completion guidance and CMS Medicaid compliance requirements.”

Response provided by the Department of Social Services:

“The Department agrees with the response provided by the Department of Developmental Services. It should be noted that one error out of forty samples tested appears to be an isolated incident and is not indicative of an internal control weakness.”

2021-008 Financial Reporting

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP**

**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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5021 and 2105CT5021**

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) no later than 30 days after the end of each quarter 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) no later than 30 days after the end of each quarter 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 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 properly recorded and accounted for transactions to permit the preparation of reliable financial statements and federal reports. The CFR requires the non-federal entity to take prompt action when it identifies instances of noncompliance, including noncompliance identified in audit findings.

Condition:

1. The Department of Social Services (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 the CHIP overpayments on the CMS 21 Financial Report with a higher federal financial participation rate. Furthermore, DSS should have returned state funded overpayments to the state's General Fund.
2. DSS miscoded 11 quality assurance (QA) audit recoupments as provider refunds and incorrectly reported \$262,521 as Collections on Line 9D of the CMS 64 Financial Report. The department should have reported the QA audit recoupments as Recoveries on Line 9C1. This condition affected the quarters ended September 30, 2020, December 31, 2020, and June 30, 2021.
3. DSS misstated collections on the CMS 64 Financial Report for the quarter ended March 31, 2021 for the following line amounts:
 - Overstated Other Collections by \$583,885 on Line 9D.
 - Understated Probate Collections by \$51,594 on Line 9B.
 - Understated Third-Party Liability Collections by \$51,578 on Line 9A.



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.

Context:

The Recoveries on Line 9C1 of the CMS 64 Financial Report identifies fraud, waste, and abuse amounts credited from Medicaid program integrity activities, such as QA audits of medical providers. DSS reported recoveries of \$5,994,322 during the fiscal year ended June 30, 2021. In our review of 13 medical provider audits, we noted that the Office of Quality Assurance issued final audit reports with overpayments totaling \$937,911. DSS audited transactions paid with Medicaid, CHIP, and state funded medical assistance program funds. Seven of the provider audits included reviews of non-Medicaid transactions. Four of these provider audits contained non-Medicaid exceptions that a statistician extrapolated to determine the overpayment amount.

The Collections on Line 9D of the CMS 64 Financial Report is a summary of various types of credits, such as rate recoupments, provider refunds, prior period adjustments, and canceled and uncashed checks. The Probate Collections on Line 9B summarizes funds collected from estates of deceased Medicaid beneficiaries. The Collections on Line 9A represents credits from outside contractors that assist DSS in the identification of third parties liable for medical expenditures and corresponding collections. DSS noted on supporting documentation that the department should reconcile collections data discrepancies later. At the time of our review, DSS had not reconciled discrepancies or adjusted Lines 9A, 9B, or 9D of the CMS 64 Financial Report.

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 partially unsupported from one quarter to another. DSS duplicated write-offs, reported write-offs in different quarters, and presented write-offs in one quarter but not the others. The department stopped reporting previously reported overpayments to providers certified as bankrupt or out of business until it addresses the condition from prior audit findings.

Questioned Costs:

We computed questioned costs of \$270,161 by applying the applicable federal financial participation rate to misstated collections. These questioned costs included \$240,357 in Medicaid and \$29,804 in COVID-19 Medicaid funds.



Due to the department's lack of procedures to stratify overpayments by applicable federal and state programs, we cannot determine questioned costs for condition #1.

Effect: DSS prepared inaccurate federal financial reports for Medicaid and CHIP. The State of Connecticut is not receiving its share of medical provider overpayments. CMS could be using incomplete data to analyze reported recoveries of fraud, waste, and abuse.

Cause: 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 it coded electronic and check payments from medical providers as provider refunds. The department did not determine whether the provider payments were related to QA audit receivables.

The department's fiscal unit experienced many employee retirements and transfers. The DSS employee who was responsible for reconciling the collections data discrepancies transferred to another state agency.

DSS informed us that there are multiple issues causing the unsupported amounts and errors in Medicaid receivables and write-offs. The department is researching the issues to develop a solution.

Prior Audit Finding: We previously reported this as finding 2020-010 and in three prior audits.

Recommendation: 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 strengthen internal controls to ensure that it accurately calculates, adequately reviews, and properly reports claims submitted for federal reimbursement under the Medicaid program on Form CMS 64 and the Children's Health Insurance Program on Form CMS 21.

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 that it should ensure it accurately calculates,



adequately reviews, and properly reports claims submitted for federal reimbursement for Medicaid and CHIP programs. The specific items related to this finding will be reviewed and the federal reimbursements will be adjusted accordingly.”

2021-009 Special Tests and Provisions – Refunding of Federal Share of Medicaid and CHIP Overpayments to Providers

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5021 and 2105CT5021

Criteria: Title 42 *U.S. Code of Federal Regulations* (CFR) Part 456.3 requires the Department of Social Services (DSS) to implement a statewide surveillance and utilization control program to safeguard against unnecessary or inappropriate use of Medicaid services and excess payments.

Title 42 CFR Part 456.4 requires DSS to monitor the statewide utilization control program; take all necessary and corrective action to ensure the effectiveness of the program; establish methods and procedures to implement the utilization control program; keep copies of these methods and procedures on file; and give copies of the methods and procedures to all staff involved in carrying out the utilization control program.

Section 17b-99(d) of the Connecticut General Statutes provides guidelines for conducting audits of medical providers. DSS produces a preliminary draft audit report and gives it to the medical provider after the conclusion of the audit. DSS holds an exit conference with the medical provider to discuss the preliminary audit report. The medical provider may present evidence at the exit conference to refute findings in the draft report. After the exit conference, DSS produces a final audit report and gives it to the medical provider. Any medical provider aggrieved by a decision in a final written audit report may submit a written request for a contested case hearing. A finding of overpayment to a provider shall not be based on extrapolation unless the total net amount of extrapolated overpayment calculated from a statistically valid sampling and extrapolation methodology exceeds one and three-quarters per cent of



total claims paid to the provider for the audit period.

Title 42 CFR Part 433.304 defines an overpayment as the amount paid by a state Medicaid agency to a provider which is in excess of the amount that is allowable for services furnished under Section 1902 of the Social Security Act and which is required to be refunded under Section 1903 of the Social Security Act.

Title 42 CFR Part 433 Subpart F requires the state Medicaid agency to refund the federal share of Medicaid overpayments issued to providers within one year from the date of discovery of the overpayment. Title 42 CFR Part 457.628 makes the regulations at CFR Part 433.312 through 433.322 applicable to CHIP.

The U.S. Department of Health and Human Services' Departmental Appeals Board (DAB) decision No. 1391 affirmed that states may not reduce the federal share of overpayments without adequate support. States should document the rationale for the reduction, demonstrate that the department's audit findings were incorrect, maintain additional evidence furnished by the provider, or exhibit a reevaluation of the facts and applicable law, or reference a court or administrative decision. DAB decision No. 1391 disallowed federal financial participation for unsupported reductions in overpayments.

Condition:

Provider Audits:

In our review of 15 medical provider audits, the Office of Quality Assurance (OQA) issued final audit reports with \$1,855,643 in overpayments. The department did not have sufficient documentation to support \$663,602 in reductions in Medicaid and CHIP overpayments to two medical providers. Additionally, OQA did not use a statistically valid sampling and extrapolation methodology to determine one medical provider's final overpayment amount when the total net amount of overpayments exceeded the statutory threshold.

Complaints and Integrity Reviews:

Our review of \$165,404 in overpayments to ten providers disclosed that DSS did not refund the federal share of \$25,984 in overpayments to CMS for six providers.

Context:

DSS conducted 65 medical provider audits that resulted in the identification of \$8,017,919 in overpayments to 63 providers.

DSS conducted six integrity reviews that resulted in the identification of



\$158,499 in overpayments to six providers.

DSS investigated 12 complaints that resulted in the identification of \$66,081 in overpayments to 12 providers.

The samples were not statistically valid.

Questioned Costs: We computed questioned costs of \$344,793 by applying the applicable federal financial participation rate to the amount of unsupported reductions and unrefunded overpayments. Due to the department's lack of procedures to stratify overpayments by applicable program, we cannot calculate the amount of questioned costs by program.

Effect: We were unable to determine whether the DSS reductions in Medicaid and CHIP overpayments were warranted. DSS received federal reimbursement for Medicaid and CHIP overpayments to providers.

Cause: DSS did not document the circumstances considered, calculations performed, or rationale implemented to support the judgmental reduction in Medicaid and CHIP overpayments. DSS did not establish procedures over the recording and monitoring of overpayments for personal care assistant provider types.

Prior Audit Finding: We previously reported this as finding 2020-011 and in three prior audits.

Recommendation: The Department of Social Services should maintain documentation to support reductions in Medicaid and CHIP overpayments. The Department of Social Services should return the federal share of overpayments within one year from the date of discovery. The Department of Social Services should implement internal controls to monitor, recoup, and return the federal share of overpayments for personal care assistant provider types.

Views of Responsible Officials:

“The Department agrees in part with this finding.

The Department agrees with the portion of the audit finding as it relates to the recoupment of identified overpayments related to the personal care assistant (PCA) provider type. Recently, the complaint process has been reassigned to the Office of Quality Assurance's Special Investigations Division (SID). SID is currently working with the DSS fiscal unit to determine the best mechanism to recoup identified overpayments related to PCA complaints.

The Department does not believe the mere reduction of an audit adjustment is the basis for the determination of questioned costs. When a



request is received to review an audit for a possible reduction to the audit recoupment amount many factors are considered.”

Auditors’ Concluding

Comments:

The Department of Social Services should maintain documentation to support reductions in overpayments to avoid questioned costs.

2021-010 Special Tests and Provisions – Medicaid Fraud Control Unit

State Medicaid Fraud Control Units (Assistance Listing 93.775)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CT5050 and 2101CT5050

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Background:

The Department of Social Services (DSS) Medicaid Fraud Control Unit (MFCU), Office of the Attorney General (AG), and Office of Inspector General (OIG) maintain a memorandum of understanding to identify responsibilities to assist each other in the detection, investigation, and prevention of Medicaid fraud and abuse.

Criteria:

Title 42 *U.S. Code of Federal Regulations* Part 455.23 requires DSS to suspend all Medicaid payments to a provider after the department determines there is a credible allegation of fraud with a pending investigation. Upon such determination, DSS must submit a formal written referral to MFCU, AG, and OIG and initiate a payment suspension, unless DSS exercises a good cause exception which the department must document at the time of the fraud referral. MFCU, AG, or OIG may, through written request, permit DSS to temporarily withhold suspension to prevent compromising or jeopardizing an investigation.

Condition:

Our review of DSS suspended payments for 21 fraud referrals disclosed that DSS did not promptly suspend six providers during investigations. The department did not document a good cause exception to prevent their suspensions.

Context:

For the fiscal year ended June 30, 2021, DSS submitted 32 fraud referrals to MFCU. MFCU accepted 21 of these referrals and subsequently opened investigations.



The sample was not statistically valid.

Questioned Costs: \$0

Effect: Medical providers accused of committing Medicaid fraud received payments during pending investigations.

Cause: DSS made fraud referrals to MFCU, AG, and OIG and informed them that it intended to suspend medical provider payments by a specified date unless any of those agencies provided good cause for delaying those suspended payments. DSS did not suspend payments on the specified date even though none of the agencies presented a good cause exception.

Prior Audit Finding: We previously reported this as finding 2020-12 and in two prior audits.

Recommendation: The Department of Social Services should promptly process medical provider suspensions in accordance with Title 42 U.S. Code of Federal Regulations Part 455.

Views of Responsible Officials:

“The Department agrees with this finding. The Department has implemented controls to ensure the timely processing of medical provider suspensions. To prevent payments to providers that should be suspended, a monthly review is conducted on providers that DSS has referred to law enforcement for which the Department has not received a good cause exception (GCE). The Special Investigations Division (SID) follows up with law enforcement to determine if the referral was accepted/declined and whether it is an active and current investigation. If no GCE has been requested and the investigation is active, DSS then initiates a payment suspension.

In addition, SID will utilize additional fields in its current fraud referral database to facilitate tracking dates. SID is in process of reviewing other database options that can fully track fraud referrals.”

2021-011 Special Tests and Provisions – Utilization Control and Program Integrity

**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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP**

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 42 CFR Part 456.5 requires the state Medicaid agency to establish and use written criteria for evaluating the appropriateness and quality of Medicaid services. Part 456.22 requires the state Medicaid agency to have procedures for the on-going evaluation, on a sample basis, of the need for and the quality and timeliness of Medicaid services.

Condition: The Department of Social Services (DSS) did not establish written policies and procedures over the statewide utilization control program.

Context: The purpose of the statewide utilization control program is to safeguard against excess payments and unnecessary or inappropriate use of Medicaid services, and to assess the quality of those services. DSS reported \$8.9 billion in medical assistance payments for the fiscal year ended June 30, 2021.

Questioned Costs: \$0

Effect: DSS has reduced assurance that the statewide utilization control program is effective.

Cause: DSS informed us that it did not have formal utilization control program policies and procedures.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should establish and maintain written policies and procedures documenting internal controls over the Medicaid statewide utilization control program in accordance with Title 42 U.S. Code of Federal Regulations Part 456.

Views of Responsible Officials:

“The Department agrees with this finding. The Department will work toward the establishment of formal policies and procedures to document internal controls over the Medicaid statewide utilization control program.”

2021-012 Special Tests and Provisions – ADP Risk Analysis and System Security Review – Service Organization Controls Report



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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

Money Follows the Person Rebalancing Demonstration (MFP) (Assistance Listing 93.791)
Federal Award Agency: United States Department of Health and Human Services
Award Years: Federal Fiscal Years 2019-2020 and 2020-2021
Federal Award Number: 1LICMS300142

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5021 and 2105CT5021

Background: The Department of Health and Human Services (HHS) identifies Medicaid and Medicaid demonstration programs, such as Money Follows the Person (MFP), as programs of higher risk for improper payment.

Medicaid, MFP, and the Children's Health Insurance Program (CHIP) are highly dependent on extensive and complex computer systems that include controls for ensuring the proper benefit payments. The interChange Medicaid Management Information System (MMIS) processes claims for providers of medical care and services furnished to clients under Medicaid, CHIP, and MFP. The Department of Social Services (DSS) contracted with a service organization for support and operations of the interChange MMIS.

Criteria: Title 2 *U.S. Code of Federal Regulations* 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.

Management is responsible for implementing and maintaining effective internal controls over automatic data processing (ADP), whether the department performs the processing or outsources it to a service organization.

The Statement on Standards for Attestation Engagements No. 18 issued by the American Institute of Certified Public Accountants Auditing Standards Board provides a means of independent assurance to service organization users. A service organization control (SOC) 1 type 2 report



assesses controls at a service organization that are relevant to a user entity's internal controls.

Condition: DSS controls did not provide adequate assurance that the department effectively managed its ADP risks for the interChange MMIS. The contractor did not provide DSS with its full internal risk assessment report of the interChange MMIS for DSS to review. Additionally, DSS did not require the contractor to provide a SOC 1 report for services applicable to MMIS.

Context: MMIS processed payments totaling \$8.9 billion in Medicaid benefits, \$41.7 million in CHIP benefits, and \$21.3 million in MFP benefits during the fiscal year ended June 30, 2021.

Questioned Costs: \$0

Effect: DSS may not be aware of changes in the contractor's controls that could cause the contractor to process transactions incorrectly and affect the amounts claimed for federal reimbursement. DSS may not be adequately assessing the design and operating effectiveness of its and the contractor's information technology general and complementary user control considerations.

Cause: The contractor has not provided DSS its full internal risk assessment report of the interChange MMIS because it considers the report to be confidential and proprietary. Additionally, DSS did not require a SOC 1 report for services applicable to MMIS due to the cost.

Prior Audit Finding: We previously reported this as finding 2020-015 and in three prior audits.

Recommendation: The Department of Social Services should ensure that service organizations responsible for maintaining significant financial applications and processes, obtain an appropriate Service Organizations Controls Report (SOC 1 report). Management should review the opinion of the service auditor to determine the effectiveness of the contractor's controls and assess whether complementary user control considerations are in place and operating effectively.

Views of Responsible Officials:

"The Department agrees with this finding. The Department is currently in the process of its Connecticut Medicaid Enterprise Technology System (CT METS) modernization project. Once this project is completed, resources will be available to research the need for a contract amendment that could possibly include the inclusion of an SOC 1 report."



2021-013 Special Tests and Provisions – Medicaid National Correct Coding Initiative

**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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP**

Background: The Center for Medicare and Medicaid Services (CMS) developed the National Correct Coding Initiative (NCCI) to promote national correct coding methodologies and reduce improper payments. Section 6507 of the Affordable Care Act requires states to incorporate compatible NCCI methodologies to process Medicaid claims. The Department of Social Services (DSS) uses the Medicaid Management Information System (MMIS) to process fee-for-service claims. DSS contracts with a service organization for MMIS support and operations, including the implementation of NCCI edit files.

Criteria: The Medicaid NCCI Technical Guidance Manual requires states to implement new Medicaid NCCI edit files on the first day of every calendar quarter. Section 7.1 of the manual requires states to download the edit files from the Medicaid Integrity Institute using a federal secure portal. States may share quarterly Medicaid NCCI edit files with a contractor that processes its fee-for-service claims if appropriate confidentiality agreements are in place. Confidentiality agreements must include seven specific elements that explain disclosure limitations and impose penalties for violations of the agreement.

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.

Condition: DSS did not monitor whether its contractor accurately and promptly implemented quarterly Medicaid NCCI edit files.

DSS and its contractor do not have a confidentiality agreement explaining Medicaid NCCI data disclosure limitations and related penalties for violations.

Context: CMS posts Medicaid NCCI edit files to the Medicaid Integrity Institute prior to the start of each calendar quarter. DSS downloads the edit files and shares them with its contractor quarterly.



<i>Questioned Costs:</i>	\$0
<i>Effect:</i>	A lack of monitoring increases the risk that MMIS will improperly pay or deny Medicaid claims. Medicaid NCCI methodologies remain exposed to improper disclosure without confidentiality agreements.
<i>Cause:</i>	DSS does not have procedures to determine whether Medicaid NCCI edits properly function within MMIS after its contractor uploads quarterly files. The department believed that generic confidentiality clauses in the contractor agreement were sufficient for Medicaid NCCI data.
<i>Prior Audit Finding:</i>	We previously reported this as finding 2020-016.
<i>Recommendation:</i>	<p>The Department of Social Services should develop monitoring procedures to ensure that Medicaid National Correct Coding Initiative edits properly function within the Medical Management Information System after quarterly uploads.</p> <p>The Department of Social Services should secure a confidentiality agreement with its Medicaid National Correct Coding Initiative (NCCI) data contractor to ensure compliance with the Medicaid NCCI Technical Guidance Manual.</p>
<i>Views of Responsible Officials:</i>	<p>“The Department agrees with this finding. In response to the first recommendation, DSS has been working with Gainwell Technologies (the MMIS vendor) to create an NCCI Positive Match Report. The report is scheduled to go into production in mid-June 2022.</p> <p>In response to the second recommendation, DSS will work on amending the contract to include specific language on NCCI data disclosure limitations and penalties for violation.”</p>

2021-014 Special Tests and Provisions – Provider Eligibility

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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

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 2019-2020 and 2020-2021



Federal Award Numbers: 2005CT5021 and 2105CT5021

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 the Children's Health Insurance Program (CHIP) the same way it oversees Medicaid provider eligibility requirements, as well as contractor suspension and debarment restrictions.

The Secretary of the State's (SOTS) website includes a link to a database that provides registered business information. The SOTS Commercial Recording Division files and maintains legally required business formation records and any fundamental business changes. The business inquiry feature provides the names of business principals, including their title as board members, partners, and managing administrators.

Criteria:

Title 42 CFR Part 455.410 provides that the state Medicaid agency must require the enrollment of all medical providers under the Medicaid State Plan or under a waiver of the plan as participating providers. DSS developed a Provider Enrollment/Reenrollment Criteria Matrix that outlines the information each provider is required to submit to be an eligible provider. The DSS Provider Enrollment/Re-enrollment Application Form requires the medical provider to identify board members, partners, and managing administrators. The DSS Provider Enrollment Agreement requires the medical provider to furnish all information requested by DSS specified in the Provider Enrollment Agreement and the application form, and to notify DSS in writing of all material and/or substantial changes in information contained on the application form. The enrollment agreement also requires the medical provider to furnish material or substantial changes, including changes in the status of Medicare, Medicaid, or other Connecticut Medical Assistance program eligibility, provider's license, certification or permit to provide services in or for the State of Connecticut.

Title 42 CFR Part 455.436 requires the state Medicaid agency to confirm the identity and determine the exclusion status of providers and any person with an ownership or controlling interest or who is an agent or managing employee of the provider through routine checks of federal databases, including the List of Excluded Individuals/Entities (LEIE) and the Excluded Parties List System (EPLS). The state Medicaid agency must consult appropriate databases to confirm identity upon enrollment and reenrollment. The state Medicaid agency must check the LEIE and EPLS no less frequently than monthly.

The General Services Administration administers the System for Award



Management (SAM), which consolidated EPLS and several other federal websites and databases into one system in 2012. SAM contains exclusion actions taken by various federal agencies.

Condition: Our review of 25 medical provider reenrollment applications disclosed that DSS approved six applications without requiring providers to identify all board members, partners, and managing administrators. Applications did not identify one to 38 individuals.

DSS did not check the exclusion status of providers and other applicable persons against SAM.

Context: During the fiscal year ended June 30, 2021, DSS made payments to 12,770 Medicaid and 4,521 CHIP providers.

The samples were not statistically valid.

Questioned Costs: \$0

Effect: DSS may be claiming payments for federal reimbursement made to suspended or debarred providers, or those not properly enrolled, certified, or otherwise eligible to participate in Medicaid or CHIP programs.

Cause: DSS did not consult the SOTS business inquiry system or the provider's website to reasonably determine who the provider should have identified as its board members, partners, and managing administrators on the Provider Enrollment/Re-enrollment Application Form.

DSS informed us that it performs monthly checks of providers against the Medicare Exclusion Database (MED), maintained by the Centers for Medicare and Medicaid Services. However, MED only contains the List of Excluded Individuals/Entities actions taken by the Office of the Inspector General. The SAM contains exclusion actions taken by various federal agencies.

Prior Audit Finding: We previously reported this as finding 2020-017 and in six prior audits.

Recommendation: The Department of Social Services should establish and implement internal controls to determine the System for Award Management exclusion status of Medicaid and Children's Health Insurance Program providers. The Department of Social Services should strengthen controls to ensure that provider enrollment complies with Title 42 U.S. Code of Federal Regulations Part 455 and the department's Provider Enrollment/Re-enrollment Criteria Matrix, application form and provider agreement.



Views of Responsible Officials:

“The Department agrees in part with this finding.

The Department agrees with the portion of the finding related to the SAM database. In September 2021, The Department implemented a system to review the public SAM database. The Department learned that the bulk SAM file can be downloaded from the public SAM database so a comparison to the enrollment and re-enrollment applications can be made. An Access database was created to make this comparison and has been in use since September 2021.

The Department does not agree with the finding related to DSS not consulting the SOTS business inquiry system or the provider’s website to reasonably determine who the provider should have identified as its board members, partners, and managing administrators on the Enrollment Forms. The Department believes that adequate procedures are in place and were followed during the audit timeframe.”

Auditors’ Concluding Comments:

The Department of Social Services did not consistently use publicly available information to confirm completeness of provider application information. The department should strengthen its internal controls.

2021-015 Special Tests and Provisions – Long-Term Care Facility Audits

**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 2019-2020 and 2020-2021
Federal Award Numbers: 2005CT5MAP and 2105CT5MAP**

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. They devise the plan to perform field audits of low-risk LTCF at least every four years.

Criteria:

Title 42 *U.S. Code of Federal Regulations* (CFR) 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



audits 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 shall determine the established per diem LTCF payment rate by a desk review of the submitted annual report, which field auditors shall subsequently verify and authenticate using procedures approved by the United States Department of Health and Human Services. Generally, the accounting firm should audit the facilities on a biennial basis. This audit cycle may change based upon audit experience.

Condition: Our review of 15 LTCF field audits, disclosed that DSS did not perform three long-term care facilities' field audits on a biennial basis or at least every four years. Three facilities had not been audited in five years.

Context: During the fiscal year ended June 30, 2021, the state had 268 LTCF that provided services to Medicaid clients. A public accounting firm performed 60 field LTCF audits for DSS.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: DSS has reduced assurance that it uses appropriate rates to pay for LTCF services.

Cause: The department continued to work with the public accounting firm to develop strategies to ensure that the firms promptly audit LTCF. DSS informed us that it operated with limited resources.

Prior Audit Finding: We previously reported this as finding 2020-018 and in 12 prior audits.

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 disagrees with this finding. For long-term care facilities, the Department contracts with a national accounting firm to perform audits of long-term care providers. 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 mispayment. 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 mispayment. It is our belief that this process is an efficient use of the resources that are available to the Department.”

*Auditors’ Concluding
Comments:*

The Department of Social Services’ current practice of auditing long-term care facilities does not reflect the audit requirements of the State Medicaid Plan. The department should comply with the audit requirements or amend the state plan for long-term care facilities.

2021-016 Special Tests and Provisions – Controls Over Income and Eligibility Verification System Related to Wage and Date of Death Matches

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

COVID-19 Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Federal Award Agency: United States Department of Agriculture

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: Various

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 SNAP and Medicaid 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 IEVS alerts related to client wages and date of death for the Medicaid and SNAP programs.

Our review of 15 alerts generated from a State Data Exchange report of client death dates disclosed eight exceptions. DSS did not record the date of death for three client cases, did not close two client cases, and did not recoup \$6,993 in overpayments for eight client cases. This included \$3,026 in SNAP, \$2,227 in Medicaid, and \$1,740 in COVID-19 SNAP benefits. For five single-member household SNAP clients, we noted that unauthorized people used \$4,228 in the deceased client's SNAP and COVID-19 SNAP benefits after the client's date of death.

Our review of 15 alerts disclosed one exception that DSS eligibility workers had marked as resolved. During one client's SNAP eligibility review, DSS did not verify the client's wages from the application and entered the unverified wage amount into the ImpaCT system. The client's reported income erroneously exceeded the SNAP income limit. DSS improperly denied benefits during the period the client was eligible.

Context: During the fiscal year ended June 30, 2021, DSS received 882,273 IEVS alerts related to client wages, employer, unemployment benefits, and date of death matches for Medicaid and SNAP. As of October 1, 2021, eligibility workers processed 415,347 alerts and the ImpaCT system processed 466,926 alerts. DSS assigned each alert a specific due date generated by the ImpaCT system that ranged from July 11, 2020 to August 13, 2021.

The samples were not statistically valid.

Questioned Costs: We computed \$6,018 in questioned costs by applying the applicable federal financial participation rate to benefit payments associated with ineligible clients. These questioned costs included \$3,026 in SNAP, \$1,740 in COVID-19 SNAP, \$1,114 in Medicaid, and \$138 in COVID-19 Medicaid funds.

Effect: DSS paid benefits that clients were not eligible to receive. One eligible household did not receive benefits. Deceased client cases remained open, which created opportunities for medical providers and other unauthorized persons to misuse their Medicaid, COVID-19 Medicaid, SNAP, and COVID-19 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. Due to the volume of alerts, DSS did not promptly complete the proper reviews and dispositions.

DSS informed us that it does not address death match alerts until a SNAP recipient's next renewal period. The maximum renewal period is 24 months.

