

STATE OF CONNECTICUT



**AUDITORS' REPORT
JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2013**

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ ROBERT M. WARD

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JOHN C. GERAGOSIAN

State Capitol
210 Capitol Avenue
Hartford, Connecticut 06106-1559

ROBERT M. WARD

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AUDITORS' REPORT JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2013

We have made an examination of the financial records of the Joint Committee on Legislative Management (JCLM) and the commissions whose financial affairs were administered by JCLM, including the Permanent Commission on the Status of Women, Commission on Children, Latino and Puerto Rican Affairs Commission, African-American Affairs Commission, Connecticut Commission on Aging, and the Asian Pacific American Affairs Commission for the fiscal years ended June 30, 2012 and 2013. This report on that examination consists of the Comments, Condition of Records, Recommendations and Certification that follow.

The financial statements pertaining to the operations and activities of JCLM for the fiscal years ended June 30, 2012 and 2013, are presented and audited on a Statewide Single Audit basis to include all state agencies and funds. This examination has been limited to assessing the committee's compliance with certain provisions of financial related laws, regulations, contracts and grants, and evaluating the internal control policies and procedures established to ensure such compliance.

COMMENTS

FOREWORD

The Joint Committee on Legislative Management operates, generally, under the provisions of Title 2, Chapter 18a, Sections 2-71a through 2-71x of the General Statutes and is the administrative arm of the General Assembly. JCLM is responsible for the financial affairs of the General Assembly, including the coordination and management of legislative matters and the supervision and approval of legislative expenditures from all appropriations to the General

Assembly, legislative commissions and legislative interim committees. It must review and approve budgetary requests of all legislative commissions, committees and agencies, and coordinate the work of the General Assembly's standing committees. JCLM is required to assess ways and means to improve legislative operations and to make improvements in legislative organization, procedures, facilities and working conditions. It is also responsible for the maintenance, supervision and control of the State Capitol, Legislative Office Building and grounds, as well as authorized capital projects involving the preservation and restoration of the State Capitol.

Members of the Joint Committee on Legislative Management

In accordance with the provisions of Section 2-71a of the General Statutes, the membership of JCLM shall be as provided in the Joint Rules of the Senate and the House of Representatives. Section 3(c)(1) of the joint rules state there should be 13 members appointed from the Senate, and 20 from the House of Representatives; however, the committee has been operating with 30 members for years. As of June 30, 2013, the members on the committee were as follows:

Senate Members: Co-Chairperson, President Pro Tempore Donald E. Williams, Jr., Majority Leader Martin M. Looney, Minority Leader John McKinney, Senator Joseph J. Crisco, Jr., Senator Leonard A. Fasano, Senator John Fonfara, Senator L. Scott Frantz, Senator Toni N. Harp, Senator John A. Kissel, Senator Gary D. LeBeau, Senator Andrea L. Stillman and two vacancies.

House Members: Co-Chairperson, Speaker J. Brendan Sharkey, Majority Leader Joe Aresimowicz, Minority Leader Lawrence F. Cafero, Jr., Representative Juan R. Candelaria, Representative Vincent J. Candelora, Representative Paul Davis, Representative Louis P. Esposito, Jr., Representative Mary G. Fritz, Representative Robert D. Godfrey, Representative Auden C. Grogins, Representative Themis Klarides, Representative Russell A. Morin, Representative Sandy H. Nafis, Representative Arthur J. O'Neill, Representative Linda A. Orange, Representative John E. Piscopo, Representative Kevin Ryan, Representative Pamela Z. Sawyer and one vacancy.

Other members who served during the audited period were House Speaker Christopher G. Donovan and Representatives Emil Altobello, Jr., Ernest Hewitt, Marie L. Kirkley-Bey, Melissa Olson-Riley, Tom Reynolds and Kathleen Tallarita, along with Senators Eileen M. Daily, Joan V. Hartley and Michael A. McLachlan.

James P. Tracy succeeded D'Ann Mazzocca as executive director of the Office of Legislative Management on August 3, 2012 and continues to serve in that capacity.

Legislative Changes

Public Act 12-93, section 3, effective July 1, 2012, removed compensation of judges' salaries from the newly-named Compensation Commission for Elected Officers and General Assembly

Members and transferred that responsibility to the newly-formed Commission on Judicial Compensation.