Prior Audit Finding: We previously reported this as finding 2020-019 and in 24 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 and income 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, COVID-19 Medicaid, SNAP, and COVID-19 SNAP.

Views of Responsible Officials:

“The Department agrees with this finding and continues to refine its eligibility system, ImpaCT, to achieve optimal system performance to support all program requirements. The Department assembled a workgroup to explore ways to improve IEVS alerts, particularly those related to death matches. The workgroup identified a need for and created ad-hoc reports to identify and track the cases. Cases are now worked by eligibility workers more completely and thoroughly, thus mitigating this issue. The Department continues to work on ways to improve the timely processing of date of death and IEVS income alerts as applicable, recognizing the limitations of the use of that data which is often outdated by the time IEVS alerts are generated or not permitted to be used based on specific program rules. As applicable, DSS processes, recoups overpayments, and returns federal reimbursements for unallowable expenditures claimed under Medicaid, SNAP, and TANF. A dedicated claims unit was implemented in January 2019 to ensure unallowable expenditures are processed expeditiously by the Department.”

2021-017 Eligibility - Determinations

COVID-19 Children's Health Insurance Program (CHIP) (Assistance Listing 93.767)

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5021 and 2105CT5021

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 children not otherwise covered. 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 2 CFR Part 200, Subpart E, provides that costs should conform to any limitations or exclusions set forth in the federal award to be allowable under the federal award.

Condition: We reviewed 60 DSS client eligibility determinations with \$14,608 in payments. When we discovered an exception, we reviewed for other unallowable claims for the entire fiscal year. The Access Health Connecticut web portal improperly included one client as eligible for CHIP. This client had third-party insurance coverage at the time of enrollment. In addition, DSS paid \$299 for two other clients who were not eligible for CHIP on the dates of service.

Context: During the fiscal year ended June 30, 2021, DSS claimed \$41,042,125 in CHIP expenditures for DSS clients.

The sample was not statistically valid.

Questioned Costs: We computed questioned costs of \$2,466 by applying the applicable CHIP enhanced federal financial participation rate to the unallowed expenditures. These questioned costs included \$2,312 in CHIP and \$154 in COVID-19 funds.

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's scope of work did not include CHIP until October 1, 2020. However, the contract does not include review of third-party insurance for clients enrolled in CHIP.

MMIS, AHCT, and ImpaCT maintained inconsistent time of service eligibility information for a CHIP enrollee.

Prior Audit Finding: We previously reported this as finding 2020-020 and in one prior audit.

Recommendation: The Department of Social Services should strengthen internal controls to ensure that each CHIP recipient is eligible for the program according to the state plan and federal regulations. The department should return unallowed federal reimbursements.

Views of Responsible Officials: "The Department agrees with this finding. The Department is in the process of researching the noted exceptions. Upon initial review, it appears that for one of the instances, the client was eligible for coverage, the costs were simply attributable to a different program. The Department will research and return any related questioned costs."

2021-018 Matching – Prior Period Adjustments

COVID-19 Children's Health Insurance Program (CHIP) (Assistance Listing 93.767) 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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5021 and 2105CT5021

Criteria: Title 42 *U.S. Code of Federal Regulations* (CFR) Part 457.622 provides for payments to states for part of the cost for services and administration under an approved state child health assistance plan. The rate of payment is generally the enhanced federal medical assistance percentage (eFMAP).

Section 2105(b) of the Social Security Act established Connecticut's CHIP eFMAP at 65%. Section 3005 of the Healthy Kids Act amended the state's eFMAP to 76.5% for federal fiscal year 2020.

Section 6008 of the Families First Coronavirus Response Act (FFCRA) provides a temporary increase to the eFMAP under Section 1905(b) of the Social Security Act, effective January 1, 2020 through the last day of the calendar quarter of the public health emergency. FFCRA amended the state's eFMAP to 80.84% through September 30, 2020, and 69.34%



beginning October 1, 2020 through June 30, 2021.

Title 42 CFR Part 457.630(c) requires the state to submit Form CMS-21 (Quarterly Statement of Expenditures for CHIP) no later than 30 days after the end of each quarter to the Centers for Medicare and Medicaid Services (CMS). Form CMS-21 is the state's accounting of actual recorded expenditures.

Condition: The Department of Social Services (DSS) improperly applied current quarterly eFMAP to prior period adjustments of (\$67,786), (\$148,818), (\$120,294), and (\$430,014) for each quarter in the fiscal year ended June 30, 2021. DSS should have applied the eFMAP during the original paid quarter for each prior period adjustment.

Context: DSS reported net prior period adjustments of (\$766,912) for the fiscal year ended June 30, 2021.

Questioned Costs: We estimated questioned costs of \$51,078 by applying the average eFMAP rate from the prior four quarters to each quarter's net prior period adjustments. Due to the department's lack of procedures to determine the original paid quarter for each prior period adjustment, we cannot determine actual questioned costs, which included COVID-19 funds.

Effect: DSS retained federal reimbursements owed to CMS.

Cause: DSS lacks proper internal controls to accurately report CHIP prior period adjustments.

Prior Audit Finding: We previously reported this as finding 2020-021.

Recommendation: The Department of Social Services should develop internal controls over reporting to ensure that it applies the correct enhanced federal medical assistance percentage to prior period adjustments for the Children's Health Insurance Program.

Views of Responsible Officials:

"The Department agrees in part with this finding. The Department disagrees with the questioned costs noted in this finding. The APA has used an estimate to determine questioned costs, which we do not believe is an acceptable method for such documentation.

The Department does agree that in order to provide the most accurate reporting of claim adjustments, the financial reports should be adjusted to report any claim adjustments back to the original date of payment on the claim. The Department has already completed discussions regarding



reporting changes and design with our MMIS contractor. These changes are scheduled to be available with the QE 6/30 financial reports.”

Auditors’ Concluding

Comments:

The Department of Social Services did not have data available at the time of our review to calculate actual questioned costs.

2021-019 Allowable Costs / Cost Principles - Cost Allocation Plan – Allocation Methodology

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5MAP and 2105CT5MAP

COVID-19 Children’s Health Insurance Program (CHIP) (Assistance Listing 93.767)

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 2019-2020 and 2020-2021

Federal Award Numbers: 2005CT5021 and 2105CT5021

Criteria:

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.405 provides that costs are allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received.

Title 45 CFR Part 95.507 requires a state’s cost allocation plan to contain procedures used to identify, measure, and allocate all costs to each benefiting program and activity, including activities subject to different rates of federal financial participation.

Condition:

The Department of Social Services (DSS) did not accurately allocate salary and fringe benefit costs for one unit. DSS allocated costs based on case counts for Medicaid, Medicaid Low-Income Adults (MLIA), state funded medical assistance, and State Supplement programs. DSS erroneously excluded CHIP from the allocation base.

Context:

The Medical Eligibility Policy and Program Support unit oversees eligibility and enrollment requirements for Medicaid, CHIP, and other health care programs. The unit’s expenditures totaled \$1,279,833 during



the fiscal year ended June 30, 2021.

Questioned Costs: We cannot determine the amount of questioned costs for Medicaid or COVID-19 Medicaid awards until DSS establishes accurate allocation percentages for the unit in its cost allocation plan. There were no questioned costs for CHIP or COVID-19 CHIP awards.

Effect: DSS received excess federal reimbursement for Medicaid and COVID-19 Medicaid cost allocation plan costs and underclaimed federal reimbursement for CHIP or COVID-19 CHIP.

Cause: DSS incorrectly established the allocation base for one unit in its cost allocation plan.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should review and amend its cost allocation plan to ensure that it allocates costs to the appropriate federal award or cost objective in accordance with federal regulations.

The Department of Social Services should return federal reimbursements for unallowable costs that it claimed under Medicaid and COVID-19 Medicaid.

Views of Responsible Officials:

“The Department agrees with this finding. Based on the description for 4.4.1. Medical Eligibility Policy & Program Support in the Public Assistance Cost Allocation Plan (PACAP) effective 07/01/20, it appears as though the Children’s Health Insurance Program (CHIP) should be included in the Duplicated Cases Counts Medicaid, MLIA, State Funded Medical Assistance and/or State Supplement cost allocation method.

DSS will amend the Department of Social Services’ PACAP for the Medical Eligibility Policy and Program Support unit to include the Children’s Health Insurance Program. In QE 06/30/22, the Department will process a manual adjustment to correct SFY’21 and the quarters ending 09/30/21, 12/31/21 & 03/31/22. Going forward, effective with the QE 06/30/22, we will update the cost allocation method to include CHIP in the Cost Allocation Plan.”

2021-020 Special Reporting - Federal Funding Accountability and Transparency Act

Low Income Home Energy Assistance Program (LIHEAP) (Assistance Listing



#93.568)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTLIEA and 2101CTLIEA

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 month following the month in which the obligation was made.

Condition: Our review of 39 Low Income Home Energy Assistance Program (LIHEAP) subawards disclosed that the Department of Social Services (DSS) reported 19 subawards totaling \$51,154,235 between 19 and 36 days late.

Context: DSS obligated 39 LIHEAP subawards totaling \$59,029,865 during the fiscal year ended June 30, 2021.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: DSS decreased its public transparency regarding its spending of federal awards.

Cause: The department did not have adequate internal controls over subaward reporting.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should strengthen internal controls regarding timely subaward reporting to ensure compliance with the Federal Funding Accountability and Transparency Act reporting requirements.

Views of Responsible Officials:

“The Department agrees with this finding and will review the process and strengthen internal controls to ensure compliance with federal requirements regarding timeliness of subaward reporting.”

2021-021 Special Reporting – Status of Claims Against Households (FNS-209)

COVID-19 Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing

**10.551)****Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)****Federal Award Agency: United States Department of Agriculture****Award Years: Federal Fiscal Years 2019-2020 and 2020-2021****Federal Award Numbers: Various**

Background: According to a federal fiscal year 2019 United States Department of Agriculture (USDA) Food and Nutrition Services (FNS) Recipient Claims Management Evaluation Report for the quarter ended December 31, 2018, the Department of Social Services (DSS) reported inaccurate data in its Status of Claims Against Households Report (FNS-209). DSS submitted its semi-annual corrective action plan to FNS in January 2022. FNS responded that the finding would remain open until FNS can validate the accuracy of DSS system enhancements.

Criteria: Requirements set forth under Title 7 *U.S. Code of Federal Regulations* (CFR) Part 273 specify that no further monies or other benefits may be paid under SNAP unless the quarterly FNS-209 has been properly completed and filed.

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: DSS did not resolve FNS-209 reporting issues identified in prior audits.

Context: Beginning in October 2016, DSS gradually started phasing in the Integrated Management of Public Assistance for Connecticut (ImpaCT) system to replace its approximately 30-year-old legacy eligibility management system. The department relies on ImpaCT to extract data necessary to complete the FNS-209. The department submitted its FNS-209 reports based on ImpaCT data with USDA FNS' understanding that there are pending issues with ImpaCT.

Questioned Costs: \$0

Effect: DSS did not comply with the FNS-209 reporting requirements. FNS cannot rely upon the data in the department's FNS-209 for analysis or decision making.



Cause: ImpaCT reports were unable to extract accurate data to complete FNS-209. DSS continues to work with the ImpaCT system contractor to resolve the inaccuracies.

Prior Audit Finding: We previously reported this as finding 2020-023 and in three prior audits.

Recommendation: The Department of Social Services should strengthen the design of ImpaCT to ensure that the department can comply with the Supplemental Nutrition Assistance Program FNS-209 reporting requirements established by the United States Department of Agriculture.

Views of Responsible Officials:

“The Department agrees with this finding. The Department has made progress in updating the data included in the FNS-209 report. DSS has submitted data to FNS for all quarters through March 2021. In addition, DSS staff are working on correcting and updating the ImpaCT eligibility system to better reflect the data needed to be reported on the FNS-209 report.”

2021-022 Special Tests and Provisions – ADP System for SNAP

COVID-19 Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Federal Award Agency: United States Department of Agriculture

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: Various

COVID-19 Pandemic Electronic Benefit Transfer (P-EBT) Food Benefits (Assistance Listing 10.542)

Federal Award Agency: United States Department of Agriculture

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: Various

Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTTANF and 2101CTTANF

Background: The Department of Social Services (DSS) contracted with a service organization to process electronic benefit transfer (EBT) cards for the SNAP, COVID-19 SNAP, P-EBT, and TANF programs. The service organization uses the Electronic Payment Processing and Information



Control (EPPIC) system to support the operations of EBT cards.

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 7 CFR Part 274 requires the state agency's accountability system to include procedures for monitoring benefit issuers to ensure that day-to-day operations comply with regulations, to identify and correct deficiencies, and to report violations to the U.S. Department of Agriculture Food and Nutrition Service. The CFR requires the state agency to obtain an examination by an independent auditor of transaction processing of the state's EBT service provider regarding issuance, redemption, and settlement of program benefits.

The Statement on Standards for Attestation Engagements No. 18 issued by the American Institute of Certified Public Accountants Auditing Standards Board provides a means of independent assurance to service organization users. A service organization control (SOC) 1 type 2 report assesses controls at a service organization that are relevant to a user entity's internal controls.

Condition: DSS did not review the EPPIC system's SOC 1 report to ensure that internal controls operated effectively. DSS did not assess the independent auditor's basis for its qualified opinion or conduct a risk assessment to mitigate identified deficiencies.

Context: Independent auditors issued the SOC 1 report on November 23, 2020. The report covered August 1, 2019 through September 30, 2020. The EPPIC system processed EBT issuances totaling \$669,050,958, \$271,781,859, \$88,757,980, and \$43,233,869, for SNAP, COVID-19 SNAP, P-EBT, and TANF, respectively, during the fiscal year ended June 30, 2021.

Questioned Costs: \$0

Effect: DSS may not be aware of changes in the contractor's controls that could cause the contractor to process transactions incorrectly. DSS may not be adequately assessing the design and operating effectiveness of its and the contractor's information technology general and complementary user control considerations.

Cause: This condition appears to be an oversight by management.



Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should review the independent auditor's opinion to determine the effectiveness of its contractor's controls and to assess whether complementary user control considerations are in place and operating effectively.

Views of Responsible Officials: "The Department agrees with this finding. Future SOC reports submitted to the Department will be reviewed by the Office of Quality Assurance."

2021-023 Special Tests and Provisions – EBT Card Security

COVID-19 Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Supplemental Nutrition Assistance Program (SNAP) (Assistance Listing 10.551)

Federal Award Agency: United States Department of Agriculture

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: Various

Background: The Department of Social Services (DSS) provides SNAP benefits to clients through electronic benefit transfer (EBT) cards. DSS distributes EBT cards via U.S. mail and the U.S. Postal Service returns undeliverable cards to DSS. The department's benefit accounting unit tracks the status of returned EBT cards in an Access database. Benefit accounting staff may determine that the department should destroy an undeliverable EBT card. The department's mailroom staff are responsible for EBT card destruction.

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 7 CFR Part 274 requires states to maintain adequate security and accountability of EBT cards to prevent theft, loss, damage, and unauthorized use.

Condition: Our review of the status of returned EBT cards in the department's Access database disclosed that DSS destroyed 6,894 returned EBT cards and did not record the disposition date or reason for destruction.

Our review of the status of 30 returned EBT cards on mailroom records



disclosed that the department destroyed four EBT cards and did not record their destruction date.

Context: During the fiscal year ended June 30, 2021, the U.S. Postal Service returned 6,901 EBT cards to DSS.

Questioned Costs: \$0

Effect: DSS has reduced assurance over the security and accountability of returned EBT cards.

Cause: DSS informed us that the benefit accounting unit was understaffed during the fiscal year. The department eliminated some EBT card recordkeeping responsibilities when a DSS employee left in March 2019. Mailroom staff also did not keep complete records.

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 the status of returned EBT cards in its systems.

Views of Responsible Officials:

“The Department agrees with the noted exceptions. The Department believes that there are adequate controls related to this area including the communication between its mailroom and fiscal unit as it relates to the destruction of EBT cards. The noted exceptions appear to have been an oversight.”

Auditors’ Concluding Comments:

The lack of information in the department’s records indicates that it should strengthen its controls over EBT card security.

2021-024 Allowable Costs/Cost Principles – Eligibility Rates and Expenditures Claimed

**Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)
Federal Award Agency: United States Department of Health and Human Services
Award Years: Federal Fiscal Years 2019-2020 and 2020-2021
Federal Award Numbers: 2001CTTANF, and 2101CTTANF**

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, 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 in-home and community-based services that DCF subrecipients provided to DCF clients. DCF enters into agreements with these subrecipients and pays them quarterly advances from state appropriations.

The subrecipients determine TANF eligibility for each client and enter the eligibility determination results into the DCF Provider Information Exchange (PIE) system. The PIE system is the DCF data and reporting system for community-based programs. At the conclusion of each quarter, DCF provides DSS with summary eligibility rates for each subrecipient and service along with the quarterly amounts advanced to the subrecipient. DSS uses this information to claim federal reimbursement under TANF.

Criteria:

Title 2 CFR Part 200.403(g) requires that states adequately document costs to be allowable under federal awards.

Title 45 CFR Part 265.3 requires that the state file quarterly expenditure data on the state's use of federal TANF funds, state TANF expenditures, and state expenditures of maintenance of effort funds in separate state programs.

Title 45 CFR Part 265.7 requires that the state's quarterly financial reports be complete and accurate, which means that the reported data reflects information available to the state in case records, financial records, and automated data systems; the data are free from computational errors and are internally consistent; and the state reports data on all applicable elements.

Condition:

DCF provided inaccurate eligibility rates to DSS for claiming federal TANF funds for the fiscal year ended June 30, 2021. The data did not reflect the eligibility determination results that DCF subrecipients entered into the PIE system.

Context:

DSS claimed \$30,470,395 for services provided by DCF subrecipients that required eligibility statistics during the fiscal year.

Questioned Costs:

We cannot determine questioned costs. Eligibility rates that reflect the services provided to TANF eligible clients by DCF subrecipients were not



available.

- Effect:* DCF expenditures claimed by DSS under TANF may be overstated.
- Cause:* DCF has not developed a PIE system report that summarizes the eligibility rates based on the data submitted by its subrecipients.
- Prior Audit Finding:* We previously reported this as finding 2020-024 and in eight prior audits.
- Recommendation:* The Department of Children and Families should ensure that eligibility rates used for claiming federal Temporary Assistance for Needy Families (TANF) funds accurately reflect in-home and community-based services provided to TANF eligible clients.

The Department of Social Services should submit prior quarter adjustments for unsupported amounts claimed under TANF.

Views of Responsible Officials:

Response provided by the Department of Children and Families:

“DCF agrees with the audit finding for this time period. Two existing PIE reports were subsequently enhanced to utilize current criteria to determine whether an episode is claimable within a given calendar quarter based on both TANF eligibility (as determined at Intake or 24-month Redetermination), and the presence of at least one face-to-face contact between provider and client that occurred during the given quarter.

DSS has previously been provided with corrected TANF quarterly reporting.”

Response provided by the Department of Social Services:

“The Department agrees with the finding. DSS has received the corrected TANF quarterly reporting from DCF and has revised the relevant prior year TANF claims to reflect the accurate revised PIE eligibility rates.”

2021-025 Subrecipient Monitoring

Temporary Assistance for Needy Families (TANF) (Assistance Listing 93.558)
Federal Award Agency: United States Department of Health and Human Services
Award Years: Federal Fiscal Years 2019-2020 and 2020-2021
Federal Award Numbers: 2001CTTANF and 2101CTTANF

Background: Title 45 *U.S. Code of Federal Regulation* (CFR) Part 205.100 provides



for the establishment or designation of a single state agency with authority to administer or supervise the administration of the state plan for the Temporary Assistance for Needy Families (TANF) program. The Department of Social Services (DSS) is the designated single agency in Connecticut and has the discretion to issue policies, rules, and regulations on program matters of the plan. Connecticut administers certain aspects of TANF through several state agencies including the State Department of Education (SDE).

DSS claims SDE expenditures for pregnancy prevention programs for the TANF purposes of preventing and reducing the incidence of out-of-wedlock pregnancies and encouraging the formation and maintenance of two-parent families.

Criteria:

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 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. The CFR requires the non-federal entity to take prompt action when it identifies instances of noncompliance, including noncompliance identified in audit findings.

Title 45 CFR Part 96.30 stipulates that the state shall utilize fiscal control and accounting procedures sufficient to permit the tracing of block grant funds to a level of expenditure to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

DSS executes a memorandum of understanding (MOU) with state agencies administering programs included in the TANF State Plan. The MOU requires state agencies to provide regular program monitoring, review, and observation of operations of sub-contractors and subrecipients who provide TANF-funded services. All TANF funding claimed by DSS must be considered federal funds for audit purposes and thereby follow the audit requirements of 2 CFR Part 200.501. Subcontractors and subrecipients implementing these programs are subject to all terms and conditions of the federal TANF program requirements pursuant to Title 45 CFR Parts 260 et.al.

Condition:

A review of subrecipient monitoring procedures disclosed the following:

1. SDE did not properly identify TANF subawards to the subrecipients. The language SDE used for federal award identification to



subrecipients did not clearly identify federal program requirements or specify that the state may claim funds under the TANF program. In addition, SDE provided year-end instructions to subrecipients advising them of federal and state auditing requirements, which identified these funds as state awards.

2. SDE did not monitor subrecipients for compliance with TANF laws and regulations.

Context: During the fiscal year ended June 30, 2021, DSS claimed \$19,070,682 in SDE expenditures for various pregnancy prevention programs, rendering these expenditures TANF federal funds.

Questioned Costs: \$0

Effect: DSS has limited assurance that the use of federal funds is for allowable activities. Subrecipients did not report TANF expenditures on their Schedule of Expenditures of Federal Awards (SEFA), which is a key factor in determining major program audit coverage. Improper identification of federal expenditures in the subrecipients' SEFA could result in the omission of major federal programs from the federal single audit.

Cause: SDE continues to treat TANF claimable expenditures by DSS as state programs. SDE and DSS have not executed a current MOU.

Prior Audit Finding: We previously reported this as finding 2020-025 and in five prior audits.

Recommendation: The Department of Social Services and State Department of Education should strengthen procedures to ensure compliance with federal regulations in the TANF program.

The Department of Social Services and State Department of Education should execute a memorandum of understanding to define each agency's responsibilities regarding TANF program administration, including subrecipient monitoring requirements.

As the lead agency for TANF, 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 State Department of Education:

"We disagree in part with this finding. SDE has reviewed this finding on several levels and has determined multiple problems with this repeated



finding.

The first matter of being a “Pass-Through entity” is questionable as the federal funds were never in the possession of the SDE so as to “pass” them through to a subrecipient. As such, the SDE cannot properly book the expenditures in the state accounting system as federal pass-through funds. The funds paid from the state accounting system are State-appropriated general funds that are controlled by SDE as per Connecticut General Statutes that oversee the program activities.

History has provided that the state TANF plan had identified programs that, through their statutorily defined activities, qualify under some aspect of TANF for claiming. By virtue of the fact that SDE operates the programs per the statute, there should not be a question about the eligibility of the claim under TANF, provided that the TANF plan had appropriately identified those programs as allowable, which is not in the control of the SDE, nor is what any other agency is claiming under their federal grant.

SDE’s Bureau of Fiscal Services and Office of Internal Audit had met with OPM and an outside CPA firm in the spring of 2017 and fall of 2021 to discuss options with regards to the appropriateness of revising the OPM Compliance Supplement to reflect the federal nature of the funds that grant recipients were receiving as State grants but were required to be treated as federal funds for the purposes of their federal single audit. As the funds were never coded as federal funds in the state accounting system, and the amount of the funds claimed historically by DSS varied by program, it would be inappropriate to make any statement in the Compliance Supplement, as to their treatment as federal funds, as it would not be clear what percentage a subrecipient should account for in their single audit. In addition, the percentage or amount that should be coded as federal funds is not determined until after the fiscal year has ended. This is even further complicated by refunds that subrecipients would be paying back and the appropriate accounting of those returned funds as state or federal funds.”

Response provided by the Department of Social Services:

“The Department continues to work with SDE to ensure that the programs administered by SDE with TANF funds are identified as such. The Department has provided SDE with a draft MOU that clearly identifies the need for SDE to inform subrecipients of the federal character of TANF funds, as well as the subrecipient requirements associated with the receipt of TANF funds. This MOU has not yet been finalized.”



*Auditors' Concluding
Comments:*

The State Department of Education and the Department of Social Services need to agree on their respective TANF responsibilities and finalize their memorandum of understanding.

2021-026 Subrecipient Monitoring

Social Services Block Grant (SSBG) (Assistance Listing 93.667)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTSOSR and 2101CTSOSR

Background:

The Department of Social Services (DSS) is the designated single state agency in Connecticut for the allocation and administration of the Social Security Block Grant (SSBG) program. SSBG funds support the 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 perform the following:

1. Ensure that every subaward is clearly identified to the subrecipient as a subaward, which includes providing federal award identification information.
2. Advise subrecipients of requirements imposed on them so that the federal award is used in accordance with federal statutes, regulations, and the terms and conditions of the federal award, and any additional requirements imposed by the pass-through entity to meet its own responsibility to the federal awarding agency.
3. Monitor the activities of subrecipients as necessary to ensure that the subrecipient uses 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 a review of financial and performance reports required by the pass-through entity.
4. Verify that subrecipients have met the audit requirements for the fiscal year, if required.

Condition:

Our review of subrecipient monitoring procedures over seven subrecipients that received \$2,037,758 in SSBG funds disclosed the following:

1. DOH did not properly identify the amount of two subrecipients' subawards. The amount of the subaward listed in DOH subrecipient contracts did not agree with amounts provided during the fiscal year



ended June 30, 2021.

2. DOH did not conduct annual administrative or on-site monitoring for seven subrecipients.
3. DOH did not obtain all required financial and performance reports for two subrecipients.
4. DOH did not monitor four subrecipients for overdue financial and programmatic reports.

Context: During the fiscal year ended June 30, 2021, DOH provided 31 subrecipients with \$7,153,779 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 the use of federal funds was for allowable activities.

Cause: DOH did not comply with federal requirements for monitoring subrecipients.

Prior Audit Finding: We previously reported this finding as 2020-026 and in six prior audits.

Recommendation: The Department of Housing should strengthen procedures to ensure compliance with federal regulations as pass-through entities in the Social Services Block Grant (SSBG) 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 in part. DOH agrees with the finding that DOH did not accurately reflect the correct subaward amounts in the contract. DOH did make attempts to obtain all reports in a timely manner from our contractors. DOH understands that due to COVID many shelters were understaffed and caring for the health and safety of both staff and guests during the pandemic which led to delays in them reporting to DOH. DOH did not conduct monitoring during this time frame due to prevent COVID from spreading to individuals living in a congregate living setting.”



Response provided by the Department of Social Services:

“The Department agrees with this finding. The Department will provide technical assistance to DOH to address the identified items. DOH did advise the Department that due to the public health emergency and the Governor’s executive order of stay home, stay safe; they would not provide on-site monitoring during SFY 2021. DOH has advised the Department that monitoring of emergency shelters are occurring during SFY 2022.”



DEPARTMENT OF TRANSPORTATION

2021-100 Cash Management – Cash Balances

Highway Planning and Construction (Federal-Aid Highway Program) (Assistance Listing 20.205)

Federal Award Agency: United States Department of Transportation (Federal Highway Administration)

Award Years: Various

Federal Award Numbers: Various

Criteria: Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.305 provides that state drawdowns of federal funds are governed by Treasury-State Cash Management Improvement Act (CMIA) agreements. Under the agreement between the Treasury and the State of Connecticut, the state must request Highway Planning and Construction program funds no earlier than the second working day following the day of disbursement.

Under Title 2 CFR 200.303, the State Department of Transportation (DOT) is required to establish and maintain effective internal control over federal awards that provides reasonable assurance that the awards are being managed in compliance with federal requirements. Monitoring the balance of funds on hand is a key control that provides assurance over cash management requirements.

Condition: Under the DOT policy of requesting funds in arrears, federal accounts should have credit cash balances. During our prior review, we noted that the Core-CT (the state's accounting system) cash accounts maintained for the Highway Planning and Construction Program had a net aggregate debit balance of \$15,146,068 as of June 30, 2018, \$15,739,420 as of June 30, 2019, and \$15,081,459 as of June 30, 2020. There was no significant change during the current period. The accounts had a balance of \$18,444,667 as of June 30, 2021.

Our review indicated that accumulated posting errors caused the debit cash balance in the program's accounts. Those posting errors mostly occurred during the fiscal year ended June 30, 2007. DOT generally agreed that the debit balances were primarily due to Office of the State Comptroller's accounting entries to establish cash balances during the 2003 implementation of Core-CT, and in the fiscal year ended June 30, 2007 when federal accounts were consolidated. These uncorrected posting errors are a complicating factor that hampered DOT's ability to monitor cash accounts maintained for federal programs by periodically comparing the balances to unreimbursed expenditures and other outstanding items.



The Department of Transportation is attempting to address this by identifying specific amounts credited to federal accounts in error and transferring them to a holding account. However, due to the volume of transactions and extended period of time, it is unlikely that DOT will be able to accomplish this quickly.

Context: We believe that the cash balance in the program's accounts consists of misclassified state funds, not federal funds drawn in advance. Our conclusion is based on our understanding of the transaction level controls in effect at DOT, our current review of program activity, and reviews of activity during previous audits.

Questioned Costs: \$0

Effect: This increases the risk that DOT will draw down federal funds earlier than permitted by the state's CMIA agreement.

Cause: A debit cash balance in the program's accounts appears to reflect accumulated posting errors. DOT did not detect and correct the errors in previous periods, because the department does not monitor federal program cash balances.

Prior Audit Finding: We previously reported this as finding 2020-100 and in two prior audits.

Recommendation: The Department of Transportation should monitor cash accounts maintained for federal programs in the state's accounting system. The department should transfer cash balances that it cannot attribute to current outstanding items to a holding account until it can determine their source.

Views of Responsible Officials: "We agree with this finding.

This finding has been repeated from prior audits and is still being acted upon by the Department.

It should be noted that during this past year the pandemic and telework continued to affect the Department's ability to research original hardcopy documentation that would assist greatly in reconciling transaction level data and the appropriate corrective action.

- Based on the original planned corrective action, we have:
- Conducted regular reviews and followed up on expenditure transactions coded to federal SIDs that were not billed (over the limit transactions (OLT) and Unbilled).



- Continued to review negative cash balances in federal SID's and prepared appropriate corrections.
- Performed ongoing research involving pre-Core-CT projects as part of the close-out process.
- Continued to perform annual reviews of Department transactions to ensure CMIA funding technique requirements have been met.
- Begun to analyze account balances to determine if allotment redistributions, which may affect cash balances, should be done to adjust balances initially recorded for the split of Federal and State funds.

To that end, we are determined to make any possible corrections within our ability to satisfy this recommendation in the coming months.”



DEPARTMENT OF LABOR**2021-150 Reporting – ETA 227****COVID-19 Unemployment Insurance (UI) (Assistance Listing 17.225)****Unemployment Insurance (Assistance Listing 17.225)****Federal Award Agency: United States Department of Labor****Award Years: Not Applicable****Federal Award Number: Not Applicable***Criteria:*

The Unemployment Insurance (UI) Reports Handbook No. 401, 5th Edition, Section IV, General Reporting Instructions for the ETA 227 Overpayment Detection and Recovery Activities, states that applicable data on the ETA 227 report should be traceable to the data regarding overpayments and recoveries in the state's financial accounting system. The item-by-item instructions state that for Section A, Overpayments Established, total nonfraud overpayments (line 103) includes all overpayments classified as nonfraud (lines 104 through 108) and Section C, Recovery /Reconciliation, waived overpayments (line 308) includes overpayments reported in Section A that were waived under state law. The instructions also state that for Section E, Aging of Benefit Overpayment Accounts, the sum of Total Accounts Receivable (line 507) must equal the sum Outstanding at the End of Period (line 313).

The U.S. Department of Labor Unemployment Insurance Program Letter (UIPL) No. 02-12 requires states to impose a monetary penalty on claimants whose fraudulent acts resulted in overpayments.

According to UIPL 11-09, states should report Federal Additional Compensation (FAC) overpayments (established and recovered) in the comments section of the ETA 227 report as "FAC Established=\$\$\$" and "FAC Collected=\$\$\$".

Condition:

We determined that the ETA 227 reporting deficiencies noted in prior audits will continue to occur until the department replaces its current report population system. The federal government is aware of these ongoing issues.

Context:

Prior audits of the ETA 227 Overpayment Detection and Recovery Activity reports have disclosed internal control deficiencies for 14 consecutive years.

Questioned Costs: \$0



Effect: The state's integrity efforts cannot be effectively assessed when reports are not properly prepared.

Cause: The condition is due to accounting and software errors.

Prior Audit Finding: We previously reported this as finding 2020-150 and in 13 prior reports.

Recommendation: The Department of Labor should strengthen internal controls to ensure that amounts it reports on the ETA 227 Overpayment Detection and Recovery Activities Report are accurate, complete, and supported.

Views of Responsible Officials:

“We agree with this finding. The agency remains focused on and committed to implementing its modernized UI system in 2022. This new system, already in use by other consortium member states, is not known to have any defects with this report.”

2021-151 Special Tests and Provisions – UI Benefit Overpayments

COVID-19 Unemployment Insurance (UI) (Assistance Listing 17.225)

Unemployment Insurance (Assistance Listing 17.225)

Federal Award Agency: United States Department of Labor

Award Years: Not Applicable

Federal Award Number: Not Applicable

Criteria: Public Law 112-40, enacted on October 21, 2011, and effective October 21, 2013, amended sections 303(a) and 453A of the Social Security Act and sections 3303, 3304, and 3309 of the Federal Unemployment Tax Act to improve program integrity and reduce overpayments. States are (1) required to impose a monetary penalty (not less than 15%) on claimants whose fraudulent acts resulted in overpayments, and (2) prohibited from providing relief from charges to an employer's Unemployment Compensation account when overpayments are the result of the employer's failure to respond timely or adequately to a request for information. States may continue to waive recovery of overpayments in certain situations and must continue to offer the individual a fair hearing prior to recovery.

Section 31-273(a)(1) of the Connecticut General Statutes requires that any person who, through error, has received any sum of benefits under this chapter while any condition for the receipt of benefits imposed by this chapter was not fulfilled, or has received a greater amount of benefits than was due under this chapter, shall be charged with an overpayment of a sum equal to the amount overpaid, provided such error has been



discovered and brought to such person's attention within one year of the date of receipt of such benefits.

Section 31-273(b)(1) of the Connecticut General Statutes requires that any person who, by reason of fraud, willful misrepresentation or willful nondisclosure by such person or by another of material fact, has received any sum as benefits under this chapter while any condition for the receipt of benefits imposed by this chapter was not fulfilled in such person's case, or has received a greater amount of benefits than was due such person under this chapter, shall be charged with an overpayment and shall be liable to repay to the administrator of the Unemployment Compensation Fund a sum equal to the amount so overpaid to such person.

Condition: Our review of 15 positive crossmatch results identified seven instances in which the department did not further investigate potential overpayments because the employers did not return the certificate of earnings (UC-1124) letters.

Context: The department could not provide a population of outstanding requests for UC-1124 letters.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: Overpayment of unemployment compensation may not be recovered if employers fail to respond to UC-1124 letters. In addition, the department may not receive penalty and interest charges that would be assessed on fraudulent overpayments.

Cause: The department indicated that it lacks resources to investigate potential overpayment leads and the current system has no mechanism to actively track outstanding UC-1124 letters or send second requests to employers who do not respond.

Prior Audit Finding: We previously reported this as finding 2020-151 and in six prior audits.

Recommendation: The Department of Labor should strengthen internal controls to ensure that all potential overpayments are investigated.

Views of Responsible Officials:

"We agree with this finding. The agency remains focused on and committed to implementing its modernized UI system in 2022. This new system, already in use by other consortium member states, has built in programming that will automatically issue second requests for



information.”

2021-152 Subrecipient Monitoring – Compliance Monitoring Reviews

Workforce Innovation and Opportunity Act (WIOA)

WIOA Adult Program (Assistance Listing 17.258)

WIOA Youth Activities (Assistance Listing 17.259)

WIOA Dislocated Workers Formula Grants (Assistance Listing 17.278)

Federal Award Agency: United States Department of Labor

Award Years: Federal Fiscal Years 2018-2019, 2019-2020, and 2020-2021

Federal Award Number: AA-32054-18-55-A-9, AA-33220-19-55-A-9, and AA-34759-20-55-A-9

Criteria:

Title 20 *U.S. Code of Federal Regulations* (CFR) Part 683.400 provides that the Governor must monitor local workforce development boards (WDB) and regions annually for compliance with applicable laws and regulations in accordance with the state monitoring system. Monitoring must include an annual review of each local area’s compliance with Title 2 CFR Part 200.

Title 2 CFR Part 200.521 (c) and (d) indicate that the pass-through entity must issue a management decision for audit findings related to federal awards it makes to subrecipients. The pass-through entity must issue the decision within six months of acceptance of the audit report by the Federal Audit Clearinghouse. The auditee must initiate and proceed with corrective action as soon as possible and corrective action should begin no later than upon receipt of the audit report.

The state Department of Labor (DOL) established annual compliance monitoring procedures of its five workforce development boards, including reviews of their independent audit reports. The reports must be reviewed within 60 days for findings and areas of concern, and a formal letter of the findings and areas of concern must be sent to the WDB for a response within 30 days. DOL reviews the responses to determine if the issues have been addressed and resolved satisfactorily. Once resolved, DOL must provide a final determination to the WDB.

Condition:

Our review of DOL’s subrecipient monitoring disclosed that the department did not review the workforce development boards’ independent audit reports for the fiscal year ended June 30, 2020 and therefore did not send any notifications to the boards related to identified findings or areas of concern.

Context:

DOL claimed \$23,135,159 in expenditures incurred by the five workforce



development boards for Workforce Innovation and Opportunity Act-related activities during the fiscal year ended June 30, 2021. The audit reports on the five workforce development boards for the fiscal year ended June 30, 2020, were issued between November 2020 and March 2021.

Questioned Costs: \$0

Effect: Subrecipients may delay corrective action without timely monitoring and communication by DOL.

Cause: The department claims that this was caused by a lack of staffing and its transition to telework due to the COVID-19 pandemic.

Prior Audit Finding: We previously reported this finding as 2020-152.

Recommendation: The Department of Labor should strengthen internal controls to ensure it promptly reviews independent audit reports of the workforce development boards.

Views of Responsible Officials:

“We agree with this finding. The PY 20/21 program monitoring reports are complete. We are in the process of delivery to the WDBs. PY21 Fiscal Monitoring has begun but WIOA Administration still seeks to align entrance and exit dates for both program and fiscal monitoring in the future.”

2021-153 Governance

Workforce Innovation and Opportunity Act (WIOA)

WIOA Adult Program (Assistance Listing 17.258)

WIOA Youth Activities (Assistance Listing 17.259)

WIOA Dislocated Workers Formula Grants (Assistance Listing 17.278)

Federal Award Agency: United States Department of Labor

Award Years: Federal Fiscal Years 2018-2019, 2019-2020, and 2020-2021

Federal Award Numbers: AA-34759-18-55-A-9, AA-34759-19-55-A-9, and AA-34759-20-55-A-9

Background: Public Law 113-128, the Workforce Investment and Opportunity Act (WIOA), requires states to designate a state workforce development board (WDB) to oversee the planning, distribution, and monitoring of funds to regions within the state to accomplish the various purposes of the act. The Governor’s Workforce Council (GWC), formerly Connecticut Employment and Training Commission (CETC), is designated as Connecticut’s statewide WDB and is the principal advisor to the Governor



on matters of the state’s program structure and fund allocation. The GWC is comprised of various stakeholders in the workforce community. The U.S. Department of Labor authorized \$32,338,348, in WIOA program funding to the state for the fiscal year ended June 30, 2021.

Governor Lamont issued Executive Order No. 4 on October 29, 2019, which restructured the CETC. While retaining statutory authority, CETC also became known as the Governor’s Workforce Council, and the order added new members and responsibilities including serving as the principal advisor to the Governor on workforce development issues and coordinating the efforts of all state agencies and other entities in promoting workforce development throughout the state. As a part of restructuring, the responsibilities of the Department of Labor (DOL) Office of Workforce Competitiveness were transferred to the Office of Workforce Strategy (OWS) within the Department of Economic and Community Development, effective July 8, 2020, through a memorandum of understanding between the DOL, Department of Economic and Community Development, and Office of Policy and Management.

DOL administers the WIOA Title 1 program subject to the Governor’s Workforce Council’s planning and monitoring oversight. DOL also supports the GWC internal administrative requirements through the Office of Workforce Strategy.

Criteria: Title 20 *U.S. Code of Federal Regulations* (CFR) Part 679.110(d)(2) requires the Governor to establish bylaws that address term limitations for state workforce development board members and how their terms should be staggered to ensure only a portion of membership expires each year.

Condition: Article II, Section 3 of GWC bylaws as of January 28, 2021, specifies that commission/council membership terms must be coterminous with that of the appointing Governor. This conflicts with 20 CFR 679.110(d)(2) which requires that terms of the state WDB members be staggered.

Context: The condition appears to be a systemic issue and becomes more impactful with the Governor’s Workforce Council assuming a more proactive role in the development and oversight of programs.

Questioned Costs: \$0

Effect: Noncompliance with 20 CFR Part 679.110(d)(2) resulted in the CETC substantively suspending operations for ten months in calendar year 2019 due to termination of board members as required by bylaws. It was unable to promptly advise the incoming Governor on budgetary and programmatic policies, and recommendations for fund authorization for



the fiscal year ended June 30, 2020. Continuation of the current bylaws can result in a similar situation and a loss of institutional knowledge due to a turnover of board members.

Cause: The failure to comply with WIOA requirements for staggered board member terms appears to be based on a continuation of practices consistent with general membership terms of other oversight bodies or entities. This practice is not consistent with WIOA regulations.

Prior Audit Finding: We previously reported this as finding 2020-153 and in one prior audit.

Recommendation: The Department of Labor, as the recipient of federal Workforce Investment Opportunity Act Title 1 funds, should continue to advise the Governor's Workforce Council of the need to align its bylaws with the requirements of 20 CFR Part 679.110(d)(2), and evolve to staggered terms for board members consistent with that requirement.

Views of Responsible Officials:

"We agree with this finding. OWS anticipates making changes to their bylaws to reflect 3 year staggered terms for GWC members. This will be applied to members that were originally appointed when the GWC was first created and for those members recently appointed this year. OWS engaged the National Governor's Association to draft a memo on how other states structure their term lengths for their state workforce boards. This memo was utilized to inform our current 3 year recommendation. OWS is planning to update the bylaws and have the GWC vote to approve such changes during the next board meeting on September 15th."

2021-154 Allowable Costs

Workforce Innovation and Opportunity Act (WIOA)

WIOA Adult Program (Assistance Listing 17.258)

WIOA Youth Activities (Assistance Listing 17.259)

WIOA Dislocated Workers Formula Grants (Assistance Listing 17.278)

Federal Award Agency: United States Department of Labor

Award Years: Federal Fiscal Years 2018-2019, 2019-2020, and 2020-2021

Federal Award Numbers: AA-34759-18-55-A-9, AA-34759-19-55-A-9, and AA-34759-20-55-A-9

Criteria: Title 20 *U.S. Code of Federal Regulations* Part 683.220 requires recipients and subrecipients of WIOA Title I funds to implement a system of internal controls to manage the award in compliance with federal statutes, regulations, terms, and conditions of the federal award.



A proper system of internal control requires adequate documentation of financial reporting transactions as a critical element of the control system to demonstrate compliance with grant provisions.

Condition: Our review of 25 non-payroll transactions, which included 22 pertaining to reimbursement of expenditures of local workforce development boards (WDB) totaling \$4,407,666, identified 20 exceptions in which the support provided with the Form WIOA-6 (Request for WIOA Funds) was insufficient.

Context: We reviewed \$4,416,370 in transactions out of a population of \$23,430,548.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: It is not feasible to determine compliance with federal requirements without adequate documentation.

Cause: DOL did not sufficiently design reimbursement forms and instructions and failed to monitor and remediate noncompliance by the workforce development boards. WDB did not consistently comply with existing form instructions.

Prior Audit Finding: We previously reported this as finding 2020-154.

Recommendation: The Department of Labor should review its standards of documentation in support of drawdown requests for Workforce Innovation and Opportunity Act funds to ensure that costs appear allowable and strengthen its monitoring procedures for compliance.

Views of Responsible Officials:

“We agree with this finding. In addition to sharing the revised invoicing policy in March 2021 and guidance in November on the 4th Quarterly Correspondence, the WIOA Administration has been reviewing current forms and procedures to find opportunity to improve communication and clarity. Any edits or procedures that change as a result of our review will have a feedback period that involves impacted parties internally and externally, such as contractors and Workforce Development Boards.”



DEPARTMENT OF PUBLIC HEALTH

2021-200 Subrecipient Monitoring

COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (Assistance Listing 93.323)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Year 2020-2021

Federal Award Numbers: NU50CK000524

- Background:* The Department of Public Health (DPH) entered into a memorandum of agreement (MOA) with the Department of Social Services (DSS) to administer contact tracing services. The MOA required DSS to subcontract with five Community Resource Coordinator host organizations that would maintain staff to accept contact tracing referrals, engage with the referred individuals, and provide short-term case management services. The MOA required DSS to provide DPH with programmatic reports containing the time between receipt of referral and contact with the referred individual. DSS also had to provide financial reports with timesheet records for all staff supported through the MOA. DSS subcontractor agreements with each Community Resource Coordinator included the same reporting requirements. DSS was the pass-through entity, and each Community Resource Coordinator was a subrecipient.
- Criteria:* Title 2 *U.S. Code of Federal Regulations* Part 200.332(d) requires pass-through entities to monitor the activities of the subrecipient to ensure that subrecipients use the subaward for authorized purposes. Pass-through entity monitoring of the subrecipient must include reviewing financial and performance reports required by the pass-through entity.
- Condition:* DSS did not ensure that subrecipients complied with financial and programmatic reporting requirements and did not submit complete financial and programmatic reports to DPH. Financial reports did not include timesheet records. Programmatic reports did not include the time between receipt of referral and contact with the referred individual.
- Context:* Five subrecipients reported \$1,028,752 in salaries and fringe benefits for the period August 25, 2020 through May 31, 2021. We reviewed the department's monitoring efforts over financial and programmatic reporting for the five subrecipients.
- Questioned Costs:* \$0
- Effect:* DSS and DPH have limited assurance that the use of federal funds was for
-



allowable activities.

Cause: DSS did not have adequate procedures in place to monitor subrecipient reporting requirements.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should strengthen internal controls to ensure compliance with federal regulations for pass-through entities by monitoring subrecipient reporting for the Epidemiology and Laboratory Capacity for Infectious Diseases program.

Views of Responsible Officials:

Response provided by the Department of Social Services:

“The Department agrees with this finding. The Department will review its current internal control structure to ensure compliance with laws and regulations.”

Response provided by the Department of Public Health:

“Although the DPH is the lead agency and retains overall responsibility for the CDC ELC Enhancing Detection Cooperative Agreement under which this agreement with DSS was funded, this finding should not be listed as a finding under DPH’s section of the Federal Single Audit report.

It is the DSS responsibility to ensure it has controls in place to ensure compliance with the requirements of its agreement with DPH as well as ensure monitoring of its sub-recipients for compliance with financial and programmatic requirements of its agreement with them.

The Department will review any effects of this finding and coordinate with DSS to ensure that the requirements of the agreement are met.”

Auditors’ Concluding Comments:

We listed this finding under the Department of Public Health section of the Federal Single Audit report to formally notify the state’s lead ELC agency that deficiencies exist within the program. As the state’s lead agency, DPH has the responsibility to oversee the administration of the ELC program and is ultimately accountable for the proper use of the federal ELC funds.



DEPARTMENT OF CHILDREN AND FAMILIES

2021-250 Allowable Costs/Cost Principles – Foster Care Maintenance Payments

Foster Care – Title IV-E (Assistance Listing 93.658)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTFOST and 2101CTFOST

Background:

The Department of Children and Families (DCF) administers the Title IV-E Foster Care Program and establishes payment rates for maintenance, administrative, and other service costs. The department maintains a case management and payment system called LINK. DCF processes payments on behalf of placed children through LINK from its board and care checking account. Workers in 14 DCF offices are primarily responsible for entering the child's placement (foster or adoptive homes, institutions, and child-placing agency approved homes) in LINK. DCF automatically sends maintenance payments each month based on the children's placement information. All payments are associated with service codes, each of which is designated as IV-E reimbursable or non-reimbursable. Service codes are grouped into program categories and only those designated as foster care are claimed for federal reimbursement under that program.

DCF has a range of living options for youth in care. Childcare institutions offer them an opportunity to learn and practice independent living skills, attend school in the community, and hold jobs while residing in a 24-hour supportive, structured, and supervised setting. The DCF rate setting unit uses cost reports and time studies to establish per diem rates and the associated IV-E reimbursable percentage for these supervised settings. The rate setting unit enters this information into LINK's provider and claiming rate tables under the appropriate service code.

Criteria:

Title 2 *U.S. Code of Federal Regulations* Part 200.403 provides that to be allowable under federal awards, costs must conform to any limitations or exclusions set forth in these principles or in the federal award as to types or amount of cost items, be accorded consistent treatment, and be adequately documented.

Funds may be expended for foster care maintenance payments on behalf of eligible children. Title 42 *United States Code* (USC) Section 675(4)(A) defines foster care maintenance payments as expenditures to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability



insurance with respect to a child, reasonable travel to the child's home for visitation, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement. In the case of institutional care, such term shall include the reasonable costs of the institution's administration and operation as are necessarily required to provide these items. Title 42 USC Section 672(b) requires that foster care maintenance payments be limited to include only those items which are included in the term foster care maintenance payments as defined in Section 675(4).

Condition: DCF claimed the per diem rate for federal reimbursement for a retroactive payment made to a childcare institution rather than the Title IV-E allowable portion. The department claimed \$192,700 in payments of which the Title IV-E allowable portion was \$56,006.

In addition, DCF claimed \$2,758,514 in duplicate amounts for childcare institutions. The department did not pay the providers for these duplicate amounts.

Context: During the fiscal year ended June 30, 2021, DCF claimed \$40,716,778 in maintenance payments and received \$22,375,219 in federal reimbursement. Of this amount, DCF claimed \$16,600,652 in payments for childcare institutions and received \$9,020,067 in federal reimbursement.

Questioned Costs: We computed questioned costs of \$1,627,107.

Effect: DCF received federal reimbursement for unallowable expenditures.

Cause: The department did not add the appropriate IV-E allowable rate to the claiming rate table.

Programing errors in the LINK system resulted in duplicate amounts being included in the claiming database.

Prior Audit Finding: We previously reported this as finding 2020-250.

Recommendation: The Department of Children and Families should strengthen internal controls to ensure that it determines the Title IV-E allowable portion of rates and should only claim allowable costs for federal reimbursement.

The Department of Children and Families should return federal reimbursement for unallowed expenditures that it claimed under the Foster Care program.



Views of Responsible Officials:

“DCF is periodically required to issue retroactive payments through LINK, for a variety of possible reasons. Because of the varied nature of these payments, service codes relied upon by the Revenue Enhancement Team to capture in DCF's Title IV-E claim are not established by the Child Welfare Accounting Unit to specifically identify the payment as a retroactive payment. This results in the inclusion of the payments in the subsequent Title IV-E claim.

The Fiscal Services Division is currently working to identify a solution that will include pre-identification of these payments in LINK, as well as a communication procedure between the Child Welfare Accounting Unit and Revenue Enhancement when such payments are being made to ensure that this situation does not occur in the future. These amounts have been repaid through reduction in DCF's subsequent Title IV-E claim.

The second part of the finding relates to the IV-E claiming report incorrectly reporting that LINK payments and contracted payments were made to the same provider for the same service and service period, which resulted in a duplicate claim. Note: this did not result in a duplicate payment to the provider of the service. This error is not human, it is due to a computer coding error in the behind the scenes composition of LINK. The DCF IT team is currently working to identify a fix for this error. In the interim period, Revenue Enhancement staff are manually checking any LINK payment made to a provider also providing services under contract with DCF to eliminate duplicate claiming. These amounts have been repaid through reduction in DCF's subsequent Title IV-E claim.”

2021-251 Eligibility – Adoption Assistance Subsidy Payments

Adoption Assistance – Title IV-E (Assistance Listing 93.659)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTADPT and 2101CTADPT

Background:

The Department of Children and Families (DCF) is responsible for administering the Adoption Assistance Program. The department maintains an IV-E eligibility system to document eligibility determinations based on the applicable federal requirements. Based on the results of the determinations, each child is assigned an IV-E eligibility code which indicates their eligibility status.

Criteria:

Title 42 *United States Code* Section 673 provides that each state having a plan approved under this part shall enter into adoption assistance



agreements with the adoptive parents of children with special needs and shall make adoption assistance payments to such parents. A child meets the requirements for adoption assistance payments if the child meets the definition of an applicable or non-applicable child.

- A child is considered an applicable child for the fiscal year if the child meets the applicable age requirement, has been in foster care under the responsibility of the Title IV-E agency for at least 60 consecutive months, or is the sibling of an applicable child and was placed with the sibling. In addition, the state determines the child to be special needs, and:
 - The child at the time of initiation of adoption proceedings was in the care of a public or licensed private child placement agency pursuant to a voluntary placement agreement or voluntary relinquishment or in accordance with a judicial determination that continuation in the home would be contrary to the welfare of the child;
 - The child meets all medical or disability requirements of the Supplemental Security Income program;
 - The child was residing in a foster family home or childcare institution with their minor parent, and their minor parent was placed in foster care pursuant to a voluntary placement agreement, voluntary relinquishment, or court-ordered removal; or
 - The child was eligible for adoption assistance in a previous adoption in which the adoptive parents died or had their parental rights terminated.

- A child is considered a non-applicable child if they do not meet the definition of an applicable child, the state determines the child to be special needs, and:
 - The child was eligible or would have been eligible for the former Aid for Families with Dependent Children program and was removed from the home of a relative and placed in foster care in accordance with a voluntary placement agreement or judicial determination that continuation in the home would be contrary to the welfare of the child;
 - The child is eligible for Supplemental Security Income benefits; or
 - The child's costs in a foster family home or childcare institution are covered by the foster care maintenance payments being made with respect to the minor parent of the child.

Condition:

Our review of 40 adoption assistance subsidy payments disclosed one payment made for an ineligible child.



- Context:* During the fiscal year ended June 30, 2021, DCF claimed \$56,451,889 in subsidy payments and received \$31,724,963 in federal reimbursement. We reviewed 40 payments totaling \$37,470, of which \$21,058 was federally reimbursed.
- The sample was not statistically valid.
- Questioned Costs:* We computed questioned costs of \$438 for our tested transactions. Further review identified additional questioned costs of \$4,893 for the fiscal year ended June 30, 2021. The department has been claiming the adoption assistance subsidy payments for federal reimbursement since the child's adoption in November 2018.
- Effect:* DCF received federal reimbursement for unallowable expenditures.
- Cause:* The error was due to a clerical mistake. The department incorrectly indicated in the IV-E eligibility system that the child was a sibling of an applicable child and was placed with the sibling. However, the sibling was the child's twin who did not meet the definition of an applicable child.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The Department of Children and Families should strengthen internal controls to ensure that it only claims adoption subsidy costs for eligible children. In addition, the department should return federal reimbursement for unallowed expenditures that it claimed under the Adoption Assistance Program.
- Views of Responsible Officials:* "The Department agrees with this finding. After review of the occurrence, it was determined that this resulted from a data entry error, which was one time in nature. Additional review and post-review sampling has been implemented by the Unit Supervisor to prevent clerical errors in the future and the federal claim has been adjusted to account for the overage."



STATE DEPARTMENT OF EDUCATION

2021-300 Suspension and Debarment

Special Education – Grants to States (Individuals with Disabilities Education Act (IDEA), Part B) (Assistance Listing 84.027)

Federal Award Agency: United States Department of Education

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: H027A190021 and H027A200021

Special Education – Preschool Grants (IDEA Preschool) (Assistance Listing 84.173)

Federal Award Agency: United States Department of Education

Award Years: Federal Fiscal Year 2019-2020 and 2020-2021

Federal Award Numbers: H173A19024 and H173A20024

Criteria: Title 2 *U.S. Code of Federal Regulations* Part 180 prohibits non-federal entities from contracting with or making subawards under covered transactions to suspended or debarred participants or their principals. Covered transactions include procurement contracts for goods and services that are expected to equal or exceed \$25,000 or meet other specified criteria.

A principal is defined as an officer, director, owner, partner, principal investigator, or other person within an entity, with management or supervisory responsibilities related to a covered transaction.

States must verify that participants and principals are not suspended or debarred or otherwise excluded by checking the System for Award Management (SAM) Exclusions, collecting a participant or principal certification, or adding a clause or condition to the covered transaction. SAM Exclusions is a publicly available federal system with the most current information about principals or contractors that are suspended, debarred, or otherwise excluded from covered transactions.

Condition: Our review of nine personal service agreements and one memorandum of agreement disclosed that the State Department of Education (SDE) did not determine whether contractors or their principals were excluded from participating in federal programs. None of the contractors we examined were excluded.

Context: During the fiscal year ended June 30, 2021, the department had agreements with 72 contractors for the Individuals with Disabilities Education Act programs.



The sample was not statistically valid.

Questioned Costs: \$0

Effect: SDE has reduced assurance that contractors or their principals have not been suspended, debarred, or otherwise excluded from federal programs.

Cause: SDE does not have adequate procedures to verify that contractors or their principals are not suspended, debarred, or otherwise excluded from federal programs.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The State Department of Education should verify that participants and principals are not suspended, debarred, or otherwise excluded from federal programs and maintain documentation to support its review.

Views of Responsible Officials:

“We agree with this finding in part. Staff in the Bureau of Fiscal Services will work with the Department’s Legal Office to prepare a Suspension/Debarment Certification to be included in all federal special education contracts.”

2021-301 Allowable Costs/Cost Principles – Review of CTECS Title I, Part A Expenditures

Title I Grants to Local Educational Agencies (Title I, Part A) (Assistance Listing 84.010)

Federal Award Agency: United States Department of Education

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: S010A200007 and S010A210007

Background: The State Department of Education (SDE) acts as the state educational agency (SEA) and distributes Title I, Part A funding to local educational agencies (LEA) in the state. To receive Title I, Part A funds, LEAs must have an approved plan on file with the SEA. LEAs allocate Title I, Part A funds to eligible school attendance areas based on the number of children from low-income families residing within the attendance area. SDE also acts as an LEA administering the Title I, Part A program through the Connecticut Technical Education and Career System (CTECS). During the audited period CTECS Title I, Part A expenditures totaled \$3,380,006.

Criteria: Title 34 *U.S. Code of Federal Regulations* (CFR) Part 200.78 provides that a local education agency must allocate Title I, Part A funds to each



participating school attendance area or school, in rank order, on the basis of the total number of children from low-income families residing in the area or attending the school.

Title 34 CFR Part 76.700 provides that a subgrantee shall use federal funds in accordance with the state plan and applicable statutes, regulations, and approved applications.

Condition:

The Connecticut Technical Education and Career System did not expend Title I, Part A funding in accordance with the allocation methods it used in its approved application for the 2020 and 2021 federal fiscal years. Specifically, CTECS spent more funds than allotted at two schools for the 2020 federal fiscal year. In addition, CTECS spent funds for one ineligible school for the 2020 federal fiscal year and three ineligible schools for the 2021 federal fiscal year.

CTECS did not expend Title I, Part A funds according to budget line items approved in its application.

Context:

We reviewed Title I, Part A expenditures at CTECS by school and expenditure type for the 2020 and 2021 federal fiscal years. Title I, Part A allotments to CTECS totaled \$3,232,402 and \$3,772,051, respectively. Our review disclosed the following:

- A review of 2020 grant award expenditures by school disclosed that CTECS spent a combined \$165,763 over the amounts allotted in the application for two schools and \$124,766 for an ineligible school.
- A review of 2020 grant award expenditures by type disclosed that CTECS spent \$241,997 on capital equipment that was not approved in the application.
- A review of 2021 grant award expenditures by school disclosed that CTECS spent \$40,407 for three ineligible schools.

Questioned Costs:

Federal Award #	Questioned Costs
S010A200007	\$532,526
S010A210007	40,407
Total	\$572,933

Effect:

Noncompliance with Title I, Part A laws and regulations undermines the objectives of the program, leaving children who reside in areas with high



concentrations of low-income families at an increased risk of not meeting challenging academic standards.

Cause: CTECS management did not understand or neglected to follow Title I, Part A laws and regulations in their administration of the program.

Prior Audit Finding: We previously reported this as finding 2020-302 and in three prior audits.

Recommendation: The State Department of Education’s Connecticut Technical Education and Career System should implement policies and procedures to ensure Title I, Part A funding is used in accordance with the program’s laws and regulations.

Views of Responsible Officials:

“We agree with this finding. In the Spring of 2020, the Department’s Title I staff, along with SDE’s Office of Internal Audit, reviewed the areas of non-compliance regarding Title I school expenditures and approved Title I budget line-item expenditures with Title I and fiscal staff at the CTECS. The CTECS has developed and implemented a corrective action plan to ensure compliance with the Title I requirements. Further, the Department’s fiscal, Office of Internal Audit and Title I staff are communicating with the CTECS fiscal, and Title I staff to monitor implementation of the CTECS corrective action plan. Additionally, upon separation, CTECS will need to draw down funds through eGrants Grants Management System to ensure this does not happen again.”

2021-302 Special Reporting – Federal Funding Accountability and Transparency Act

Title 1 Grants to Local Educational Agencies (Title I, Part A) (Assistance Listing 84.010)

Federal Award Agency: United States Department of Education

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: S010A190007 and S010A200007

Special Education – Grants to States (Individuals with Disabilities Education Act (IDEA), Part B) (Assistance Listing 84.027)

Federal Award Agency: United States Department of Education

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: H027A190021 and H027A200021

Special Education – Preschool Grants (IDEA Preschool) (Assistance Listing 84.173)

Federal Award Agency: United States Department of Education



Award Years: Federal Fiscal Year 2019-2020 and 2020-2021
Federal Award Numbers: H173A19024 and H173A20024

- Criteria:* Title 2 *U.S Code of Federal Regulations* 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 month following the month in which the obligation was made.
- Condition:* Our review disclosed that the State Department of Education (SDE) did not report any of its Title 1, Part A or Individuals with Disabilities Education Act (IDEA) subawards on FSRS.
- Context:* During the fiscal year ended June 30, 2021, SDE provided subawards of \$134,769,707 for Title 1, Part A and \$119,375,724 for the IDEA programs.
- Questioned Costs:* \$0
- Effect:* There is decreased public transparency of SDE spending of federal awards.
- Cause:* The department was unable to comply with this requirement due to staffing constraints.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The State Department of Education should strengthen internal controls to ensure compliance with the Federal Funding Accountability and Transparency Act reporting requirements.
- Views of Responsible Officials:* “We agree with this finding. Staff in the Bureau of Fiscal Services will ensure that subawards are entered into the Federal Funding Accountability and Transparency Act Subaward Reporting System in a timely manner, dependent upon staffing.”

2021-303 Special Reporting – Untimely Federal Funding Accountability and Transparency Act Reporting

COVID-19 Education Stabilization Fund – Elementary and Secondary School Emergency Relief Fund (Assistance Listing 84.425D)

COVID-19 Education Stabilization Fund – American Rescue Plan – Elementary and Secondary School Emergency Relief (Assistance Listing 84.425U)



Federal Award Agency: United States Department of Education
Award Years: Federal Fiscal Year 2020-2021
Federal Award Numbers: S425U210030 and S425D210020

- Criteria:* Title 2 *U.S Code of Federal Regulations* 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 (FFATA) Subaward Reporting System no later than the end of the month following the month in which the obligation was made.
- Condition:* Our review of ten subawards, totaling \$85,612,683, disclosed that the State Department of Education (SDE) reported nine subawards between 22 and 47 days late.
- Context:* SDE obligated 253 Education Stabilization Fund subawards totaling \$1.1 billion.
- Questioned Costs:* \$0
- Effect:* SDE decreased its public transparency regarding its spending of federal awards.
- Cause:* The department was unable to comply with this requirement due to staffing constraints.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The State Department of Education should strengthen internal controls regarding timely subaward reporting to ensure compliance with the Federal Funding Accountability and Transparency Act reporting requirements.
- Views of Responsible Officials:* “We agree with this finding. A large number of retirements has significantly reduced our staffing capacity. We have taken steps to catch up with our federal reporting and will be providing monthly uploads to the FFATA Subaward Reporting System. Additionally, the implementation of the Unique Entity Identifier (UEI) has seen several subrecipients struggle with obtaining a UEI which has also hindered the Department’s reporting, as it is not feasible to stop the grant processing to local school districts.”



DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION

2021-350 Reporting – Federal Funding Accountability and Transparency Act

COVID-19 Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036)

Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036)

Federal Award Agency: United States Department of Homeland Security

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

**Federal Award Numbers: 4023DRCTP00000001, 4087DRCTP00000001,
4385DRCTP00000001, 4500DRCTP00000001, and 4580DRCTP00000001**

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* 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 month following the month the obligation was made. Recipients are required to accurately report key data elements such as subaward numbers, amounts, and obligation dates.

Condition:

Our review of reporting for the Federal Funding Accountability and Transparency Act identified the following conditions:

1. DESPP inaccurately entered key data elements for five subawards, totaling \$1,796,098, into FSRS. The inaccurate data elements included subaward numbers, amounts, and obligation dates.
2. DESPP entered nine subawards, totaling \$3,339,580, into FSRS between six days and nine months and 20 days late.



<i>Context:</i>	During the fiscal year ended June 30, 2021, DESPP made 143 subawards of \$30,000 or more. We reviewed ten subawards, totaling \$4,211,477. The sample was not statistically valid.
<i>Questioned Costs:</i>	\$0
<i>Effect:</i>	DESPP decreased its public transparency regarding its spending of federal awards.
<i>Cause:</i>	The conditions appear to have been caused by staffing changes and management's oversight due to an increase in workload related to the COVID-19 pandemic.
<i>Prior Audit Finding:</i>	We have not previously reported this finding.
<i>Recommendation:</i>	The Department of Emergency Services and Public Protection should promptly and accurately report subawards in compliance with the Federal Funding Accountability and Transparency Act.
<i>Views of Responsible Officials:</i>	“We agree with this finding.

Prior to the outbreak of the pandemic, the Public Assistance (PA) section lost two key staff members to unexpected retirements, both for medical reasons. These retirements resulted in a reduction of program staff by 50%. The agency promptly initiated the process of refilling these positions, but the pandemic intervened causing significant delays in completing this process.

Subsequently to these PA staff losses, there have been four separate events resulting in presidential declarations; COVID-19 (DR-4500), Tropical Storm Isaias (DR-4580), Tropical Storm Henri (EM-3564), and Tropical Storm Ida (DR-4629) (PA declaration pending). In combination, these events have resulted in the development and awarding of over 750 subawards for more than 300 subrecipients with a total federal cost share of greater than \$300 million to date. It is reasonably expected that these statistics will at least double in the near future. As a result of this increased workload, PA gave priority to supporting the development of, awarding, and payment of Project Worksheets (subgrants) in a timely manner.

The Federal Funding Accountability and Transparency Act (FFATA) requires the state to enter data that is already in one federal system into another federal system. Recognizing the FFATA requirement, PA recruited a staff member from another program to move forward in meeting this requirement. The process of working with federal staff to



regain access to these grant records in the FFATA system took over seven months to complete, causing a significant delay in reporting. The new individual has had limited training and guidance on the FFATA reporting process. Despite these challenges, and in addition to their regular duties, this individual has managed to enter hundreds of awards into the system for which the agency is grateful. We are aware of the reporting errors in some of the grant entries, which appear to be as a result of entering original 75% amounts rather than subsequent 100% adjusted amounts. We also recognize the need to correct typos and are working to provide additional training on initiating these corrections. It is also a challenge that the state can only assign one staff member to a particular grant within the current FFATA system, which therefore does not allow for a double check or cross training.”

2021-351 Subrecipient Monitoring and Reporting – Quarterly Progress Reports

COVID-19 Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036)

Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036)

Federal Award Agency: United States Department of Homeland Security

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 4023DRCTP00000001, 4087DRCTP00000001, 4385DRCTP00000001, 4500DRCTP00000001, and 4580DRCTP00000001

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 200.332 provides that the pass-through entity shall monitor the activities of subrecipients as necessary to ensure that the subrecipient uses 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 a review of financial and performance reports required by the pass-through entity.



In accordance with the State of Connecticut Public Assistance Program Administrative Plan, DESPP is responsible for receiving and reviewing subrecipients' quarterly progress reports. Subrecipients are to submit quarterly progress reports to DESPP on all open large projects immediately following the end of each calendar quarter and/or when the project is complete. The progress reports include information regarding the status of each project, projected completion dates, expenditures incurred to date, and any circumstances that could delay the project or result in noncompliance. As required by Title 44 CFR Part 206.204(f), DESPP must submit quarterly progress reports to FEMA within 30 days of the close of each calendar quarter.

Condition:

Our review of subrecipient monitoring identified the following conditions:

1. Following our request, DESPP obtained eight quarterly progress reports from a subrecipient with two open projects between 6.5 months and one year and 3.5 months late. Additionally, we noted that the subrecipient's quarterly progress reports did not agree with the four quarterly progress reports submitted by DESPP to FEMA.
2. Following our request, DESPP obtained the final progress reports from two subrecipients two years and 5.5 months and five years and 3.5 months after the subrecipients completed work on the projects. At the time of our review, DESPP was in the process of closing out the projects.

Context:

During the fiscal year ended June 30, 2021, there were 23 large projects that required subrecipient monitoring. We sampled five projects and reviewed the eight quarterly progress reports and two final progress reports submitted by subrecipients. We also reviewed all four quarterly progress reports submitted by DESPP to FEMA for the fiscal year ended June 30, 2021. The samples were not statistically valid.

Questioned Costs:

\$0

Effect:

There is limited assurance that subrecipients are using awards in compliance with federal laws, regulations, and guidance. Additionally, without timely monitoring and communication, there may be a delay in subrecipients' corrective action.



Cause: The conditions appear to be an oversight by management that occurred due to an increase in workload resulting from the COVID-19 pandemic.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Emergency Services and Public Protection should strengthen internal controls to ensure that it adequately monitors the activities of subrecipients and obtains and submits progress reports in compliance with federal laws, regulations, and guidance.

Views of Responsible Officials: “We agree with this finding.

Just prior to the outbreak of the pandemic, the Public Assistance (PA) section lost two key staff members to unexpected retirements, both for medical reasons. These retirements resulted in a reduction of program staff by 50%. The agency promptly initiated the process of refilling these positions, but the pandemic intervened causing significant delays in completing this process.

Concurrent with this loss of staff, DESPP has seen an unprecedented increase in subaward activity due mainly to the COVID-19 DR-4500 disaster. As a result of this increased workload, PA gave priority to supporting the development of, awarding, and payment of Project Worksheets (subgrants) in a timely manner. At full staffing, PA had one staff member who served the primary role of pursuing subrecipients’ compliance with quarterly reporting requirements and consolidating the results of these reports into the required recipient quarterly report. While PA advises subrecipients of their quarterly reporting requirements at the applicant briefing and again in the project award letters, compliance has frequently been driven mainly by aggressive follow-up by PA staff. This initiative frequently involved numerous email reminders often followed up by phone calls and sometimes the taking of status updates via phone to ensure the most accurate and up to date information was available to complete the recipient quarterly reporting requirement. Noncompliance of subrecipients with quarterly reporting requirement leaves DESPP with no alternative but to submit the recipient quarterly reports based on the last information submitted by that subrecipient. The reduced staffing, in combination with the unforeseen and unprecedented increase in workload, has forced DESPP to pursue compliance on the part of subrecipients in a less aggressive fashion.”



OFFICE OF POLICY AND MANAGEMENT

2021-400 Subrecipient Monitoring

COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Year 2020-2021

Federal Award Numbers: N/A

Background:

In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) is the primary state agency responsible for overseeing the funds and reporting to the federal government.

OPM provided reimbursements to municipalities, councils of governments, and nursing homes, and advance allocations to municipalities for costs associated with the COVID-19 pandemic.

Section 367 of Public Act 17-2 established the Municipal Accountability Review Board to provide technical, financial, and other assistance and related accountability for municipalities experiencing various levels of fiscal distress.

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 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(b) requires the pass-through entity to evaluate each subrecipient's risk of non-compliance with federal statutes, regulations, and the terms and conditions of the subaward to determine the appropriate subrecipient monitoring.

Title 2 CFR Part 200.332(d) provides that the pass-through entity shall monitor the activities of subrecipients as necessary to ensure that the subrecipient uses 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. Pass-through entity monitoring of the subrecipient must include reviewing financial and performance reports required by the pass-through entity, following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award, issuing a management decision, and resolving audit findings.



Title 2 CFR Part 200.332(f) requires a pass-through entity to verify that every subrecipient is audited as required by Subpart F of Title 2 CFR Part 200 when it is expected that the subrecipient's federal awards expended equaled or exceeded the threshold set forth in Title 2 CFR Part 200.501.

Title 2 CFR Part 200.501(b) states that a non-federal entity that expends federal awards of \$750,000 or more during the non-federal entity's fiscal year must have a single audit conducted in accordance with Title 2 CFR Part 200.514.

OPM reviewed and approved subrecipient requests for reimbursements. The department required reimbursement requests from municipalities and council of governments to include invoice information, an explanation of goods/services, and a transactional detail report. Claims for overtime should include a payroll log. OPM limited nursing home reimbursements to costs associated with COVID-19 testing. The department required nursing homes to upload the name of the payee, invoice date, date of goods or services received, date of payment, check number, explanation of goods/services, and an invoice from the testing provider.

Condition:

Our review of 69 subrecipients disclosed the following:

- OPM does not have written policies and procedures for monitoring its subrecipients.
- OPM did not perform risk assessments on subrecipients to determine the monitoring level needed.
- OPM did not notify subrecipients that single audits are required if total federal expenditures from all sources exceed \$750,000.
- OPM did not conduct the required review of subrecipient single audit reports.

In one instance, we found OPM did not perform the appropriate level of monitoring for a high risk subrecipient. OPM provided the City of West Haven an advance allocation of \$1,115,257 in Coronavirus Relief Funds. The Municipal Accountability Review Board was monitoring the city due to a history of financial control weaknesses. West Haven's fiscal year 2019 audit report showed significant internal control deficiencies over expenditures. OPM did not appropriately consider these factors and perform additional subrecipient monitoring. Due to allegations that the city misused Coronavirus Relief Funds, OPM engaged a public accounting firm to review the allegations. The audit did not find fraud related to the CRF funding, but revealed that the city had \$892,887 in unallowable CRF expenditures.



Our review of 75 subrecipient payments totaling \$40.26 million, which consisted of 60 advance payments and 15 reimbursements, disclosed that for 70 payments totaling \$38.06 million, OPM did not obtain sufficient supporting documentation to determine if the subrecipient used federal funds for allowable activities.

Context: During the fiscal year ended June 30, 2021, OPM provided subrecipients with \$89,141,361 of Coronavirus Relief Funds; \$45,498,170 in municipal allocations and \$43,643,191 in reimbursements.

After allegations of misuse of Coronavirus Relief Funds at a subrecipient, OPM expanded the reporting requirements for municipalities. The department required municipalities to submit a final expenditure report on Coronavirus Relief Fund expenditures from July 1, 2020 to December 31, 2021. OPM also required municipalities to include a detailed transaction report and supporting documentation in the same manner as required for reimbursements. As of May 26, 2022, OPM has not finished reviewing the documentation.

Questioned Costs: \$892,887

Effect: OPM has limited assurance that the use of federal funds was for allowable activities.

Cause: OPM did not have experience with subrecipient monitoring over federal awards. OPM's instructions to subrecipients did not require them to submit sufficient supporting documentation.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Office of Policy and Management, as a pass-through entity, should strengthen internal controls to ensure compliance with federal regulations.

Views of Responsible Officials: “The Office of Policy and Management will formalize, document, and implement internal controls over subrecipient risk assessment and monitoring to ensure compliance with federal requirements by 6/30/2022.”

2021-401 Activities Allowed or Unallowed—Provider Payments

COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)
Federal Award Agency: United States Department of the Treasury
Award Years: Federal Fiscal Year 2019-2020, 2020-2021



Federal Award Numbers: N/A

Background:

In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Developmental Services (DDS) and other state agencies to assist with specific areas of need.

DDS received Coronavirus Relief Funds to provide supplemental payments to private providers to assist with loss of revenues and additional expenses related to the COVID-19 pandemic. Many private providers were unable to operate their programs at full capacity due to pandemic restrictions.

Private providers entered their attendance data monthly into the DDS WebResDay attendance system. DDS used this data to calculate the supplemental provider payments. For July 2020, DDS granted private providers with a 20%-120% increase, depending on the actual attendance billed by the individual providers during the month. The department divided the provider's annual authorization by 12 months and then multiplied by 1.2 less attendance billings for the month. As the monthly billings decreased due to COVID-19, DDS used the following logic when calculating the amount of the supplemental payments:

- 20% supplemental payment for private providers that were able to bill at 100% of their normal authorizations.
- 70% supplemental payment for private providers that were able to bill at 50% of their normal authorizations.
- 120% supplemental payment for private providers that were not able to bill any of the normal authorizations.

Criteria:

Title 2 *U.S. Code of Federal Regulations* Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the federal awards that provides reasonable assurance that it is managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

United States Department of the Treasury Memorandum OIG-CA-20-021, requires Coronavirus Relief Fund recipients to maintain and make available upon request all documents and financial records sufficient to establish compliance with Title 42 *United States Code* Section 801. Recipients must maintain records for a period of five years after final payment of the Coronavirus Relief Fund.



<i>Condition:</i>	<p>We reviewed several DDS transactions including; 40 non-payroll expenditure transactions and adjustments charged to the Coronavirus Relief Fund in July and December 2020, totaling \$5,463,463; 39 supplemental payments to private providers totaling \$4,899,564; and one provider payment for employee hazard pay totaling \$563,899. Our review disclosed the following:</p> <ul style="list-style-type: none">• Twenty-four of the payments made to private providers during July 2020, totaling \$4,549,902, did not reconcile to the agency's records resulting in a difference of \$116,632. We further reviewed the remaining July payments to all private providers and were unable to reconcile an additional \$303,636 of the payments. As the differences noted were less than the adjusted amounts, it appears the agency underclaimed \$420,268 in CRF expenditures. <p>Additionally, we noted DDS could not provide support for a \$370,909 adjusting entry for a refund from a private provider for unused CRF funds. The agency estimated that it should adjust \$279,662, but only credited \$270,447 to CRF, resulting in a difference of \$9,215 that the agency could not explain.</p>
<i>Context:</i>	<p>During the fiscal year ended June 30, 2021, DDS expended \$12,719,913 of Coronavirus Relief Funds for non-payroll expenditures. Of that amount, it paid \$12,176,527 to private providers, \$11,107,648 as supplemental payments in July to cover additional costs incurred due to the pandemic and \$1,068,879 for employee hazard pay.</p>
<i>Questioned Costs:</i>	<p>\$9,215</p>
<i>Effect:</i>	<p>When proper internal controls are not in place, there is decreased assurance that expenditures were made in accordance with federal requirements.</p>
<i>Cause:</i>	<p>The complicated calculation process, differences of data entries in two separate systems (Core-CT and WebResDay), manual adjustments, and lack of management oversight and record retention appear to have contributed to these conditions.</p>
<i>Prior Audit Finding:</i>	<p>We previously reported this as finding 2020-400.</p>
<i>Recommendation:</i>	<p>The Department of Developmental Services should strengthen internal controls to ensure that expenditures charged to the Coronavirus Relief Fund are accurately calculated and adequately supported in accordance with federal requirements.</p>



Views of Responsible Officials:

Response provided by the Department of Developmental Services:

“This is a repeat finding because the final July 2020 Coronavirus Relief Fund (CRF) provider payments were expenditures from fiscal year 2021. Payments were processed prior to last year’s SWSA testing and final audit report. The methodology and process were already in place and changes were not possible.

As noted in our previous response, we agree in part with this finding. DDS followed state and federal guidance for the usage of CRF allocated to our agency. The CRF supplemental payment methodology for DDS private providers was based on internal high-level estimates of possible provider COVID-19 related expenses. The calculations were complex database algorithms that were not properly documented. We acknowledge that the calculations could not be replicated with 100% accuracy.

DDS CRF payment recalculations were \$13,143,851 compared to actual provider payments of \$12,723,583. The \$420,268 overage was 3% of total payments. We are confident that the CRF payments were correct, based on the small recalculation variance.

DDS has requested that all recipients of CRF complete a *Corona Relief Fund Attestation* of CRF Revenue and Eligible CRF Expenses. Excess funds may be reallocated to providers with settlement shortages in accordance with federal and OPM guidance. DDS is in the process of completing the settlement for any monies due.

DDS maintains support for all provider payments, including CRF supplemental payments, in a database. Supplemental CRF payments were calculated using DDS’ approved methodology and support is maintained in the database, in accordance with state and federal record retention requirements.

While there will be no additional CRF payments to DDS providers, internal control enhancements will be considered if similar fund allocations occur in the future. This includes ensuring expenditure calculations are clearly supported.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management understands that the Department of Developmental Services is reconciling payments made to providers against actual costs. OPM will work with the agency to ensure that only



allowable, adequately supported costs are charged to Coronavirus Relief Funds and that unallowed costs are supported through other appropriate funding sources, with unneeded Coronavirus Relief Funds returned to OPM. This process will be completed by 9/30/2022.”

2021-402 Activities Allowed or Unallowed – Cost Reports

COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: N/A

Background:

In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Social Services (DSS) and other state agencies to assist with specific areas of need.

Criteria:

Title 42 *United States Code* (USC) Section 801 provides that states must use payments received from the Coronavirus Relief Fund to cover only those costs that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020; and (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2021.

United States Department of the Treasury Memorandum OIG-CA-20-021, requires Coronavirus Relief Fund recipients to maintain and make available upon request all documents and financial records sufficient to establish compliance with Title 42 USC Section 801. Recipients must maintain records for a period of five years after final payment of the Coronavirus Relief Fund. The record retention requirements are applicable to all prime recipients and their grantees and subgrant recipients, contractors, and other levels of government that received transfers of Coronavirus Relief Fund payments from prime recipients.

Executive Order No. 7EEE by the Governor of Connecticut authorized OPM to direct DSS to distribute Coronavirus Relief Funds to medical providers according to methodologies established by DSS. DSS required providers who will receive payments of \$25,000 or more to submit a Coronavirus Relief Fund Payment Cost Report to the department before DSS will process payments. The cost report must document any Payment Protection Plan loan forgiveness grants. If the sum of actual or expected



loan forgiveness payments and Coronavirus Relief Fund payments exceed applicable costs, DSS will reduce or recoup Coronavirus Relief Fund payments to the full extent necessary to avoid duplicate payments for the same costs.

Condition: Our review of 15 payments totaling \$1,096,017 disclosed that DSS did not have one medical provider's cost report on file to support the provider's COVID-19 expenditures, revenues, and loan forgiveness grants.

Context: During the fiscal year ended June 30, 2021, DSS issued 1,192 Coronavirus Relief Fund payments totaling \$126,639,971 to medical providers.

The sample was not statistically valid.

Questioned Costs: \$57,349

Effect: DSS has reduced assurance that the medical provider used the funds for allowable expenditures and that the provider's total COVID-19 expenditures exceeded its total COVID-19 relief fund revenues. There is a risk of duplicate payment for the same costs.

Cause: Record retention of control activities was inadequate.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Social Services should maintain all documents and financial records for five years after final payment of the Coronavirus Relief Fund to ensure compliance with Title 42 *United States Code* Section 801 and Department of the Treasury Memorandum OIG-CA-20-021. The department should return federal reimbursements for unallowed expenditures.

Views of Responsible Officials:

Response provided by the Department of Social Services:

"The Department agrees with the finding. The Department plans to review the providers that received payments of \$25,000 or more to confirm that cost reports have been received.

It should be noted that as a condition of receiving the payment, the recipient was required to sign an attestation document or contract that allows the Department to ask for, and the recipient is required, to furnish all information requested by DSS. The recipient acknowledged that



failure to maintain all required documentation may result in the disallowance and recovery by DSS of any amounts paid to the recipient for which the required documentation is not maintained and provided to DSS upon request.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management understands that the Department of Social Services is reconciling payments made to providers against actual costs. OPM will work with the agency to ensure that only allowable, adequately supported costs are charged to Coronavirus Relief Funds and that unallowed costs are supported through other appropriate funding sources, with unneeded Coronavirus Relief Funds returned to OPM. This process will be completed by 9/30/2022”

2021-403 Activities Allowed or Unallowed – Temporary Emergency Lodging Program

COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Year 2019-2020 and 2020-2021

Federal Award Numbers: N/A

Background:

In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Correction (DOC) and other state agencies to assist with specific areas of need.

DOC administered the Temporary Emergency Lodging Program (TELP) in response to the COVID-19 pandemic. This program allowed employees affected or conflicted by COVID-19 to stay in hotels to prevent the spread of the virus to their family members. To utilize the program, the department required staff to file a properly approved TELP form prior to check-in at the participating hotels. Employees could not have guests in their room or invite them to use hotel amenities. Staff members were responsible for charges incurred due to their failure to properly check out of a hotel. DOC required staff utilizing this program and staying at one of the participating hotels to adhere to all state and federal laws and regulations as well as hotel rules and procedures.

Criteria:

Title 2 *U.S. Code of Federal Regulations* 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.

United States Department of the Treasury Memorandum OIG-CA-20-021, requires Coronavirus Relief Fund recipients to maintain and make available upon request all documents and financial records sufficient to establish compliance with Title 42 *United States Code* Section 801. Recipients must maintain records for a period of five years after final payment of the Coronavirus Relief Fund.

Condition:

Our review of 35 hotel payments totaling \$48,344 disclosed that the TELP request forms were missing or incomplete for 18 payments totaling \$12,362.

- TELP forms were missing for 11 hotel payments totaling \$8,360. As such, we were unable to determine if DOC made payments for eligible employees.
- TELP forms provided were either approved late or did not include the name of the hotel for seven payments totaling \$4,002.

DOC conducted a special investigation, which included 63 TELP reported incidents. The investigation disclosed various issues related to the program including double booking/billing, misuse, ineligible employees, employees who did not have a TELP form on file, as well as other misconduct. It appears that internal controls were not properly designed and efficiently implemented for the program. The department did not limit the number of days it allowed employees to stay at participating hotels and did not develop a process for employees to certify their stay and confirm and verify that it agreed with the amount billed. As of March 2022, DOC identified approximately \$116,225 in questioned costs related to the TELP cases, \$40,293 which the department has recovered and \$75,425 which is outstanding.

Context:

During the fiscal year ended June 30, 2021, DOC coded 14,639 voucher payments totaling \$19,939,661 to Coronavirus Relief Funds. Of that amount, \$6,495,453 was related to TELP hotel payments.

The sample was not statistically valid.

Questioned Costs:

The lack of TELP forms resulted in \$8,360 questioned costs.

DOC's special investigation identified approximately \$75,425 in questioned costs that the department has not recouped.



Effect: The lack of internal controls increased the risk of program misuse or abuse. Without the limitation of the number of days for a hotel stay, employees could stay at the hotel for longer than necessary. Without the employees' verification and certification of their hotel stays, incorrect or double billing could occur without detection. The lack of TELP forms increased the risk of ineligible employees utilizing the program.

Cause: This was a new program in response to the COVID-19 pandemic and had limited guidance. The agency also experienced staff shortages, as well as lack of management oversight and record retention, which appeared to contribute to these conditions.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Correction should strengthen internal controls over the Temporary Employee Lodging Program to ensure that it properly expends and adequately supports Coronavirus Relief Funds in accordance with federal guidelines.

Views of Responsible Officials:

Response provided by the Department of Correction:

"The agency agrees with this finding.

The TELP program was rapidly initiated as an emergency response to the COVID-19 pandemic, and all involved, as noted by the APA in this finding, had very limited guidance and insight into the set up and oversight of this program and as to where the pandemic would lead us and how it needed to be managed. During this time, the agency suffered significant staffing shortages due to exposures and actual illness with COVID-19, at all levels, including management. Demands on all staff increased significantly during this period, dramatically stretching the agency's limited resources. Lack of management oversight and record retention was a direct result of the aforementioned and played a significant role in the timely completion of TELP forms for pre-approval and staff monitoring of those using the program.

Efforts were made to monitor the use and payment of all instances being billed, however, there were limitations in the ability to investigate allegations of wrongdoing or have direct oversight of staff utilizing the program. In many cases incident reports were created when enough of an allegation was substantiated to allow for reporting. Those incident reports were forwarded through the agency chain of command for investigation through the agency's Security Division. The Security Division initiated



investigations into the alleged wrongdoing as warranted and appropriate. Recovery of funds was initiated promptly by the agency as necessary and appropriate.

As the pandemic progressed, the Department of Correction, continually reviewed and addressed complaints and allegations and made changes to the program's operation as it evolved to bolster or significantly strengthen internal controls. This was being done in an attempt to ensure that Coronavirus Relief Funds were being properly expended and adequately supported in accordance with Federal guidelines, which ended with having a program with better controls and more programmatic cohesion than when the program originally started.

The agency's Temporary Emergency Lodging Program ended on April 14, 2021.

Should the need for this program or others that may need to be developed as a result of this or another pandemic arise, the agency would review past practice and failures to modify the agency's approach to include, but not be limited to; enhanced program rules, tighter staff eligibility, specified duration of stay, completed forms in place prior to program utilization and compliance with funding requirements. The TELP program has ended, and DOC's Security Division continues to investigate allegations of misconduct and fraud where warranted and appropriate and the agency will make every attempt to hold staff culpable of wrongdoing accountable through progressive discipline up to and including termination, where appropriate. The agency has sought, as warranted and appropriate, restitution of funds believed to be wrongfully expended."

Response provided by the Office of Policy and Management:

"The Office of Policy and Management understands that the Department of Corrections has identified questioned costs by way of a special investigation. These costs will be supported through other appropriate funding sources, with unneeded Coronavirus Relief Funds returned to OPM. This process will be completed by 9/30/2022.

OPM understands that the Department of Corrections has identified appropriate internal controls to implement should a similar program be operated in the future."

2021-404 Activities Allowed or Unallowed – Inadequate Control Over Invoices and Lack of Third-Party Insurance Recovery

COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)



Federal Award Agency: United States Department of the Treasury
Award Years: Federal Fiscal Years 2020-2021
Federal Award Numbers: N/A

Background: In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Public Health (DPH) and other state agencies to assist with specific areas of need.

DPH contracted with ten hospitals, lab facilities, and local community centers to provide COVID-19 testing for all Connecticut long-term care facility residents and staff. DPH reimbursed the contractors with CRF funding based on fees for each specimen collected and lab test processed, as set forth in the contract.

Criteria: Title 2 *U.S. Code of Federal Regulations* 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.

86 Federal Register 10 (January 15, 2021) does not require recipients to use fund payments as the source of funding of last resort. However, recipients may not use payments from the CRF to cover expenditures for which they will receive reimbursement under other federal programs.

The DPH contract provides that the contractor shall bill third-party insurance plans for collected specimens and lab testing for covered residents and requires the contractor to remit all amounts collected to the department.

Condition: DPH did not reconcile the contractor collected specimen total on the contractors' invoices to the corresponding lab result data for COVID-19 testing to ensure the accuracy of the invoices prior to making payments.

Six of the ten contractors did not remit any third-party insurance recoveries to DPH. DPH reimbursed these six contractors \$20,834,796 for COVID-19 testing services provided during the audited period.

Context: During the fiscal year ended June 30, 2021, DPH expended \$167,292,960 of Coronavirus Relief Fund, of which \$159,120,643 was reimbursed to ten contractors for providing all Connecticut long-term care facility COVID-19 testing.



DPH received \$20,924,413 of insurance recoveries remittance from four contractors as of October 31, 2021.

Questioned Costs: The first condition did not result in any questioned costs.

We could not determine questioned costs for the second condition because DPH did not have access to the long-term care facility residents' medical insurance information.

Effect: Contractors could potentially claim excess COVID-19 specimen and lab testing fees.

The lack of insurance recovery remittances likely resulted in CRF overpayments to the contractors.

Cause: DPH informed us that although it reviews invoice summaries for mathematical accuracy, it has no controls in place to reconcile the contractor invoices to the corresponding lab result data.

DPH does not have adequate procedures to ensure that contractors remit third-party insurance recoveries to the department.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Public Health should strengthen its internal controls to adequately verify contractor invoices related to long-term care facility COVID-19 testing and develop procedures to ensure that contractors remit insurance recoveries according to the contract and federal regulations.

View of Responsible Officials:

Response provided by the Department of Public Health:

“The department disagrees with this finding. On April 30, 2020, the Governor of Connecticut, Ned Lamont, signed an Executive Order # 7GG – PROTECTION OF PUBLIC HEALTH AND SAFETY DURING COVID-19 PANDEMIC AND RESPONSE – EMERGENCY PROCUREMENT OF ESSENTIAL SERVICES, OTHER PUBLIC HEALTH MEASURES. From June 08, 2020, DPH started engagements with 10 care partners to provide COVID-19 testing services at approximately 210 nursing home facilities, Statewide. The urgency to perform these testing services was necessitated by the pandemic and the imminent crisis at these facilities. Typically, DPH requires verification of receipt of goods and, or services prior to making payment to suppliers and



service providers for any such good and or services and maintains this practice as standard operating procedure. This internal control process ensures that payments are only made for good and or services received by the department. The process of review, vetting and validating the numerous weekly payments request from the Care Partners prior to making payments was determined to be a burden to the exceptionally time sensitive and critical nature of this COVID-19 testing services at these nursing home facilities. DPH determined that delay in payments processing, to the Care Partners may jeopardize the process, hamper services and result in perilous situations as per the Executive Order #7GG. DPH included a provision in the contracts with the care partners that an audit of these services will be performed to validate the provision of these services. This process has since begun. Care Partners determined not to have provided the services they were paid for would be subject to questioned cost and the department will pursue recovery of such cost including any insurance related recoveries.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management understands that the Department of Public Health is reconciling payments made to providers against documentation of services provided. OPM will work with the agency to ensure that only allowable, adequately supported costs are charged to Coronavirus Relief Funds and that unallowed costs are supported through other appropriate funding sources, with unneeded Coronavirus Relief Funds returned to OPM. This process will be completed by 9/30/2022.

In the future when insurance recovery remittances are expected and when OPM is designated as the primary state agency responsible for overseeing the funds and reporting to the federal government, OPM will verify that agencies receiving allocations have adequate internal controls in place to ensure that contractors remit third-party insurance recoveries to the respective agency as required by the terms of the contract”

*Auditors’ Concluding
Comments:*

Although DPH adhered to the Governor’s Executive Order, which allowed agencies to waive certain state contracting statutes to facilitate the emergency procurement of essential services during the COVID-19 pandemic, the department was still obligated to maintain effective internal controls in compliance with federal requirements. When contractors delay billing third-party insurance for covered long term care facility residents, there is risk that claims will exceed their allowed time, decreasing the likelihood that DPH will recoup insurance remittances.



COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)
Federal Award Agency: United States Department of the Treasury
Award Years: Federal Fiscal Year 2019-2020 and 2020-2021
Federal Award Numbers: N/A

Background: In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) is designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Mental Health and Addiction Services (DMHAS) and other state agencies to assist with specific areas of need.

Criteria: Title 42 *United States Code* Section 801 provides that states must use payments received from the Coronavirus Relief Fund to cover only those costs that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020; and (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2021.

Title 2 *U.S. Code of Federal Regulations* Part 200.303 requires the non-federal entity to establish and maintain effective internal control over the 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: Our review of 40 expenditures totaling \$111,665 made from the Coronavirus Relief Fund disclosed the following:

- DMHAS did not verify the accuracy of vendor invoices for temporary nursing services for seven expenditures totaling \$31,034. This resulted in \$979 in overstatements. The vendor incorrectly billed for shift/weekend differentials and overtime.
- For nine expenditures, totaling \$36,029, DMHAS did not approve 32 of the 38 timesheets for temporary nursing employees. The unsigned timesheets accounted for 1,068.5 hours totaling \$27,159.

Context: During the fiscal year ended June 30, 2021, DMHAS expended \$13,151,552 from the Coronavirus Relief Fund.

The sample was not statistically valid.



Questioned Costs: We identified questioned costs totaling \$979.

Effect: There is an increased risk that expenditures charged to the program were not allowable.

Cause: The errors were the result of an oversight by management and low staffing levels.

Prior Audit Finding: We previously reported this as finding 2020-401.

Recommendation: The Department of Mental Health and Addiction Services should strengthen internal controls to ensure that expenditures from the Coronavirus Relief Fund comply with federal requirements.

Views of Responsible Officials:

Response provided by the Department of Mental Health and Addiction Services:

“Southwest Connecticut Mental Health System (SWCMHS) agrees with the finding that the services were inaccurately calculated for the 7 expenditures. SWCMHS will continue to review future invoices for accuracy and completion before payment. (We will recoup the overpayment thru an offset in a future bill).

SWCMHS agrees with the finding that the timesheets were unsigned. All timesheets were reviewed by SWCMHS against their corresponding invoice before being sent to the Fiscal Services Bureau for payment. SWCMHS confirmed that the services were provided on the unsigned timesheets. In the future SWCMHS will not approve invoices that contain unsigned timesheets.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management agrees with the finding and concurs with the Department of Mental Health and Addiction Services response. The overstated expenditures will be removed from the Coronavirus Relief Fund by 9/30/2022.”

2021-406 Activities Allowed or Unallowed – Temporary Rental Housing Assistance Program

**COVID-19 Coronavirus Relief Fund (Assistance Listing 21.019)
Federal Award Agency: United States Department of the Treasury**



Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: N/A

Background:

In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Housing (DOH) and other state agencies to assist with specific areas of need.

Acting through the Department of Housing (DOH) and the Connecticut Housing Finance Authority, the state created the Temporary Rental Housing Assistance Program to respond to housing issues associated with the advent of COVID-19. The program provided assistance to renters to prevent eviction actions. DOH paid landlords or property managers directly on behalf of the tenants.

DOH established program guidelines. A third party, under contract with DOH, administered the program in accordance with the department's guidelines.

Criteria:

Title 42 *United States Code* Section 801 provides that states must use payments received from the Coronavirus Relief Fund to cover only those costs that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020; and (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2021.

DOH Temporary Rental Housing Assistance Program guidelines provide that eligible households may receive up to \$4,000 in total assistance over the twelve-month period beginning March 1, 2020, with a limit of \$1,000 per month. The department's contractor calculated assistance at the time of application and once established, assistance did not change during the eligibility period. Program participants must pay a minimum of 30% of their gross household income towards rent.

Condition:

Our review of 25 applicants who received funding totaling \$94,669 disclosed the following:

- In five instances, DOH used the incorrect monthly income to calculate the applicants' funding.



- In one instance, DOH used incorrect data to calculate the applicant's funding.

These errors resulted in overpayments totaling \$1,443.

Context: During the fiscal year ended June 30, 2021, DOH paid 6,728 tenants \$23,588,148 under the Temporary Rental Assistance Program.

The sample was not statistically valid.

Questioned Costs: We identified questioned costs totaling \$1,443.

Effect: Some program participants received excess benefits.

Cause: DOH did not adequately monitor the contractor administering the program.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Housing should increase oversight of its contractor to ensure that it administers the Temporary Rental Assistance Program in accordance with established guidelines.

Views of Responsible Officials:

Response provided by the Department of Housing:

“The Department of Housing agrees with this finding. There were a small number of minor clerical errors, and the Department has reexamined each of the files reviewed, as well as the overall procedures put in place for monitoring this single event activity. There does not appear to be a systemic or procedural issue with regard to monitoring under this program; rather, simple human error. In the future, should similar activities be conducted, additional oversight, within available administrative capacity, will be provided.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management agrees with the finding and concurs with the Department of Housing response. The overpayment expenditures will be removed from the Coronavirus Relief Fund by 9/30/2022.”

2021-407 Subrecipient Monitoring – Homeless Shelter Decompression

COVID-19 Coronavirus Relief Funds (Assistance Listing 21.019)



Federal Award Agency: United States Department of the Treasury
Years: Federal Fiscal Years 2019-2020 and 2020-2021
Federal Award Number: N/A

Background: In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Housing (DOH) and other state agencies to assist with specific areas of need.

DECD administered the Homeless Shelter Decompression program to provide housing services for homeless individuals.

Criteria: Title 2 *U.S. Code of Federal Regulations* Part 200.332 provides that the pass-through entity shall monitor the activities of subrecipients as necessary to ensure that the subrecipient uses 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. Pass-through entity monitoring of the subrecipient must include:

- Reviewing financial and performance reports required by the pass-through entity.
- Following up and ensuring that the subrecipient takes prompt and appropriate action on all deficiencies pertaining to the federal award.

Condition: Our review of five subrecipients disclosed the following:

- DOH did not obtain seven semi-annual narrative reports for four subrecipients.
- DOH did not obtain a consolidated annual performance and evaluation report for one subrecipient.
- DOH did not obtain a client satisfactory survey for one subrecipient.
- DOH did not obtain an interim financial report for one subrecipient.
- DOH did not obtain an annual financial report for three subrecipients.
- DOH did not obtain an annual audit for four subrecipients.
- DOH did not complete administrative desk audits and on-site programmatic audits for five subrecipients.
- DOH did not obtain required financial reports for three subrecipients to determine if they should return unexpended funds.



- DOH could not determine if a subrecipient returned \$23,095 in unexpended funds.

Context: During the fiscal year ended June 30, 2021, DOH provided five subrecipients with \$1,452,091 of Coronavirus Relief Funds.

Questioned Costs: We identified questioned costs totaling \$23,095.

Effect: DOH has reduced assurance that subrecipients complied with federal requirements.

Cause: DOH did not comply with federal requirements for monitoring subrecipients.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Housing should monitor its subrecipients as necessary to ensure compliance with federal requirements.

Views of Responsible Officials:

Response provided by the Department of Housing:

“We agree with this finding. Due to minimal fiscal staff and the additional funding provided to the Department from COVID-19 relief funds, DOH was not able to complete this monitoring in a timely fashion. In addition, due to COVID rates, DOH determined not to conduct in person monitoring to protect the health and safety of staff, non-profit staff and the individuals DOH’s funding serves.”

Response provided by the Office of Policy and Management:

“The Office of Policy and Management will work with the agency to ensure that only allowable, adequately supported costs are charged to Coronavirus Relief Funds and that unallowed costs are supported through other funding sources, with unneeded Coronavirus Relief Funds returned to OPM. This process will be completed by 9/30/2022.”

2021-408 Activities Allowed or Unallowed – Small Business Grant Program

COVID-19 Coronavirus Relief Funds (Assistance Listing 21.019)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Year 2020-2021

Federal Award Number: N/A



- Background:* In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Economic and Community Development (DECD) and other state agencies to assist with specific areas of need.
- DECD administered the Small Business Grant Program with a contracted vendor to assist small businesses and nonprofits impacted by the economic downturn caused by the global COVID-19 pandemic. Recipients could use grants for payroll, rent, utilities, inventory, purchase of machinery or equipment, or costs associated with compliance of the ongoing Reopen Connecticut Business Sector Rules.
- Criteria:* Title 42 *United States Code* Section 801 provides that states must use payments received from the Coronavirus Relief Fund to cover only those costs that: (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) were not accounted for in the budget most recently approved as of March 27, 2020; and (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2021.
- Under the Small Business Grant Program, DECD provided Connecticut businesses and nonprofits with fewer than twenty employees, or a 2019 payroll of less than \$1.5 million, with a one-time grant of \$5,000.
- Condition:* The department’s contracted vendor paid an additional \$275,000 to 53 program participants who already received their allotted funds.
- Context:* DECD provided \$50 million of funding to 9,956 companies.
- Questioned Costs:* We identified questioned costs totaling \$275,000
- Effect:* Some program participants received excess payments. This reduced the amount of funding available for other eligible participants.
- Cause:* If a payment was rejected and returned due to incorrect information, it was difficult for the vendor to determine which recipient the payment was for. The confusion resulted in the vendor paying some participants multiple times. DECD did not adequately monitor its contracted vendor to ensure it detected and corrected these errors.
-



Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Economic and Community Development should recover excess amounts paid under the Coronavirus Relief Fund Small Business Grant Program.

Views of Responsible Officials:

Response provided by the Department of Economic and Community Development:

"We agree with this finding. There were fifty-three (53) eligible grant recipients that erroneously received payments more than \$5,000. As a corrective action, DECD contacted the recipients and to date collected \$25,000 in excess payments from those grant recipients. Since the \$5,000 cap was an internal policy of DECD and not a State or Federal regulation, therefore, the agency does not believe this constitute a violation of State or Federal regulations requiring any further enforcement efforts on the part of DECD."

Response provided by the Office of Policy and Management:

"The Office of Policy and Management has advised DECD to continue efforts to recover excess amounts paid out under the Coronavirus Relief Fund Small Business Grant Program. DECD has been advised to make every effort to recover the excess amounts by 9/30/2022. Any remaining excess payments will be removed from the Coronavirus Relief Fund."

2021-409 Subrecipient Monitoring – Workforce Training Innovation Fund Program

COVID-19 Coronavirus Relief Funds (Assistance Listing 21.019)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Year 2020-2021

Federal Award Number: N/A

Background: In April 2020, the State of Connecticut was allocated \$1.382 billion in Coronavirus Relief Funds (CRF). The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the funds and reporting to the federal government. OPM allocated funds to the Department of Economic and Community Development (DECD) and other state agencies to assist with specific areas of need.

DECD administered the Workforce Training Innovation Fund program to support partnerships that provide market relevant training for displaced



workers seeking to upskill or change careers and opportunity youth adversely affected by the economic effects of the Coronavirus pandemic.

Criteria: Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.332(a) provides that the pass-through entity shall ensure that every subaward is clearly identified to the subrecipient as a subaward, which includes providing federal award identification information such as the assistance listings number and identification on whether the award is for Research and Development (R&D).

Title 2 CFR Part 200.332(d)(2) provides that pass-through entity monitoring of the subrecipient must include following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address single audit findings related to the subaward.

Condition: Our review of four subrecipients that received a total of \$6,131,703 disclosed the following:

- DECD did not clearly identify the assistance listing number and whether the award was for research and development for all four subrecipients.
- DECD did not review the subrecipients' single audit reports.

Context: During the fiscal year ended June 30, 2021, DECD provided six subrecipients with \$7,596,533 of Coronavirus Relief Funds to administer the Workforce Training Innovation Fund program.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: Improper identification of the federal award could result in the omission of major federal programs from the federal single audit.

Without reviewing single audit reports, there is an increased risk that the subrecipient did not take prompt and appropriate action on all deficiencies pertaining to the federal award.

Cause: The inadequate identification of federal awards to subrecipients was an oversight by management.



DECD was unaware of the process or requirement for reviewing single audit reports.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Economic and Community Development should clearly identify federal pass-through funds to its subrecipients and obtain, review, and follow up as necessary on all subrecipient single audit reports.

Views of Responsible Officials:

Response provided by the Department of Economic and Community Development:

"We agree with this finding. The Office of Workforce Strategy (OWS) will update all new Grant Assistance Agreement templates to clearly state the State and Federal statutory references for the grant, the assistance listing numbers, and the State/Federal Single Audit requirements. The OWS has confirmed with DECD that the audit reports submitted by grantees that are required to conduct a State and/or Federal Single Audit will be reviewed by DECD. The OWS Program Manager will assist in ensuring that all State and Federal Single Audits are reviewed, and follow-up as necessary."

Response provided by the Office of Policy and Management:

"The Office of Policy and Management will adhere to the recommendations when directly administering pass-through funds"



SOUTHERN CONNECTICUT STATE UNIVERSITY

2021-600 Allowable Costs/Cost Principles – Time and Effort or Equivalent Reporting Records

Research Related to National Aeronautics and Space Administration – Expanding HST's Astrometry Legacy: A Comprehensive Astrometric Calibration of WFPC2 (Assistance Listing 43.RD)

Federal Award Agency: National Aeronautics and Space Administration

Award Year: State Fiscal Year Ended June 30, 2021

Federal Award Number: HST-AR-15632.001-A

Research Related to Mathematical and Physical Sciences – NSF Solicitation 18-575 - Astronomy and Astrophysics Research (Assistance Listing 47.049)

Federal Award Agency: National Science Foundation

Award Year: State Fiscal Year Ended June 30, 2021

Federal Award Number: 1909560

Research Related to Deafness and Communication Disorders Program – Neurobiological Signatures of Perception of Audiovisual Speech in Children with Autism Spectrum Disorders (Assistance Listing 93.173)

Federal Award Agency: National Institute of Health

Award Year: State Fiscal Year Ended June 30, 2021

Federal Award Number: 2R15DC013864-02

Criteria: Title 2 U.S. Code of Federal Regulations Part 200.430 provides that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Condition: We tested \$226,410 of \$378,443 in payroll expenditures charged to the federal research and development programs at Southern Connecticut State University during the audited period. We noted instances, totaling \$19,328, in which the university did not certify time and effort reports or equivalent documentation to provide after the fact certification that employees worked on the applicable grants. This amount consists of \$6,417 for the Space Operations Program, \$7,561 for the Mathematical and Physical Sciences Program, and \$5,350 for the Research Related to Deafness and Communication Disorders Program.

In each instance noted, the university was unaware that the time and effort reports were not certified until we requested them.



Context: Our testing of payroll expenditures consisted of \$100,540 for the Space Operations Program, \$103,009 for the Mathematical and Physical Sciences Program, and \$22,861 for the Research Related to Deafness and Communication Disorders Program.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: Without properly certified time and effort records, the university lacks supporting documentation to confirm that it appropriately charged salaries and wages to federal programs. The university and federal grantors lack assurance that such charges are accurate and allowable.

Cause: The university cited a clerical oversight resulting in it not uploading the specified reports to the certification system in a timely manner.

Prior Audit Finding: We previously reported this as finding 2020-600 and in one prior audit.

Recommendation: Southern Connecticut State University should ensure that it properly executes a time and effort reporting or equivalent system to sufficiently support payroll costs charged to federal programs.

Views of Responsible Officials:

“We agree with this finding.

Newly hired post award staff will receive additional training regarding the Payroll Certification process, procedure and the required follow-up if reports are missing or not signed by the grant principal investigator in a timely manner. Monthly review of the assigned tasks will be shared between the Director and the Associate Director of Post Award Services.”



**FEDERAL STUDENT FINANCIAL ASSISTANCE – DEPARTMENTS OF
EDUCATION AND HIGHER EDUCATION – STATEWIDE**

The following institutions had identification numbers assigned by the Office of Post-Secondary Education (OPE) as of the fiscal year ended June 30, 2021:

<u>Institution</u>	<u>OPE ID</u>
University of Connecticut	00141700
Central Connecticut State University	00137800
Eastern Connecticut State University	00142500
Southern Connecticut State University	00140600
Western Connecticut State University	00138000
Charter Oak State College	03234300
Asnuntuck Community College	01115000
Capital Community College	00763500
Gateway Community College	00803700
Housatonic Community College	00451300
Manchester Community College	00139200
Middlesex Community College	00803800
Naugatuck Valley Community College	00698200
Northwestern Connecticut Community College	00139800
Norwalk Community College	00139900
Quinebaug Valley Community College	01053000
Three Rivers Community College	00976500
Tunxis Community College	00976400
A.I. Prince Technical High Technical College	00982200
Bullard-Havens Technical High School	01149600
E.C. Goodwin Technical High School	00927700
Eli Whitney Technical High School	00730000
Emmett O'Brien Technical High School	02562400
Grasso Southeastern Technical High School	02213000
H.C. Wilcox Technical High School	01218500
Henry Abbott Technical High School	01326400
H.H. Ellis Technical High School	02058900
J.M. Wright Technical High School	00929100
Howell Cheney Technical High School	02245300
Norwich Technical High School	01184300
Oliver Wolcott Technical High School	03231400
Platt Technical High School	02565000
Vinal Technical High School	01169700
W.F. Kaynor Technical High School	02300000
Windham Technical High School	00731100



2021-650 Special Reporting - Fiscal Operations Report and Application to Participate (FISAP)

Federal Supplemental Educational Opportunity Grants (Assistance Listing 84.007)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

Federal Award Number: P007A200759

Federal Work-Study Program (Assistance Listing 84.033)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

Federal Award Number: P033A200759

Criteria: Title 34 *U.S. Code of Federal Regulations* Parts 675.19(b)(3) and 676.19(b)(3) provides that each year an institution shall submit a Fiscal Operations Report and other information the Secretary of Education requires for campus-based programs, which include the Federal Work-Study Program (FWS) and the Federal Supplemental Educational Opportunity Grants Program (FSEOG). The institution shall ensure that the information reported is accurate.

The Fiscal Operations Report and Application to Participate Instructions require that the total amount of federal authorizations expended must agree with the final drawdowns in the Department of Education's G5 Grants Management system. In accordance with the Federal Student Aid Handbook, the institutional match must be deposited at the same time as the federal funds. An institution must establish and maintain program and fiscal records and reconcile, at least monthly, the amount drawn down and received to the amounts disbursed to students.

Condition: Asnuntuck Community College did not reconcile FWS and FSEOG fiscal records monthly to monitor program funds. As a result, the college submitted inaccurate certified fiscal information on its Fiscal Operations Report to the U.S. Department of Education. The college overstated the amounts reported for state grants and scholarships and the federal share of FWS by \$1,899 and \$2,541, respectively.

Context: During the fiscal year ended June 30, 2021, Asnuntuck Community College disbursed FSEOG grants of \$83,051 to 277 students and FWS funds of \$60,770 to eight students as reported on the Fiscal Operations Report. In addition, the college reported expenditures of \$13,352 for state grants and scholarships.

Questioned Costs: \$0



Effect: The Department of Education cannot rely on the information reported for these key line items.

In addition, because Asnuntuck Community College did not perform monthly reconciliations, the number reported on the Schedule of Federal Expenditures for FSEOG was overstated by the awards made to students using non-federal resources and exceeded the federal authorization drawn down.

Cause: Asnuntuck Community College did not follow established procedures.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: Asnuntuck Community College should review its procedures to ensure that it accurately reports fiscal information on the Fiscal Operations Report to the U.S. Department of Education. In addition, for campus-based programs, the college should perform monthly reconciliations of the amount drawn down and received to the amounts disbursed to students and should promptly resolve discrepancies.

Views of Responsible Officials: “The College agrees with this finding.”

2021-651 Special Tests and Provisions – Return of Title IV Funds

Federal Supplemental Educational Opportunities Grants (Assistance Listing 84.007)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

**Federal Award Numbers: Southern Connecticut State University - P007A200796
Norwalk Community College – P007A200784**

Federal Pell Grant Program (Assistance Listing 84.063)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

**Federal Award Numbers: Southern Connecticut State University - P063P201225
Norwalk Community College – P063P201221**

Federal Direct Student Loans (Assistance Listing 84.268)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

**Federal Award Numbers: Southern Connecticut State University - P268K211225
Norwalk Community College – P268K211221**



Criteria: Title 34 *U.S. Code of Federal Regulations* (CFR) Part 668.22 provides guidance regarding the treatment of Title IV funds when a student withdraws from an institution.

Title 34 CFR Part 668.22(f)(2)(i) states that the total number of calendar days in a payment period includes all days within the period that the student was scheduled to complete, except that scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in a payment period and the number of calendar days completed in that period.

Title 34 CFR Part 668.22(j) states that an institution must return the amount of Title IV funds for which it is responsible as soon as possible, but no later than 45 days after the date of the institution's determination that the student withdrew.

Condition: Southern Connecticut State University (SCSU):

We reviewed ten students who completed up to 60 percent of the payment period as of their withdrawal date. Four of the ten students reviewed withdrew in the fall 2020 semester. The university did not report the correct enrollment period when calculating Title IV returns for these four students.

Norwalk Community College:

We reviewed ten students who completed up to 60 percent of the payment period as of their withdrawal date. The college did not promptly return federal funds for any of the students reviewed.

In one case, the college did not properly account for fee adjustment codes for institutional charges in its return of Title IV funds calculation.

Context: SCSU:

For the fall 2020, spring 2021, and summer 2021 semesters, 309 students withdrew from the university as of August 9, 2021. Of these 309 students, 144 students completed up to 60 percent of the payment period and earned a percentage of Title IV grant or loan assistance.

The condition noted is a systemic issue for the fall 2020 return of Title IV funds.

The sample was not statistically valid.



Norwalk Community College:

For the fall 2020, spring 2021, and summer 2021 semesters, 439 students withdrew from the university as of July 29, 2021. Of these 439 students, 197 students completed up to 60 percent of the payment period and earned a percentage of Title IV grant or loan assistance.

The condition regarding the college not promptly returning federal funds is a systemic issue.

The exclusion of institutional charges in a return calculation was an isolated instance.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: SCSU:

The university over returned federal aid to the U.S. Department of Education and did not credit student accounts with the proper amount of Title IV aid earned. Also, the university used an incorrect 60 percent date to determine the percentage of Title IV aid earned. Any student who withdrew after October 28, 2020, should have earned 100 percent of Title IV aid.

Norwalk Community College:

The college did not return federal funds to the U.S. Department of Education within the timeframe allowed.

The exclusion of an institutional charge in a return calculation resulted in an over return of \$77 in Pell funds to the U.S. Department of Education. In addition, the student's account was not credited with the proper amount of Title IV aid earned.

Cause: SCSU:

The university informed us that the campus began operating remotely for the rest of the term before the Thanksgiving break. Since faculty had the option of giving students assignments to complete over the break, the university did not include the break in its proration. However, the university should exclude scheduled breaks of five or more consecutive days per the academic calendar from the return of Title IV funds



calculation. Requiring students to submit work during a break or having students work on assignments or projects over a break is not formal class time.

Norwalk Community College:

The untimely return of federal funds to the U.S. Department of Education resulted from human error.

The college did not identify a fee adjustment that it should have included as an institutional charge in the calculation of the return of Title IV funds in the Banner financial aid system.

Prior Audit Finding: We have not previously reported this finding at Southern Connecticut State University and Norwalk Community College. We previously reported findings relating to the return of Title IV funds for various institutions as finding 2020-650 and in ten prior audits.

Recommendation: Southern Connecticut State University and Norwalk Community College should review their procedures to ensure compliance with the federal regulations contained in Title 34 CFR Part 668.22.

Views of Responsible Officials:

Response provided by Southern Connecticut State University:

“The University agrees in part, as we interpreted the COVID flexibilities to allow the elimination of breaks of 5 days or more in the scenario in which a large portion of our classes are taught asynchronously. We will review all of internal policies and procedures surrounding return of Title IV (R2T4) as it relates to academic calendars though to ensure we adhere to the federal standards.”

Response provided by Norwalk Community College:

“The College agrees with this finding.”

2021-652 Special Tests and Provisions – Enrollment Reporting

Federal Pell Grant Program (Assistance Listing 84.063)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

Federal Award Numbers: University of Connecticut - P063P201228

Asnuntuck Community College – P063P203423



Federal Direct Student Loans (Assistance Listing 84.268)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

**Federal Award Numbers: University of Connecticut - P268K211228
Asnuntuck Community College – P268K213423**

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: Institutions are required to accurately report program-level record enrollment information to the U.S. Department of Education via the NSLDS. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS enrollment reporting process.

Published program length should be reported based on the definition of “normal time” to completion per Title 34 *U.S. Code of Federal Regulations* Part 668.41(a), as follows:

- If the school 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: University of Connecticut (UCONN):

Our review of the published program length for 21 advanced degree programs and one professional program as reported on the university’s website disclosed that in all instances, the program length differed from the length reported to the NSLDS.

Asnuntuck Community College:

Our review of ten students whose enrollment status changed during the audit period disclosed that the college did not accurately report one Pell



grant recipient's enrollment status and effective date to the NSLDS.

Context:

UCONN:

Total fall 2020 semester enrollment was 32,669 students. This included 24,371 undergraduate, 6,928 graduate, 724 professional, 449 School of Medicine, and 197 School of Dental Medicine students.

UCONN reported program-level record information to the NSLDS in its first-of-term transmission for 84 master's degree, 63 doctoral (PhD), and one medical professional dual degree programs.

The sample was not statistically valid.

Asnuntuck Community College:

During the fiscal year ended June 30, 2021, the college disbursed \$1,721,375 in Pell grants of and \$1,309,725 in Direct Loans to 722 students subject to this reporting requirement.

The sample was not statistically valid.

Questioned Costs:

\$0

Effect:

UCONN:

The university did not comply with requirements for reporting program length. The U.S. Department of Education cannot rely on the data for these advanced degree programs.

Asnuntuck Community College:

The college inaccurately reported one student's certified enrollment information to the NSLDS. Upon our discovery, the college corrected the student's enrollment status and effective date and NSLDS updated the enrollment data.

Cause:

UCONN:

The university did not follow the requirements for reporting published program length as the system was set up to transmit the maximum program length for the master's and doctoral degree programs. The university reported the published program length for the dual degree medical and doctoral program as four years, which is the normal completion time for the medical plan alone.



Asnuntuck Community College:

Human error contributed to this condition. The college informed us that since the Banner system does not always accurately extract graduation dates, it needs to manually update the graduation data. In the case noted, the college missed the manual entry.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The University of Connecticut should report program length to the U.S. Department of Education based on normal time to completion to ensure that the National Student Loan Data System has accurate information. Asnuntuck Community College should review its procedures to ensure it accurately reports enrollment status changes to the National Student Loan Data System in accordance with federal regulations.

Views of Responsible Officials:

Response provided by the University of Connecticut:

“The University agrees with this finding.”

Response provided by Asnuntuck Community College:

“The College agrees with this finding.”

2021-653 Special Tests and Provisions – Perkins Loan Recordkeeping and Record Retention

Federal Perkins Loan Program (Assistance Listing 84.038)
Federal Award Agency: United States Department of Education
Award Year: 2020-2021
Federal Award Number: Not Applicable

Criteria: Title 34 *U.S. Code of Federal Regulations* (CFR) Part 674.19(e)(4) states that an institution shall keep the original promissory notes until the loans are satisfied.

Title 34 CFR Part 674.19(e)(4)(i) requires that an institution shall keep the original paper promissory note or original paper master promissory note in a locked, fireproof container.

Title 34 CFR Part 674.19(e)(4)(iii) provides that after the loan obligation is satisfied, the institution shall return the original or a true and exact copy of the note marked “paid in full” to the borrower, or otherwise notify the



borrower in writing that the loan is paid in full and retain a copy for the prescribed period.

Condition:

Eastern Connecticut State University:

Our review of ten borrowers with retired or assigned loans included six loans that were paid in full as of June 30, 2021. The university did not notify these borrowers in writing that their obligations were satisfied.

Southern Connecticut State University:

Our review of ten borrowers with open loans, disclosed one instance in which the university could not locate the master promissory note.

We also found that the university does not maintain Perkins promissory notes in a fireproof container.

Our review of ten borrowers with retired or assigned loans included seven loans that were paid in full as of June 30, 2021. The university did not notify these borrowers in writing that their obligations were satisfied.

Context:

Eastern Connecticut State University:

The university reported that 391 Perkins Loans were fully retired (paid in full) from July 1, 2018 through June 30, 2021. The condition noted is a systemic issue.

The sample was not statistically valid.

Southern Connecticut State University:

As of June 30, 2021, the university reported 826 open Perkins Loans. In addition, the university reported that 427 Perkins Loans were fully retired (paid in full) during the period from July 1, 2018 through June 30, 2021. The condition noted is a systemic issue. After our inquiry, the third-party servicer sent out notification letters upon the university's request.

The samples were not statistically valid.

Questioned Costs:

\$0

Effect:

Eastern Connecticut State University:

The university did not notify borrowers whose loans were paid in full that they satisfied their Federal Perkins Loan Program obligations.



Southern Connecticut State University:

Since each Perkins Loan must be supported by a legally enforceable promissory note, if the university does not have a valid note or other written evidence that a court will uphold, the university has no recourse against a borrower who defaults.

Insecure storage of original paper promissory notes increases the risk of damage to the notes in the event of a catastrophic event.

The university did not notify borrowers whose loans were paid in full that they satisfied their Federal Perkins Loan Program obligations.

Cause:

Eastern Connecticut State University:

The university is not adequately monitoring paid in full reports maintained by its third-party servicer in order to notify borrowers in writing that their loan obligations have been satisfied.

Southern Connecticut State University:

The university could not locate the master promissory note. In addition, the university was unaware that it needs to secure promissory notes in a fireproof container.

The university did not send paid in full notification letters to borrowers whose loans were satisfied because it did not request the third-party servicer to generate them.

Prior Audit Finding:

We have not previously reported this finding.

Recommendation:

Eastern Connecticut State University and Southern Connecticut State University should strengthen internal controls to ensure that borrowers are notified in writing when their loans have been paid in full. Additionally, Southern Connecticut State University should implement internal controls to ensure that it retains and properly stores master promissory notes.

Views of Responsible Officials:

Response provided by Eastern Connecticut State University:

“The University agrees with this finding. The university will work with our third-party servicer to increase the frequency of the reporting of borrowers who have satisfied their loan obligations to the university. The



university will then notify borrowers that their loan obligations have been satisfied.”

Response provided by Southern Connecticut State University:

“The University agrees with this finding. In collaboration with the System Office we are pursuing an addendum to our University Accounting Service, LLC (UAS) contract to add Perkins Paid in Full Letter automatic generation. As part of this agreement UAS will be sending letters to any borrower who has paid in full and have not yet received a letter. We have secured a fireproof cabinet for storage of current Perkins loan documents.”

2021-654 **Special Tests and Provisions – Borrower Data and Reconciliation**

Federal Direct Student Loans (Assistance Listing 84.268)

Federal Award Agency: United States Department of Education

Award Year: 2020-2021

Federal Award Number: P268K211221

Criteria: Title 34 *U.S. Code of Federal Regulations* Part 685.300(b)(5) provides that when Direct Loan funds are disbursed by an institution, the institution must, on a monthly basis, reconcile institutional records with Direct Loan funds received from the U.S. Department of Education [Secretary] and Direct Loan disbursement records submitted to and accepted by the Secretary.

Condition: Norwalk Community College did not promptly perform Direct Loan reconciliations. For four of nine required reconciliations, delays ranged from eight to 70 days.

Context: During the fiscal year ended June 30, 2021, Norwalk Community College disbursed \$231,625 in Direct Loan funds.

The condition noted is not a systemic issue.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: Norwalk Community College may not be able to identify and resolve discrepancies by the next month’s reconciliation if it does not complete monthly reconciliations.

Cause: Norwalk Community College did not follow established procedures. The



college informed us that the COVID-19 pandemic attributed to delays in running the reconciliation reports.

Prior Audit Finding: We have not previously reported this finding at Norwalk Community College. We previously reported this as finding 2020-651 for another institution.

Recommendation: Norwalk Community College should strengthen internal controls over the Direct Loan reconciliation process to ensure that it promptly completes monthly reconciliations.

Views of Responsible Officials: “The College agrees with this finding.”



DEPARTMENT OF AGING AND DISABILITY SERVICES**2021-700 Reporting – Federal Funding Accountability and Transparency Act**

COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOASS, 2001CTSSC3, 2101CTOASS, and 2101CTSSC6

COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOACM, 2001CTCMC2, 2001CTOAH, 2001CTHDC2, 2001CTHD3, 2101CTOACM, 2101CTCMC6, 2101CTOAH, 2101CTHDC5, and 2101CTHDC6

Nutrition Services Incentive Program (Assistance Listing 93.053)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOANS and 2101CTOANS

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 (FFATA) Subaward Reporting System (FSRS) no later than the end of the month following the month the obligation was made.

Condition: The Department of Aging and Disability Services (ADS) was not aware of the FFATA reporting requirement and therefore, has not been reporting subawards through FSRS. Upon our inquiry, the agency promptly submitted relevant information covering the fiscal years ended June 30, 2019 through 2021.

Context: During the fiscal year ended June 30, 2021, the department received \$18,442,685 in federal aging cluster program grant awards, of which it



awarded \$17,964,418 or 97% to its subrecipients. Of the amount passed through to subrecipients, \$6,929,467 was pandemic-related.

Questioned Costs: \$0

Effect: ADS has decreased its transparency to the public regarding its spending of federal awards.

Cause: ADS indicated that the Department of Social Services (DSS) implemented the FFATA reporting requirement while the State Unit on Aging was part of DSS. During that time, DSS submitted the required information. However, upon the State Unit on Aging's establishment as its own agency in 2013, known then as the Department of Aging, DSS did not identify or transition this reporting requirement to the new agency. The requirement also went undetected in 2018 when the agency merged with the Department of Rehabilitative Services, now named the Department of Aging and Disability Services.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Aging and Disability Services should strengthen internal controls to ensure compliance with the Federal Funding Accountability and Transparency Act reporting requirements.

Views of Responsible Officials:

“The Department of Aging and Disability Services agrees with this finding. The Department of Aging and Disability Services implemented procedures immediately upon inquiry by the Auditors of Public Accounts to ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) and reported all agency federal funding subawards through the FFATA Subaward Reporting System (FSRS) for the fiscal years subject to audit. The agency will continue to ensure all federal funding subawards are reported upon obligation through the FSRS to ensure transparency to the public of the agencies spending of its federal grant awards.”

2021-701 Certification of Maintenance of Effort

COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021



Federal Award Numbers: 2001CTOASS, 2001CTSSC3, 2101CTOASS, and 2101CTSSC6

COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOACM, 2001CTCMC2, 2001CTOAH, 2001CTHDC2, 2001CTHD3, 2101CTOACM, 2101CTCMC6, 2101CTOAH, 2101CTHDC5, and 2101CTHDC6

Criteria: Title 45 *U.S. Code of Federal Regulations* Part 1321.49 provides that in order to avoid a penalty, the state agency shall meet the required non-federal share applicable to its allotments each fiscal year by spending under the state plan for both services and administration at least the average amount of state funds it spent under the plan for the three previous fiscal years. If the state agency spends less than this amount, the state's allotments for supportive and nutrition services are reduced by a percentage equal to the percentage by which the state reduced its expenditures.

Condition: The Department of Aging and Disability Services' (ADS) original Certification of Maintenance of Effort submission in August 2021, for the period of October 1, 2019 through September 30, 2020, did not meet the minimum required three-year average of \$3,611,599.

In September 2021, the federal Department of Health and Human Services Administration for Community Living informed ADS that it did not meet the maintenance of effort requirement. The Administration for Community Living afforded the department the opportunity to resubmit its certification if information was missing from the original submission or requested the department to provide a corrective action plan if it did not meet the requirement.

Context: ADS originally reported maintenance of effort of \$3,526,128, which was \$85,471 under the three-year average of \$3,611,599. In its revised submission, the department reported \$3,751,128, which met the requirement.

Questioned Costs: \$0



- Effect:* If the department does not meet its annual maintenance of effort requirement, the state could lose federal assistance in a proportionate amount.
- Cause:* Management did not adequately review the amount reported to ensure it was complete and met the maintenance of effort requirement prior to certification.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The Department of Aging and Disability Services should strengthen internal controls to ensure compliance with maintenance of effort requirements and accurate reporting on its Certification of Maintenance of Effort.
- Views of Responsible Officials:* “The Department of Aging and Disability Services agrees with this finding. The Department of Aging and Disability Services strengthened procedures immediately upon inquiry by the Auditors of Public Accounts to ensure accurate reporting on the Certification of Maintenance of Effort (MOE) form. In addition to management reviewing the supporting documentation for the Maintenance of Effort (MOE) calculations, a management review of the completed Certification of MOE form will also be conducted prior to submission to the federal cognizant agency.”

2021-702 Matching

COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOASS, 2001CTSSC3, 2101CTOASS, and 2101CTSSC6

COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021



Federal Award Numbers: 2001CTOACM, 2001CTCMC2, 2001CTOAH, 2001CTHDC2, 2001CTHD3, 2101CTOACM, 2101CTCMC6, 2101CTOAH, 2101CTHDC5, and 2101CTHDC6

National Family Caregiver Support, Title III, Part E (Non-Major Program) (Assistance Listing 93.052)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOAF and 2101CTOAF

Criteria: Title 42 *United States Code* (USC) Section 3028(a)(1) provides that amounts may be used to make grants to states for paying such percentages as each state agency determines, but not more than 75%, of the cost of the administration of its state plan. Title 42 USC Section 3029(b)(1) provides that not less than 25% of the non-federal share of the total expenditures under the state plan shall be met from funds from state or local public sources.

Title 45 *U.S. Code of Federal Regulations* Part 1321.47 provides that the statewide non-federal share for state or area plan administration shall not be less than 25% of the funds used.

Condition: The Department of Aging and Disability Services (ADS) does not have a mechanism to fully document or track the match pooling used to meet the matching requirements of its various Title III programs. ADS was confident it met the match requirement in aggregate but could not clearly illustrate how it achieved the requirement.

Context: ADS could not adequately support the match pooling of its \$367,462 in Older American Act Title III funds, in which it moved \$134,200 from Title III-B to Title III-C1, \$216,386 from Title III-B to Title III-E, and \$16,876 from Title III-C2 to Title III-E in the reporting period ended September 30, 2021. In addition, the department could not adequately support the match pooling of its COVID-19 funds and erroneously moved \$38,379 and \$127,227 from Title III-B to other Title III programs in the quarterly reporting periods ended March 31, 2021 and September 30, 2021.

Questioned Costs: We computed questioned costs totaling \$367,462 for the following programs.

Program	Decrease	Increase
Title III-B	(\$350,586)	
Title III-C1		134,200



Title III-C2	(16,876)	
Title III-E		233,262
	<u>(\$367,462)</u>	<u>\$367,462</u>

In addition, we computed questioned costs of \$165,606 in Title III-B COVID-19 funds.

- Effect:* The agency may not be meeting the matching requirements.
- Cause:* Management failed to implement a system to adequately track the match requirements by program and associated match pooling.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The Department of Aging and Disability Services should develop a formal mechanism to track the match of non-federal funds for its Title III aging programs.

Views of Responsible Officials: “The Department of Aging and Disability Services agrees with this finding. The Department of Aging and Disability services has modified the existing Recipient Share Match Tracker document to include calculations for non-federal fund match requirements, match met, and to identify match pooling for each Older American Act (OAA) Title III program and contractor, and combined totals for all OAA Title III programs and contractors.”

2021-703 Subrecipient Monitoring

COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Assistance Listing 93.044)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: 2001CTOASS, 2001CTSSC3, 2101CTOASS, and 2101CTSSC6

COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Special Programs for the Aging, Title III, Part C, Nutrition Services (Assistance Listing 93.045)

Federal Award Agency: United States Department of Health and Human Services

**Award Years: Federal Fiscal Years 2019-2020 and 2020-2021****Federal Award Numbers: 2001CTOACM, 2001CTCMC2, 2001CTOAH, 2001CTHDC2, 2001CTHD3, 2101CTOACM, 2101CTCMC6, 2101CTOAH, 2101CTHDC5, and 2101CTHDC6****Nutrition Services Incentive Program (Assistance Listing 93.053)****Federal Award Agency: United States Department of Health and Human Services****Award Years: Federal Fiscal Years 2019-2020 and 2020-2021****Federal Award Numbers: 2001CTOANS and 2101CTOANS***Background:*

The Department of Aging and Disability Services (ADS) contracts with five area agencies on aging as subrecipients to provide services to older adults. The contracts establish that ADS must approve the area agencies on aging's area plan which, in part, provide assurances that it met various Older Americans Act requirements. Independent public accountants perform the required audits for the subrecipients. The Office of Policy and Management requires audit report submissions through its online Electronic Audit Reporting System (EARS).

Criteria:

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200.332(d) states 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 that they achieve performance goals.

Title 2 CFR Part 200.332(f) states that the pass-through entity must verify that every subrecipient has met the audit requirements when the pass-through entity expects that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded the threshold. Title 2 CFR Part 200.501(b) states that a non-federal entity that expends federal awards of \$750,000 or more during the non-federal entity's fiscal year must have a single audit conducted in accordance with 2 CFR Part 200.514.

Condition:

The Department of Aging and Disability Services was not aware of the requirement that non-federal entities expending \$750,000 or more in federal funds must have a federal single audit. One of five subrecipients did not submit a 2020 federal single audit through EARS.

The department does not document its reviews of performance reports to determine if subrecipients have met targets and promptly submitted reports.



- Context:* During the fiscal year ended June 30, 2021, ADS provided its five subrecipients with \$17,964,418 in awards. All five subrecipients were required to file federal single audit reports. We reviewed all contracts and available federal single audit reports.
- Questioned Costs:* \$0
- Effect:* ADS has limited assurance that the use of federal funds is for allowable activities.
- Cause:* ADS does not have adequate procedures to monitor subrecipient activities. The State Unit on Aging indicated that when it was part of the Department of Social Services (DSS), DSS was responsible for monitoring subrecipients. However, upon the State Unit on Aging's separation from DSS in 2013, DSS did not adequately transfer the responsibilities to the new agency, known then as the Department of Aging. The need for additional procedures also went undetected in 2018 when the agency merged with the Department of Rehabilitative Services, now named the Department of Aging and Disability Services.
- Prior Audit Finding:* We have not previously reported this finding.
- Recommendation:* The Department of Aging and Disability Services should strengthen internal controls to ensure that it complies with Title 2 CFR Part 200.332 concerning its responsibilities as a pass-through entity to properly monitor its subrecipients.
- Views of Responsible Officials:* "The Department of Aging and Disability Services agrees with this finding. The Department of Aging and Disability Services will add language to all agency contracts with non-federal entities expected to expend \$750,000 or more in federal funds during their fiscal year period, requiring them to have an annual single audit conducted in accordance with Title 2 CFR 200.514."



DEPARTMENT OF HOUSING

2021-725 Allowable Costs / Cost Principles – Inadequate Monitoring

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO

Mainstream Vouchers (Assistance Listing 14.879)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 DVO

Background:

The United States Department of Housing and Urban Development's Section 8 Housing Choice Vouchers Program provides rental assistance to help very low-income families afford decent, safe, and sanitary housing. The Mainstream Vouchers Program enables families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. Public housing agencies (PHA) are authorized to administer the programs locally and make housing assistance payments (HAP) on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered 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 and the contractor disburses the funds to landlords and participants.

Criteria:

Title 2 *U.S. Code of Federal Regulations* Part 200.329 provides that recipients of federal awards are responsible for oversight of the operations of award supported activities. They must monitor their activities under federal awards to ensure that they comply with applicable federal requirements and meet performance expectations.

Condition:

Our review of 60 HAP transactions and utility reimbursements, totaling \$55,307, disclosed the following. Nine transactions had multiple errors.

- In 17 cases, the tenants' total annual incomes were incorrectly calculated or unsupported.
- In two cases, the amount of allowances or deductions was incorrectly calculated or unsupported.



- In one case, the PHA used the wrong income adjustment formula.
- In five cases, the PHA did not use the correct payment standards.
- In seven cases, the utility allowances were incorrectly calculated or the correct schedules were not used.
- In six cases, the PHA did not verify household members were not lifetime registered sex offenders or check their criminal record during the annual reexaminations.

These errors resulted in \$923 in HAP and utility reimbursement overpayments and \$492 in underpayments for the tested benefit months. Further review noted an additional \$5,247 in HAP and utility reimbursement overpayments, and \$2,491 in underpayments during the audited period.

Context: During the fiscal year ended June 30, 2021, HAP transactions and utility reimbursements for the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs totaled \$91,769,883.

The sample was not statistically valid.

Questioned Costs: Our review identified questioned costs totaling \$6,170.

Effect: Our review indicated that transactions processed by DOH's contractor had a high error rate, creating reduced assurance that it correctly calculated HAP and utility reimbursements. In addition, there is an increased risk that DOH provides financial assistance to registered sex offenders or criminals.

Cause: DOH is not adequately monitoring its contractor.

Prior Audit Finding: We previously reported this as finding 2020-725 and in six prior audits.

Recommendation: The Department of Housing should properly monitor its contractor as necessary to minimize housing assistance and utility benefit calculation errors.

Views of Responsible Officials:

"We agree with this finding in part. We agree that, as stated in the finding above, these minor errors were due to clerical errors. While it is impossible to eliminate all clerical errors, errors identified represent 3% of the \$55,307 in transactions tested, which demonstrates 97% accuracy. Nonetheless, the Department and its contracted vendor continue to implement a detailed quality control process designed to identify and quickly correct clerical errors and will continue to look for ways to improve this procedure. Procedures to verify that household members are



not lifetime registered sex offenders will be incorporated into the annual reexamination. DOH has one staff member assigned to consistently monitor this program. However, due to COVID-19, and restrictions put into place to protect the health and safety of DOH and DOH's contracted providers staff, a supervisory review was not conducted. DOH staff however, has completed an administrative audit for state fiscal year 2022."

2021-726 Allowable Costs / Cost Principles – Reconciliations

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO

Mainstream Vouchers (Assistance Listing 14.879)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 DVO

Background:

The United States Department of Housing and Urban Development's Section 8 Housing Choice Vouchers Program provides rental assistance to help very low-income families afford decent, safe, and sanitary housing. The Mainstream Vouchers Program enables families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. Public housing agencies are authorized to administer the programs locally and make housing assistance (HAP) payments on behalf of eligible families directly to landlords for the lease of suitable program-eligible rental housing.

In Connecticut, the programs are administered 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 and the contractor disburses the funds to landlords and participants.

Criteria:

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. To provide adequate accountability, DOH should regularly reconcile the amount of funding advanced to its contractor to the assistance payments disbursed by its contractor.



Condition: DOH is not regularly reconciling its contractor’s funding to the assistance payments disbursed.

Context: During the fiscal year ended June 30, 2021, HAP transactions and utility reimbursements for the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs totaled \$91,769,883.

Questioned Costs: \$0.

Effect: DOH has reduced accountability over program funds.

Cause: In the past, DOH reconciled the amount of funding advanced to its contractor to assistance payments disbursed. However, a change in the contractor’s recordkeeping format made performing the reconciliations more difficult. DOH stopped performing these reconciliations in 2017.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Housing should regularly reconcile the amount of the Section 8 Housing Choice Vouchers and Mainstream Vouchers program funding advanced to its contracted vendor to assistance payments disbursed to participants.

Views of Responsible Officials: “We agree with this finding. DOH will work to reconcile rental assistance payments disbursed to participants with funding allocated to our contractor.”

2021-727 Financial Reporting – HUD-52681-B

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO

Mainstream Vouchers (Assistance Listing 14.879)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 DVO

*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. The Mainstream Vouchers Program enables families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. 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 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 and the contractor disburses the funds to landlords and participants.

HUD pays administrative fees to PHAs for the administration of their programs. A PHA should credit administrative fees not needed to cover administrative expenses to an unrestricted (subject to certain limitations) net position (UNP) account at the end of each fiscal year.

The Voucher Management System (VMS) application facilitates electronic submission of monthly PHA program data. This PHA data enables HUD to promptly fund, obligate, and disburse funding based on actual PHA use.

Criteria:

Office of Public and Indian Housing (PIH) notice PIH-2015-17, provides that UNP as reported to HUD in the VMS should normally consist of the prior month's ending balance plus adjustments for items such as fraud recoveries and interest and less UNP funds used to cover cumulative excess administrative costs exceeding current year administrative funding or other acceptable uses. Although excess (in relation to administrative fees) administrative expenses may decrease the UNP from month to month during the fiscal year, excess (over current administrative costs) administrative fee disbursements from HUD are not to be used to replenish the UNP from month to month during the fiscal year.

If cumulative excess administrative fee funds remain at the end of the fiscal year, the PHA should add them into the UNP balance at the end of the last month of the fiscal year for VMS reporting. These amounts are not added in each month because excess administrative fees do not become unrestricted reserves until the end of the fiscal year.

Condition:

DOH adjusted its UNP balance for excess administrative fee disbursements on a monthly, rather than annual basis. This practice is not in accordance with HUD instructions, as set forth in PIH-2015-17, which



states that excess administrative fee disbursements from HUD should not increase the UNP during the fiscal year.

Context: As part of our review of VMS submissions during the fiscal year ended June 30, 2021, we obtained copies of the submissions for September, December, January, March, and June. DOH reported UNP balances of \$4,021,861, \$2,501,967, \$2,180,733, \$4,897,958, and \$3,051,351, respectively.

Questioned Costs: \$0

Effect: HUD uses this information in assessing the use of administrative fee reserves to ensure that PHAs are complying with the statutory and regulatory requirements concerning the use of these funds. If DOH does not report the UNP in the manner prescribed, HUD decision makers may take actions that are based on erroneous information.

Cause: DOH misinterpreted how it should report UNP.

Prior Audit Finding: We previously reported this as finding 2020-726 and in two prior audits.

Recommendation: The Department of Housing should report its unrestricted net position to the Department of Housing and Urban Development in the manner set forth in notice PIH-2015-17.

Views of Responsible Officials: “We disagree with this finding. DOH has confirmed with HUD that it is allowable to use administrative funds from a previous year. DOH has previously provided a copy of the email confirmation from HUD with the prior response and will include a copy with this response as well. This should not be a finding.”

Auditors’ Concluding Comments: The finding and recommendation pertains to how DOH reports the amount of UNP to HUD rather than the allowable uses of the funds. DOH is not reporting UNP in accordance with HUD guidance.

2021-728 Reporting – Financial Assessment Subsystem for Public Housing

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO



Mainstream Vouchers (Assistance Listing 14.879)
**Federal Award Agency: United States Department of Housing and Urban
Development**
Award Years: Federal Fiscal Years 2019-2020 and 2020-2021
Federal Award Number: ACC CT 901 DVO

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 for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. 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 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 and the contractor disburses the funds to landlords and participants.

Criteria: Title 24 *U.S. Code of Federal Regulations* 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 has not submitted required financial information for the fiscal years ended June 30, 2017, 2018, 2019, 2020, and 2021.

Context: Until HUD approves a prior year's submission, the department is unable to submit subsequent reports. In April 2020, DOH submitted information for the fiscal year ended June 30, 2016, which HUD rejected. However, the department did not resubmit the report until February 2022.

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's staff do not adequately understand the report. The department has not devoted the resources necessary to complete the federal financial reports.

Prior Audit Finding: We previously reported this as finding 2020-727 and in four 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 this finding. Due to minimal fiscal staff and the additional funding provided to the Department from COVID-19 relief funds, DOH was not able to complete this audit in a timely fashion. DOH has ascertained additional contracted accounting staff to be able to assist the Department in submitting all audits within this upcoming fiscal year. As noted, DOH has submitted the 2016 Audit and is currently working on submitting the 2017 audit."

2021-729 Special Tests and Provisions – Reasonable Rent

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO

Mainstream Vouchers (Assistance Listing 14.879)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 DVO

Background: The United States Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Vouchers Program (HCV) provides rental assistance to help very low-income families afford decent, safe, and sanitary rental housing. The Mainstream Vouchers Program (MV) enables families for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. Public housing agencies (PHA) are authorized to administer the programs locally and make



housing assistance payments (HAP) directly to landlords on behalf of eligible families for the lease of suitable program-eligible rental housing.

In Connecticut, the state Department of Housing (DOH) is designated as a PHA and administers the programs statewide with a contracted vendor.

The PHA determines whether rents for units occupied by HCV or MV participants are reasonable based upon a comparison with similar unassisted units. The PHA utilizes a rent reasonableness system to determine the average rents for units of like size and type within the same market area.

Criteria:

Title 24 *U.S. Code of Federal Regulations* (CFR) Part 982.507 provides that the PHA may not approve a lease until it determines that the rent is reasonable. The PHA must also redetermine if the rent is reasonable before any increase and at the HAP contract anniversary, if there is a 10% decrease in the published fair-market rent in effect 60 days before the anniversary date. The PHA must determine whether the rent is reasonable in relation to other comparable unassisted units by considering the location, quality, size, unit type, age of the unit, and any amenities, services, and utilities provided by the owner in accordance with the lease.

Title 24 CFR 982.54 provides that the PHA must adopt a written administrative plan that establishes local policies for administration of the program in accordance with HUD requirements. The PHA must administer the program in accordance with its administrative plan.

The DOH administrative plan provides that the PHA must redetermine the reasonable rent before any increase in the rent or if there is a 5% decrease in the published fair market rent in effect 60 days before the anniversary date. The PHA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent may not exceed the reasonable rent as most recently determined or redetermined by the PHA.

Condition:

Our review of reasonable rent determinations for 15 newly leased units and 15 existing units disclosed the following:

- In eight cases, the unit characteristics used to determine if rent was reasonable did not match supporting documentation.
- In 20 cases, the PHA did not consider the size of the unit when determining reasonable rent.
- In one case, a HAP contract was signed and DOH made payments prior to determining if rent was reasonable.
- In one case, reasonable rent was not redetermined prior to an increase.



- In one case, the reasonable rent valuation form was not on file.
- In one case, the contract rent exceeded the reasonable rent. However, since unit characteristics did not match supporting documentation, we could not determine the correct amount of reasonable rent.

Context: The maximum number of units permitted per DOH's Annual Contributions Contract with HUD ranged from 8,523 to 8,643 units a month during the fiscal year ended June 30, 2021. A determination of reasonable rent would be required at the time of initial leasing, before any increase in the rent, or at the HAP contract anniversary if there is a 5% decrease in the published fair market rent in effect 60 days before the anniversary date.

The sample was not statistically valid.

Questioned Costs: We could not determine if there were any questioned costs.

Effect: There is reduced assurance that rental rates are reasonable.

Cause: The errors were due to clerical mistakes and oversights by DOH and its contracted vendor.

Prior Audit Finding: We previously reported this as finding 2020-728 and in two prior audits.

Recommendation: The Department of Housing should strengthen internal controls to ensure the accurate and prompt completion of reasonable rent determinations.

Views of Responsible Officials: "We agree with this finding. The Department is currently working with its contracted vendor to identify these specific issues and determine how to prevent their recurrence. While it is impossible to eliminate all clerical errors, the Department and its contracted vendor have implemented a detailed quality control process designed to identify and quickly correct them. If additional corrective actions are necessary, they will be immediately implemented. DOH and its contracted vendor do not believe that this is a systematic weakness or indication of insufficient control or oversight."

2021-730 Special Tests and Provisions – Housing Quality Standards Enforcement

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 2019-2020 and 2020-2021



Federal Award Number: ACC CT 901 VO

Mainstream Vouchers (Assistance Listing 14.879)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 DVO

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 for whom the head, spouse, or co-head is a person with disabilities to lease affordable private housing. Public housing agencies (PHA) are authorized to administer the programs locally and make housing assistance payments (HAP) directly to landlords on behalf of eligible families for the lease of suitable program-eligible rental housing.

In Connecticut, the state Department of Housing (DOH) is a designated PHA and administers the programs statewide with a contracted vendor.

Criteria:

Title 24 *U.S. Code of Federal Regulations* (CFR) Part 982.404(a) provides that the PHA must not make any housing assistance payments for a dwelling unit that fails to meet the housing quality standards (HQS), unless the owner of the unit corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct it within 24 hours. For other defects, the owner must correct it within 30 calendar days (or any PHA-approved extension). The PHA must take prompt and vigorous action to enforce the owner obligations. PHA remedies for such breach of the HQS include termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.

Title 24 CFR Part 982.405(g) provides if a participant family or government official reports a life-threatening condition (i.e., the PHA would require the owner to make the repair within no more than 24 hours in accordance with Title 24 CFR Part 982.404(a)(3)), then the PHA must inspect the housing unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening (i.e., the PHA would require the owner to make the repair within no more than 30 calendar days in accordance with Title 24 CFR Part 982.404(a)(3)), then the PHA must inspect the unit within 15 days of when the PHA received the notification. In the event of extraordinary circumstances, such as if a unit is within a presidentially declared disaster area, HUD may waive the



24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

Title 24 CFR Part 982.54 provides that the PHA must adopt a written plan that establishes local policies for administration of the program in accordance with HUD requirements. The PHA must administer the program in accordance with its plan.

The DOH administrative plan provides that, if a unit fails its HQS inspection and the unit owner is responsible, the PHA must send a letter to the owner informing them of the repairs needed. For 24-hour emergency repairs, the owner must fax or call the inspection firm within 20 hours verifying the completion of the repair. When 24-hour repairs are required, the PHA reinspects the unit within ten business days after owner notification. If other non-emergency repairs were required, the PHA reinspects when the owner completed all the repairs. If the owner does not conduct repairs in the period required by the PHA, DOH or its contracted vendor will suspend the housing assistance payment. The PHA may give a short extension (not more than 48 additional hours) whenever it cannot notify the responsible party or if it is impossible to complete the repair within the 24-hour period.

The Section 8 Housing Choice Vouchers HUD guidebook provides that promptly following inspection, PHAs should issue violations letters to the responsible party when 24-hour emergency repairs are required. This may be done by fax, courier, overnight mail, or regular mail and should be followed by personal contact. PHAs should have a system to cover these circumstances on weekends and holidays when staff are not readily available to conduct reinspections. Potential approaches include phone calls to the tenant or owner within the 24-hour period to verbally determine compliance, followed by a site reinspection the next business day; rotation of inspectors to cover holiday and Saturday reinspections; receipt by fax of owner/tenant certifications that corrections are made within the required time frame; or telephone confirmation to a voice mail system followed by a reinspection on the next business day.

Condition:

Our review disclosed that the DOH administrative plan contains policies that do not conform with HUD requirements. The administrative plan provides that if a unit fails its HQS inspection and there are both 24-hour emergency and non-emergency repairs needed, the PHA will only reinspect when the owner has completed all repairs. As a result, the PHA is not verifying that owners have corrected 24-hour emergency repairs in a timely manner, as required by Title 24 CFR Part 982.405(g).



We reviewed reinspections of 25 rental properties that failed the initial HQS inspection to determine if the PHA verified the correction of deficiencies. Our review disclosed the following.

- In nine cases, the PHA did not reinspect the unit within the required 30 days to verify that the owners completed needed repairs. In seven of these cases, DOH did not properly suspend the housing assistance payments.
- In three cases, the PHA did not receive documentation verifying the owner fixed a life-threatening defect.
- In four cases, the PHA did not promptly send letters to the owners informing them of the repairs needed. The PHA did not send letters until four to seven days after the failed inspection.

Context: During the fiscal year ended June 30, 2021, the PHA contracted vendor performed 4,143 HQS inspections on dwelling units, 1,582 of which failed the initial inspection.

The sample was not statistically valid.

Questioned Costs: Our review identified questioned costs totaling \$8,716.

Effect: The errors resulted in overpayments to property owners for dwelling units that failed to meet the housing quality standards. Furthermore, by not conducting timely reinspections, the PHA cannot ensure that the dwelling units are decent, safe, and sanitary.

Cause: DOH contracts with a vendor that is responsible for ensuring compliance with housing quality standards and the suspension of housing assistance payments. For three of the cases noted, the vendor did not reinspect a 24-hour emergency repair until the owner had corrected other non-emergency repairs, as provided in the DOH administrative plan. For the other instances of noncompliance, the vendor did not properly perform its contractual duties.

Prior Audit Finding: We previously reported this as finding 2020-730 and in four prior audits.

Recommendation: The Department of Housing should strengthen internal controls to ensure that it completes housing quality standards reinspections on time and should suspend housing assistance payments as necessary for owners that do not correct identified defects within the required period. In addition, the department should ensure that the policies included in its administrative plan conform to Department of Housing and Urban Development requirements.



*Views of Responsible
Officials:*

“We agree with this finding in part. The Department identified this as an issue prior to review and has continued to work with the contracted vendor to increase capacity regarding both initial HQS inspections, as well as annual HQS re-inspections. Further, internal processes of the contracted vendor have been streamlined to better ensure that payments are suspended if identified defects are not corrected within the required timeframes. We continue to seek systems to improve this inspection process, and intend to implement any opportunities for improvement, which are identified.

The Department’s administrative plan is in full compliance with the provisions of Title 24 CFR 982.404(a), relative to verification that emergency repairs have been completed in a timely fashion. This verification does not require an inspection; it can be and is accomplished with a review of invoices for services and materials. When all necessary repairs are completed, a reinspection is then performed. Revisions to the administrative plan to make this procedure clear will be made.”

2021-731 Allowable Costs/Cost Principles – Payroll Costs

Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR) (Assistance Listing 14.269)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: B-13-DS-09-0001

National Disaster Resilience Competition (CDBG-NDR) (Assistance Listing 14.272)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: B-13-DS-09-0002

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 2019-2020 and 2020-2021

Federal Award Number: ACC CT 901 VO

Criteria: Title 2 U.S. Code of Federal Regulations (CFR) Part 200.405 provides that a cost is allocable to a particular federal award if the goods or services



involved are chargeable or assignable to that federal award in accordance with relative benefits received.

Title 2 CFR Part 200.430 provides that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to federal awards.

- Condition:* Our review disclosed that DOH did not charge payroll and fringe benefit costs to the Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR), the National Disaster Resilience Competition (CDBG-NDR), or the Section 8 Housing Choice Vouchers (HCV) programs in accordance with relative benefits received. DOH allocated \$25,415 of CDBG-DR expenditures and \$18,258 of CDBG-NDR expenditures for employees who did not work on the programs. In addition, DOH allocated \$428,262 of Section 8 HCV expenditures to the program using rates estimated before services were performed.
- Context:* During the fiscal year ended June 30, 2021, DOH charged \$643,692 to the CDBG-DR program, \$48,993 to the CDBG-NDR program, and \$446,935 to the Section 8 HCV program for payroll and fringe benefit expenditures.
- Questioned Costs:* We identified questioned costs totaling \$25,415 for CDBG-DR and \$4,307 for CDBG-NDR. We could not determine the amount of questioned costs applicable to the Section 8 HCV program.
- Effect:* Payroll and fringe benefit costs may not reflect the time actually worked by the employees and may have resulted in charging unallowable costs to the programs.
- Cause:* The department charged payroll and fringe benefit costs based on budget estimates instead of records that support the work actually performed.
- Prior Audit Finding:* We previously reported this as finding 2020-731 and in four prior audits.
- Recommendation:* The Department of Housing should allocate payroll and fringe benefit expenditures claimed under the Hurricane Sandy Community Development Block Grant Disaster Recovery Grants, National Disaster



Resilience Competition, and Section 8 Housing Choice Vouchers programs based on records that accurately reflect the work performed.

Views of Responsible Officials:

“We agree with this finding. The Department identified this as an issue prior to review and has been working to develop a methodology to ensure that payroll and fringe benefit expenditures accurately reflect the work performed. A temporary quarterly work distribution verification has been obtained from all supervisors and provided to the Office of Fiscal Analysis (OFA) so that proper charges can be made to the respective accounts for the prior quarter. A more permanent methodology allowing the entry of administrative coding in CORE-CT is underway. Staff working on the HCV, CDBG-DR and NDR grants have received override codes within CORE-CT and have been entering them into their respective timesheets for approval. The transition to teleworking because of the COVID-19 pandemic has prevented staff from utilizing the override codes when entering their timesheets in CORE-CT since the Governor’s office required a specific code “TCC-19” to be used for telework hours. On January 1, 2022, we received guidance from Human Resources (HR) that this override code was no longer required for telework and staff now have access to use the administrative coding in CORE CT to confirm the hours spent working on each program when submitting their respective time sheets.”

2021-732 Suspension and Debarment – Inadequate Procedures

Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR) (Assistance Listing 14.269)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Number: B-13-DS-09-0001

Background:

The Hurricane Sandy Community Development Block Grant Disaster Recovery Grants Program (CDBG-DR) provides disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

Under CDBG-DR, the Department of Housing (DOH) funded the rehabilitation, reconstruction, or mitigation measures for owner-occupied homes, scattered-site properties, and multi-family houses. Scattered-site properties are non-owner occupied one to four-unit rental properties. There



was also funding provided for infrastructure and planning projects that would help to improve the resiliency of infrastructure and public facilities and provide mitigation measures.

Criteria: Title 2 *U.S. Code of Federal Regulations* Part 180 prohibits non-federal entities from contracting with or making subawards under covered transactions to participants that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include those procurement contracts for goods and services that are expected to equal or exceed \$25,000 or meet certain other specified criteria.

A principal is defined as an officer, director, owner, partner, principal investigator, or other person with an entity, with management or supervisory responsibilities related to a covered transaction.

States must verify that participants and principals are not suspended or debarred or otherwise excluded by checking the System for Award Management (SAM) Exclusions, collecting a certification from the person, or adding a clause or condition to the covered transaction with that person. SAM Exclusions is a United States Government system that is available to the public with the most current information about persons who are suspended, debarred, or otherwise excluded from covered transactions.

Condition: Our review of one infrastructure project disclosed that DOH did not maintain documentation that it determined whether contractors providing goods or services, or their principals, were excluded from participating in federal programs prior to entering into covered transactions funded by CDBG-DR. The contractor we examined was not excluded.

Context: During the fiscal year ended June 30, 2021, DOH funded six infrastructure projects under CDBG-DR.

The sample was not statistically valid.

Questioned Costs: \$0

Effect: DOH has decreased assurance that contractors providing goods and services, or their principals, have not been suspended, debarred, or otherwise excluded from federal programs.

Cause: DOH did not always check the SAM Exclusions prior to entering into covered transactions. In addition, DOH included a suspension and debarment clause in its assistance agreements that referenced a repealed regulation.



Prior Audit Finding: We previously reported this as finding 2020-735 and in four prior audits.

Recommendation: The Department of Housing should develop procedures that ensure that all contractors and their principals are not suspended, debarred, or otherwise excluded from federal programs as specified in federal regulations.

Views of Responsible Officials:

“We agree with this finding. The Department believes that adequate procedures specified in the federal regulations for all components of the activities funded under CDBG-DR grant are in place; nevertheless, we acknowledge that staff checked the SAM database prior to making payments without necessarily documenting to the file. It is important to note that prior to executing contracts with the developers for the assisted projects, DOH confirmed that none were suspended, debarred, or otherwise excluded from working on federal programs.”

2021-733 Allowable Costs/Cost Principles – Assistance Payments

Emergency Rental Assistance (ERA) (Assistance Listing 21.023)

Federal Award Agency: United States Department of the Treasury

Award Years: Federal Fiscal Year 2020-2021

Federal Award Number: N/A

Background: The Emergency Rental Assistance (ERA) Program was established to provide financial assistance including payment of rent, rental arrears, utilities, home energy costs, utilities and home energy costs arrears, other costs related to housing, and housing stability services to eligible households. The program provides for the United States Department of the Treasury to make payments to grantees. The program consists of two rounds of funding, ERA1 and ERA2. The State of Connecticut only expended ERA1 funds during the fiscal year ended June 30, 2021.

In Connecticut, the Department of Housing (DOH) administers the ERA program. DOH’s ERA program is known publicly as UniteCT. DOH contracted with multiple certified public accounting (CPA) firms to assist with review of assistance applications.

Criteria: Title 2 *U.S. Code of Federal Regulations* Part 200.403 provides to be allowable under federal awards, costs must be necessary and reasonable for the performance of the federal award and must be adequately documented.

Department of the Treasury Frequently Asked Questions (FAQ) # 5 for the ERA program states that grantees may use ERA funds for rent and



rental arrears.

Treasury FAQ # 6 for the ERA program states that grantees may use ERA funds for utilities and home energy costs and utilities and home energy costs arrears.

Treasury FAQ # 15 for the ERA program states that an eligible household that occupies a federally subsidized residential or mixed-use property or receives federal rental assistance may receive assistance under the ERA, provided that ERA1 funds are not applied to costs that have been or will be reimbursed under any other federal assistance.

As of June 30, 2021, the DOH UniteCT guidelines stated that the department would provide ERA assistance to utility arrears, rental arrears, and prospective rent. UniteCT would provide 100% of rental arrears accrued after March 13, 2020, subject to a \$15,000 and 12-month cap and 100% of the contracted rent amount for three prospective months, subject to a \$15,000 and 12-month cap. The DOH assistance may not exceed 12 months, with consideration for an additional three months in extenuating circumstances for a total of 15 months. DOH required applicants to apply every three months to continue receiving prospective rental assistance. UniteCT funded 100% of electric arrears up to \$1,500 for a maximum of six months.

Prior to May 24, 2021, the DOH UniteCT guidelines required applicants whose income ranged between 31% and 80% of area median income to contribute towards a portion of their rental payment to receive prospective rental assistance.

DOH has a matrix that lists acceptable forms of documentation that ERA applicants can submit. For landlord property ownership, acceptable documentation includes mortgage documents or statements, property tax statements, insurance documentation, or property deeds.

Condition:

Our review of 60 assistance transactions totaling \$444,588 disclosed the following. Some transactions had multiple errors.

- In one case, acceptable documentation of landlord proof of ownership was not on file.
- In nine cases, DOH provided rental arrears assistance for more months than supported by the applicants' documentation.
- In one case, DOH provided rental arrears assistance for one month less than supported by the applicant's documentation.
- In one case, DOH incorrectly calculated rental arrears assistance.



- In one case, the rental arrears assistance amount did not reflect assistance already provided under another federal program.
- In one case, DOH provided prospective rental assistance to an applicant who was not eligible for such assistance based on the required tenant contribution.
- In one case, the prospective rent payment duplicated the arrears payment.
- In two cases, utility arrears assistance exceeded the \$1,500 and/or six-month caps.

These errors resulted in \$16,589 in assistance overpayments and \$876 in assistance underpayments. One error had no financial impact.

During our review of eight administrative expenditures totaling \$1,287,384, we noted that DOH incorrectly charged \$849 to the ERA program. Further review noted that DOH incorrectly charged the ERA program an additional \$99 related to this expenditure.

Context: During the fiscal year ended June 30, 2021, rental and utility assistance payments totaled \$21,804,395. Administrative costs totaled \$1,955,609.

The sample was not statistically valid.

Questioned Costs: We identified questioned costs totaling \$17,807.

Effect: DOH has reduced assurance regarding the accuracy of rental and utility assistance payments and whether it properly charged administrative costs to the program.

Cause: Lack of oversight by DOH and clerical mistakes by DOH and the contracted accounting firms contributed to this condition.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Housing should improve monitoring of program activity to ensure that Emergency Rental Assistance payments are properly calculated and allowable.

Views of Responsible Officials: “We agree with this finding in part. We agree that, as stated in the finding above, these minor errors were due to clerical and training errors due to the onboarding of new case review staff. UniteCT is an emergency rental program that required immediate program design and implementation to respond to the COVID pandemic. While it is impossible to eliminate all errors, the Department, and its contracted vendors, continuously



implement training and retraining throughout the case review process. Specific to the cases noted in the findings, the UniteCT operations leadership has investigated further to ensure calculations errors were not carried over to any applicable related cases. UniteCT leadership staff work to identify such findings in an ongoing and proactive manner, in an effort to increase overall best practice and quality assurance delivering the funding to the local economy in as timely as fashion as possible while meeting Treasury’s guidance. These ongoing additional quality assurance initiatives continue in a manner to ensure best practices for the UniteCT program.”

2021-734 Allowable Costs/Cost Principles – Eligibility

Emergency Rental Assistance (ERA) (Assistance Listing 21.023)
Federal Award Agency: United States Department of the Treasury
Award Years: Federal Fiscal Year 2020-2021
Federal Award Number: N/A

Background:

The Emergency Rental Assistance (ERA) Program was established to provide financial assistance including payment of rent, rental arrears, utilities, home energy costs, utilities and home energy costs arrears, other costs related to housing, and housing stability services to eligible households. The program provides for the United States Department of the Treasury to make payments to grantees. The program consists of two rounds of funding, ERA1 and ERA2. The State of Connecticut only expended ERA1 funds during the fiscal year ended June 30, 2021.

In Connecticut, the Department of Housing (DOH) administers the ERA program. DOH’s ERA program is known publicly as UniteCT. DOH contracted with multiple certified public accounting (CPA) firms to assist with review of assistance applications.

Criteria:

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.

Department of the Treasury Frequently Asked Questions (FAQ) # 1 for the ERA program states that a grantee may only use the funds to provide financial assistance and housing stability services to eligible households. To be eligible, a household must be obligated to pay rent on a residential dwelling and the grantee must determine that for ERA1:



- One or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly or indirectly, to the COVID-19 outbreak;
- One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and
- The household has a household income at or below 80% of area median income.

Treasury FAQ # 1 also states that grantees must specify in their policies and procedures under what circumstances they will accept written attestations from the applicant without further documentation to determine any aspect of eligibility.

Treasury FAQ # 4 for the ERA program states that a grantee may rely on a written attestation from the applicant as to household income if the grantee also uses any reasonable fact-specific proxy for household income, such as reliance on data regarding average incomes in the household's geographic area.

The DOH UniteCT guidelines provide that an applicant must meet all the following to be eligible for assistance: be a permanent or primary resident of the State of Connecticut; demonstrate need for assistance prior to or at the time of application as reflected by the eligibility criteria; meet the definition of eligible household; and complete the online application in full and upload all necessary supporting documentation.

DOH defined an eligible household as a renter household in which one or more individuals meets all the following: qualified for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19; demonstrates a risk of experiencing homelessness or housing instability; and certifies household income at or below 80% of the United States Department of Housing and Urban Development (HUD) area median income.

DOH elected to utilize the IRS Form 1040 Adjusted Gross Income method as its definition of income. DOH has elected to utilize the HUD qualified census tract (QCT) as a means of qualifying household income by fact-specific data proxy. Households who reside within a QCT are not required to submit income documentation. Households who do not reside within a QCT may provide either annual or monthly income source documentation.



DOH has a matrix that lists acceptable forms of documentation that applicants can submit with ERA applications. For tenant identification, acceptable documentation includes a driver's license, State ID, military ID, Native American Tribal ID, passport, permanent resident card, or other photo ID. The matrix states that for households outside of a QCT, the grantee must verify income for each household member over the age of 18 through annual or monthly documentation. The matrix states that for verification of no employment, an applicant must submit a Certification of Zero Income or a student transcript for household members over the age of 18.

Condition: Our review of 60 assistance transactions totaling \$444,588 disclosed the following. Some transactions had multiple errors.

- In one case, a copy of the tenant's driver's license or other government identification was not on file.
- In one case, the tenant's income exceeded the federal limit of 80% of the area median income.
- In two cases, a Certification of Zero Income form was not on file for a household member over the age of 18 that did not reside in a qualified census tract.

These errors resulted in rental assistance overpayments of \$10,000.

Context: During the fiscal year ended June 30, 2021, rental and utility assistance payments totaled \$21,804,395.

The sample was not statistically valid.

Questioned Costs: We identified questioned costs totaling \$10,000.

Effect: DOH has reduced assurance it is only providing ERA assistance to eligible households.

Cause: Lack of oversight by DOH and clerical mistakes by both DOH and the contracted CPA firms.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Department of Housing should strengthen internal controls to ensure that only eligible applicants receive assistance under the Emergency Rental Assistance Program.

Views of Responsible



Officials: “We agree with this finding in part. We agree that, as stated in the finding above, these minor errors were due to clerical and training errors due to the onboarding of new case review staff. UniteCT is an emergency rental program that required immediate program design and implementation to respond to the COVID pandemic. While it is impossible to eliminate all errors, the Department, and its contracted vendors, continuously implement training and retraining throughout the case review process. UniteCT leadership staff work to identify such findings in an ongoing and proactive manner, in an effort to, increase overall best practice and quality assurance delivering the funding to the local economy in as timely as fashion as possible while meeting Treasury’s guidance. These ongoing additional quality assurance initiatives continue in a manner to ensure best practices for the UniteCT program.”

2021-735 Reporting

Emergency Rental Assistance (ERA) (Assistance Listing 21.023)
Federal Award Agency: United States Department of the Treasury
Award Years: Federal Fiscal Year 2020-2021
Federal Award Number: N/A

Background: The Emergency Rental Assistance (ERA) Program was established to provide financial assistance including payment of rent, rental arrears, utilities, home energy costs, utilities and home energy costs arrears, other costs related to housing, and housing stability services to eligible households. The program provides for the United States Department of the Treasury to make payments to grantees. The program consists of two rounds of funding, ERA1 and ERA2. The State of Connecticut only expended ERA1 funds during the fiscal year ended June 30, 2021.

In Connecticut, the Department of Housing (DOH) administers the ERA program. DOH’s ERA program is known publicly as UniteCT. DOH contracted with multiple certified public accounting (CPA) firms to assist with the review of assistance applications.

DOH submits reports for the program to the Office of Policy and Management (OPM), which uploads the data to the Treasury website.

Criteria: Reporting requirements for the ERA program are set forth in guidance promulgated by the United States Department of the Treasury. Treasury guidelines required two quarterly interim reports, two quarterly final reports, and three monthly reports for the fiscal year ended June 30, 2021.



<i>Condition:</i>	<p>We reviewed the final reports for the quarters ending March and June and the monthly reports for April, May, and June of the fiscal year ended June 30, 2021. Our review of these reports encompassed a total of 40 unique line items.</p> <p>We noted inconsistencies between the reports and found that ten of the 40 line items reviewed reflected calculation errors and/or could not be traced to supporting documentation.</p>
<i>Context:</i>	<p>The State of Connecticut received \$235,873,751 in funding for the ERA program. DOH submitted seven reports for the program during the fiscal year ended June 30, 2021.</p>
<i>Questioned Costs:</i>	<p>\$0</p>
<i>Effect:</i>	<p>The data available to decision makers contained inaccuracies.</p>
<i>Cause:</i>	<p>DOH did not adequately review the reports before submitting them to OPM.</p>
<i>Prior Audit Finding:</i>	<p>We have not previously reported this finding.</p>
<i>Recommendation:</i>	<p>The Department of Housing should strengthen internal controls to ensure that it properly reviews Emergency Rental Assistance Program reports for accuracy and consistency with supporting records before submitting them to the Office of Policy and Management.</p>
<i>Views of Responsible Officials:</i>	<p>“We agree with this finding in part. We agree that, as stated in the finding above, these minor errors were due to software barriers and the need to create more consistent and replicable processes for the reporting the data of UniteCT. UniteCT began operating while Treasury and the Yardi Rent Relief software systems were also being built. While it is impossible to eliminate all errors, the Department, and its contracted vendors, worked to resolve initial inconsistencies with the reporting practices and continue to build in quality assurance measures to intercept potential inconsistencies. UniteCT leadership staff work to identify such findings in an ongoing and proactive manner, in an effort to increase overall best practice and quality assurance delivering the funding to the local economy in as timely as fashion as possible while meeting Treasury’s guidance. These ongoing additional quality assurance initiatives continue in a manner to ensure best practices for the UniteCT program.”</p>



OFFICE OF EARLY CHILDHOOD

2021-775 Eligibility - Verification Process – Care 4 Kids Program

Child Care and Development Block Grant (Assistance Listing 93.575)

COVID-19 Child Care and Development Block Grant (Assistance Listing 93.575)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: G2001CTCCDD, 2001CTCCC3, 2101CTCSC6, 2101CTCCC5, 2101CTCDC6, and G2101CTCCDD

Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF) (Assistance Listing 93.596)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: G2001CTCCDF, G2001CTCCDM, G2101CTCCDF, and G2101CTCCDM

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 17a-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 verifications needed to determine eligibility and calculate the amount of benefits within fifteen days of the initial request or the date specified by the department.

RCSA 17b-749-04(b)(1) requires the disclosure of Social Security numbers for children whose CCAP subsidy is or will be claimed by the department as an expense under the Temporary Assistance for Needy Families Program or other federal programs.

RCSA 17b-749-04(d)(2) provides to be eligible for assistance, the child shall be a United States citizen, United States national pursuant to Title 8 *United States Code* Section 1101, or a lawfully residing immigrant.

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-749-06(c) requires CCAP administrators to verify information when required by federal or state law when necessary to confirm any circumstances pertaining to eligibility for the family, a child care provider or the amount of benefits.

RCSA 17b-749-06(f) states that the department shall require parents to submit written documentation as the primary method or source of verification, except where self-declarations are requested on the application or other program forms.

RCSA 17b-749-09 states that the parent must apply for assistance using a form prescribed by the department. At a minimum, the application form filed shall include the full name and address of the parent, the date, and the parent's signature. Eligibility shall be determined when sufficient information exists to determine if the family is eligible or ineligible. If the department has not established eligibility, it shall deny the application and notify the parent.

RCSA 17b-749-12(g)(1)(A) requires the submission of a completed child care agreement using a form prescribed by the department that provides details of the child care arrangements. Certain details include the provider's licensing and accreditation status, the relationship of the provider to the child, the location where care is given, the days and hours of care, and the actual charges for the care provided.

RCSA 17b-749-13(b) states that the number of hours of care authorized shall be based on all of the following factors: hours of the work or employment services activity; the availability of a parent who is living with the child to provide care; the hours the child is in school; travel time to and from the approved activity; and the hours of care specified on the child care agreement form. Care shall not be authorized during the hours the child is in school or an academic or home-schooling program, when a parent living in the home is available and capable of providing care, or outside the activity schedule, including travel and lunch time. Travel time shall be limited to a maximum of one hour per day, unless the parent verifies that additional time is needed. Care shall not be authorized between the hours of eleven p.m. and seven a.m. if the child care provider is a person who resides in the same home as the child, unless the child is less than three years of age or has special needs. The number of hours authorized shall not exceed the number of hours specified on the child



care agreement form. The number of hours of care authorized shall be used as the basis for determining the level of care needed and the applicable payment rate.

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 for processing eligibility determinations and maintaining client case files.

Condition:

We reviewed 60 cases with expenditures of \$41,952 and identified numerous errors summarized below:

Income Verification/Calculation

In five cases, the gross income calculations could not be verified or did not agree with supporting paystubs.

Family Fee

In 14 cases, the family cost share (family fee) could not be verified due to lack of supporting documentation, or the fee did not agree with existing support documentation.

These errors resulted in family fee overpayments of \$126 and underpayments of \$1,532.

Variance in Work and Care Schedules

Six cases revealed discrepancies between the parent's work schedule, the child's care schedule reported on the childcare parent provider agreements (PPA), or the approved hours of care identified in the ImpaCT system.

Incomplete Documentation

In four cases, there was an incomplete application, redetermination, or parent provider agreement.

Social Security Number Verification

In five cases, OEC failed to verify the child's social security number.



Case Documents

Case documents in the state's ImpaCT system were not easily accessible due to the lack of detailed file descriptions. For example, inbound documents submitted by clients are typically labeled "Child Care Parent Supporting Document" without further identifying detail.

Context: The audit universe consisted of \$130,247,137 in subsidy payments. Our sample was not statistically valid.

Questioned Costs: Errors resulted in \$1,532 in questioned costs for the tested benefit months. Further review noted an additional \$11,007 in questioned costs during the audited period. We could not determine the amount of the questioned costs associated with each grant award.

Effect: There is reduced assurance that caseworkers determining client eligibility properly obtained and verified applications, parent provider agreements, and supporting documentation.

Cause: OEC management did not adequately ensure that caseworkers followed proper eligibility determination procedures.

Prior Audit Finding: We previously reported this as finding 2020-776 and in one prior audit.

Recommendation: The Office of Early Childhood should monitor its program eligibility verification process to ensure its caseworkers comply with all facets of program eligibility policies and ensure compliance with all federal and state regulations.

The Office of Early Childhood should implement a policy to ensure that all documents can be easily identified. This policy should require evidence of submission dates for instances when clients provide multiple versions of similar documents.

View of Responsible Officials:

"The OEC agrees with this finding: Income Verification/Calculation; Family Fee, Variance in Work and Care Schedules and Incomplete Documentations. The OEC and United Way of Connecticut (UWC) reviewed these errors and agreed with these findings. The OEC Error Rate Review completed in June 2019 found a high number of payment errors related to income calculations process. Many of these errors were related to the Care 4 Kids (C4K) business processes regarding multi-step verification processes that cause payment errors. To eliminate these inaccuracies, effective April 1, 2021 the OEC implemented transmittals



C4K-POL-21-02 and C4K-POL-21-03 to provide clarification as to how authorized hours or care shall be determined, assessing and calculating temporary increases in pay, and to streamline processes for both families requesting child care assistance and Care 4 Kids staff while still operating within the confines of Chapter 45 of Code of Federal Regulations and Regulations of Connecticut State Agencies (RCSA). The OEC is anticipating that these changes will reduce these types of errors.

The OEC does not agree with the Social Security Number Verification errors. Per the interpretation of the child care regulations (Sec. 17b-749-04(b), *social security number is needed only for children who are receiving Temporary Family Assistance Program from Department of Social Services (DSS)*). Typically, the social security number is already verified by DSS for any child who has received DSS benefits such as Cash, Medicaid and Supplemental Nutrition Assistant Program. If a child is new to child care and has never received any DSS benefits, Care 4 Kids will not verify the social security number. The potential errors found by the auditor are for children who are not recipient of DSS programs.

The OEC agrees in part with Case Document findings. The auditor's review period is from July 1, 2020 to June 30, 2021. A Change Request went into production in the ImpaCT system effective 10/01/20 to identify task by types. Based on the production date, there could have been an overlap from July 1, 2020 to September 30, 2020 with some of the documents that were not coded. Documents received on or after 10/01/2020 were identified by the following new task types in ImpaCT:

- Application
- Redetermination
- Child Care Parent Supporting Document Examples: duplicate application/redetermination
- Parent Provider Agreement Form (Summer PPAs will be scanned as Priority One)
- Employment Verification (employer letters, paystubs, work schedule, self-employment)
- Proof of Identity (Birth Certificate, Driver's License, Passport, etc.)
- Disability (Disability and Special Needs forms)
- FRED
- ACAP

If multiple documents are received on a case, the documents will be separated by task type with the exception of an Application and Redetermination.



The OEC monitors through weekly calls with Deloitte and UWC to determine if there is any need to make changes to any ImpaCT functionality. Since the launch of Task by Types, there has been no request from UWC for additional document types. If a request comes in, the OEC is prepared to have a JIRA ticket put in for a change request in future system release.”

*Auditors’ Concluding
Comments:*

RCSA 17b-749-04(d)(2) provides that to be eligible for assistance, the child shall be a United States citizen, United States national pursuant to Title 8 *United States Code* Section 1101, or a lawfully residing immigrant. OEC cannot properly ensure compliance with RCSA17b-749-04(d)(2) without verification of social security numbers for children who are not already the recipient of DSS program benefits.

2021-776 Subrecipient Monitoring

Child Care and Development Block Grant (Assistance Listing 93.575)

COVID-19 Child Care and Development Block Grant (Assistance Listing 93.575)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: G2001CTCCDD, 2001CTCCC3, 2101CTCSC6, 2101CTCCC5, 2101CTCDC6, and G2101CTCCDD

Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF) (Assistance Listing 93.596)

Federal Award Agency: United States Department of Health and Human Services

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: G2001CTCCDF, G2001CTCCDM, G2101CTCCDF, and G2101CTCCDM

Criteria:

Title 45 *U.S Code of Federal Regulations* Part 98.11 requires lead agencies that use other governmental or non-governmental subrecipients to administer the program, to have written agreements in place outlining roles and responsibilities for meeting Child Care and Development Fund requirements. Lead agencies shall oversee the expenditure of funds by sub-grantees, monitor programs and services, and ensure that sub-grantees responsible for determining individual eligibility operate according to rules established by the program.

The Office of Early Childhood (OEC) has a contract with a vendor to manage and administer the Care 4 Kids Program. This contract requires the following:



- Part 1, Section G (2) states that “the contractor and OEC shall conduct monthly meetings to discuss contractual, programmatic, and financial activities and issues related to the prior month. Such meetings shall be in person or via teleconference at the OEC’s discretion and take place on or before the 10th calendar day of each month.”
- Part 1, Section G (5) (a) states “The contractor shall submit all required financial reports, written or electronically, as directed and in a format approved by the OEC.”
- Part 1, Section G (5) (b) states “On or before the 30th calendar day of each month during the contract period, the contractor shall submit expenditure reports, in a format approved by the OEC, for the previous month’s expenditures. The contractor shall report each month’s expenditures separately, according to the approved UCOA (Uniform Chart of Accounts reporting tool). Such reports shall detail funds expended in accordance with the categories and line items listing on the approved contract budget.”
- Part 2, Section C (17) states that “the contractor shall provide the department with such statistical, financial, and programmatic information necessary to monitor and evaluate compliance with the contract. The contractor shall provide the agency with such reports as the agency requests as required by this contract.”

Condition:

Our review of OEC’s monthly financial review process disclosed that the office does not adequately monitor whether its contractor has excess funds on hand and did not require the contractor to promptly return excess funds.

1. The OEC October 2020 monthly meeting disclosed that actual expenditures were under budget in each expenditure category. The contractor expended 12% of the total yearly budgeted costs during the first quarter of fiscal year ended June 30, 2021. OEC did not adjust future payments to the contractor to account for these differences.
2. The June 2021 monthly report disclosed the contractor had an excess cash balance. OEC invoiced the contractor on November 24, 2021 and received \$659,884 on December 29, 2021. This payment included \$87,657 in federal funds and \$572,227 in state funds.

Context:

OEC budgeted \$613,788 in federal funding during the period. The contractor returned all OEC federal funds. OEC paid the contractor \$10,958,366 in state funding during the period. OEC used these state



expenditures towards its program maintenance of effort and matching requirements.

Questioned Costs: \$0

Effect: There is decreased assurance that OEC adequately monitored budgeted costs and actual payments. The contractor received more funding than it needed and did not promptly return excess funds to OEC.

Cause: OEC management does not have adequate procedures to effectively monitor financial reports and ensure payments accurately reflect actual costs during the fiscal year.

Prior Audit Finding: We have not previously reported this finding.

Recommendation: The Office of Early Childhood should implement procedures to avoid overpayments and ensure monthly payments reflect actual program costs.

View of Responsible Officials:

“The OEC agrees in part with this finding. The OEC uses state funds to pay United Way for the contracted Child Care Resource and Referral (CCR&R) Subsidy work required by the Child Care and Development Block Grant Act (CCDBG) and Child Care Development Fund (CCDF). When using state funds to pay a contractor for this type of dynamic work, it is difficult to avoid overpayment because if the contractor is underpaid in June, the end of the SFY, there are no funds to pay the remaining balance for services rendered in that corresponding SFY year. The timing and reconciliation of the cost of this type of work paid for with state funds requires an inevitable amount of some overpayment as a majority of monthly expenses incurred by United Way are variable. The OEC is transitioning to a system with more detailed processes for monthly UCOA/Budget/Program work analysis as well as updating the contract language pertaining to monitoring, compliance documentation, oversight of monthly financial reviews, issuance of payments on United Way’s prior month’s final reported incurred expenses for SFY23.”



DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

2021-800 Eligibility

Continuum of Care Program (Assistance Listing 14.267)

Federal Award Agency: United States Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2019-2020 and 2020-2021

Federal Award Numbers: Various

Criteria: Title 24 U.S. Code of Federal Regulations (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 examine a program participant's income initially, and at least annually thereafter, to determine the amount of contribution the participant must pay toward rent.

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.

Condition: Our review of eligibility for 40 clients receiving Continuum of Care rental assistance disclosed the following conditions:

- One rental assistance payment calculation worksheet did not include \$572 of the client's overtime income, which resulted in a total overpayment of \$1,332.
- Participant documentation for four clients was not sufficient to support eligibility for the Continuum of Care program. One client's homelessness verification form was not current. For the other three clients, the Department of Mental Health and Addiction Services (DMHAS) lacked documentation to support that it enrolled these clients into the program based on priority within their geographic area.

Context: During the fiscal year ended June 30, 2021, DMHAS processed 18,727 rental payments totaling \$18,515,490. Of these payments, \$773,847 were made on behalf of 106 clients that enrolled in the program during the fiscal year ended June 30, 2021. We reviewed 40 rental assistance payments, totaling \$116,464, for clients that enrolled during the audited period.



The sample was not statistically valid.

Questioned Costs: \$1,332.

Effect: Program participants may not be contributing the required amount toward their rental assistance payments. There is an increased risk that the department may provide housing assistance to ineligible individuals.

Cause: The conditions noted appear to be a result of an omission and management oversight.

Prior Audit Finding: We previously reported this as finding 2020-802 and in three prior audits.

Recommendation: The Department of Mental Health and Addiction Services should strengthen internal controls to ensure that providers correctly calculate rental assistance payments and maintain sufficient documentation to support participant eligibility.

Views of Responsible Officials:

“The department agrees with this finding. The Housing and Homeless Services Unit reviews the processes and procedures including completing designated forms on program criteria and entry for applicants in the Rental Assistance Coordinators’ Quarterly meeting during the third quarter of the state fiscal year or more frequently, as needed.

A new process will be developed and implemented whereby eligibility documentation for each new participant is reviewed via the Homeless Management Information System (HMIS) prior to approval of housing assistance payments.”



CONNECTICUT STATE LIBRARY

2021-975 Maintenance of Effort Calculation

Grants to State (Assistance Listing 45.310)

Federal Award Agency: The Institute of Museum and Library Services

Award Years: Federal Fiscal Year 2019-2020

Federal Award Numbers: LS-00-19-0007-19

Criteria: Title 20 *United States Code* Section 9133(c) states that the amount otherwise payable to a state for a fiscal year for the Library Services and Technology Act grant shall be reduced if the level of state expenditures is less than the average of the total state expenditures for the three fiscal years preceding that year. It further states that the calculation must include all amounts expended by the state library administrative agency for library programs, and must not include capital expenditures, special one-time project costs, or similar windfalls.

The Connecticut State Library (State Library) must submit its maintenance of effort (MOE) calculation to the Institute of Museum and Library Services (IMLS), the federal entity overseeing the program.

Condition: During our review of the State Library's maintenance of effort calculations for the Library Services and Technology Act grant, we noted that the State Library did not include all state funds expended for library programs in the three-year average or the maintenance of effort calculation required by federal regulation. Although all expenses the State Library used in its calculations appear to qualify as program costs, the library's calculation method was not consistent from year-to-year. Items included in some years were not included in others.

Context: The State Library reported maintenance of effort of \$4,349,406 for federal fiscal year 2020.

Questioned Costs: \$0

Effect: The State Library may not be meeting the maintenance of effort requirements for fiscal years with declining state-funded library program expenditures. This may result in future reductions of federal funding.

Cause: The lack of consistency of reporting expenditures from year to year appears to be the result of management oversight.

Prior Audit Finding: We have not previously reported this finding.



Recommendation: The Connecticut State Library should ensure it complies with federal regulations when calculating and reporting maintenance of effort for the Library Services and Technology Act grant. The State Library should communicate with the Institute of Museum and Library Services regarding its previously submitted maintenance of effort calculations.

Views of Responsible Officials

“We agree with this finding in part. To the general finding: IMLS affords state libraries some discretion in their formulas for calculating MOE, with the final determination for inclusion made by the agency head; these formulas vary from state to state. Prior to 2019, IMLS had had no issue with the agency’s MOE formula. To the specific finding: The agency’s 2019 state audit resulted in internal analysis of the MOE calculation and reporting process. Chiefly, to that point, the former State Librarian had elected to not include fringe benefits in the MOE calculation. In addition, IMLS acknowledged that the phrase “all expenditures” was ambiguous and provided guidance to the agency as it recalculated its MOE formula.”