Legislative Commissions

There are six legislative commissions that have 21 voting members each, except for the Commission on Children, which has nine additional nonvoting ex-officio members. The commissions are responsible for focusing on quality of life issues, reporting on these issues, making recommendations for enhancing programs or services, commenting on proposed legislation, advising the General Assembly and the Governor concerning the administration of certain programs, gathering and maintaining current information regarding population changes, providing a liaison to and from governmental entities and conducting educational and outreach activities. The total General and Restricted Fund receipts for all commissions were \$45,115, \$50,877 and \$52,396 for the fiscal years ended June 30, 2011, 2012 and 2013, respectively. The changes in receipts were primarily attributable to changes in grant activity and private aid. General and Restricted Fund expenditures for the commissions totaled \$1,602,513, \$1,833,429 and \$1,855,136 during the fiscal years ended June 30, 2011, 2012 and 2013, respectively. The changes were generally attributed to salaries and wages that increased due to budgetary considerations.

The Permanent Commission on the Status of Women operates under the provisions of Title 46a, Chapter 812, Sections 46a-1 to 46a-6, of the General Statutes. The chairperson of the commission as of June 30, 2013, was Antonia Moran. Teresa C. Younger served as executive director during the audited period. The commission celebrated its 40th anniversary in 2013 and “stands as a voice for all women” of Connecticut by representing their interests on ten boards, 15 coalitions and seven statutorily-mandated commissions. The commission furthered events such as Women’s Day at the Capitol, Girlcott, Girl Scout Day and One Billion Rising. In accordance with Title 46a, Chapter 814f, Section 46a-170, the Trafficking in Persons Council operates within the commission for administrative purposes. This council strengthens efforts to prevent trafficking, to protect and assist victims and to help prosecute traffickers. This council has met and filed legislative reports.

The Commission on Children operates under the provisions of Title 46a, Chapter 814d, Sections 46a-126 to 46a-131b of the General Statutes. The commission’s additional nonvoting ex-officio members are mostly heads of other agencies. The chairperson of the commission as of June 30, 2013, was George A. Coleman. Elaine Zimmerman served as executive director throughout the audited period. The commission continued the growth of its Parent Leadership Training Institute, an initiative that has graduated more than 3,000 people. The commission members also worked to co-chair the Child Emergency Preparedness Committee to develop continuing plans to best prepare state child-care providers for responding to disasters.

The Latino and Puerto Rican Affairs Commission operates under the provisions of Title 2, Chapter 23d, Section 2-120 of the General Statutes. The chairperson of the Latino and Puerto Rican Affairs Commission as of June 30, 2013, was Isaias Tomas Diaz. Werner Oyanadel

served as acting executive director throughout the audited period. The commission supported legislation permitting the issuance of motor vehicle licenses to immigrants and worked to reduce the number of misclassification of student education levels. The commission awarded scholarships during the fiscal audited period to help those in pursuit of higher education.

The Connecticut Commission on Aging operates under Title 17b, Chapter 319bb, Section 17b-420 of the General Statutes. The chairperson of the commission as of June 30, 2013, was Richard C. Memmott, Sr., and Julia Evans Starr served as the executive director throughout the audited period. The commission formed new partnerships with the Connecticut Conference of Municipalities and other community organizations. It hosted events on aging, drafted legislation, and worked with members of the General Assembly on legislation concerning aging in place, a livable communities initiative, and on the Alzheimer's Disease and Dementia Task Force.

The Asian Pacific American Affairs Commission operates under Title 2, Chapter 23f, Section 2-122 of the General Statutes. The chairperson of the Asian Pacific American Affairs Commission as of June 30, 2013, was William Howe. Mui Mui Hin-McCormick was hired on February 14, 2012, as the commission's first executive director and served throughout the audited period. The commission sponsored a series of conferences and speaking engagements in the fight against bullying and harassment. It also sponsored its first leadership forum that included 65 Asian Pacific Americans originating from 16 different countries on the topic of the potential solutions to challenges that face the Asian Pacific community.

The African-American Affairs Commission operates under Title 2, Chapter 23e, Section 2-121 of the General Statutes. The chairperson of the commission as of June 30, 2013, was Fred Pierre-Louis. Glenn A. Cassis served as executive director throughout the audited period. The commission supported education reform initiatives by increasing the number of students it helped to complete the Free Application for Federal Student Aid form. The commission supported legislative reform addressing racial profiling concerns in traffic stops under the Alvin W. Penn Act. It awarded scholarships and hosted the National Assembly Service Commission of Nigeria, who visited to learn about the legislative process.

Other Legislative Commissions

There are four other legislative commissions that had no receipts or expenditures, except for the Commission on Uniform Legislation:

The Law Revision Commission is to consider and prepare comments and recommendations on proposed law changes and submit an annual report to the General Assembly in accordance with Sections 2-85 through 2-88 of the General Statutes. This commission submitted its required annual reports. The State Capitol Preservation and Restoration Commission is responsible for a continuing study of the State Capitol for the preservation and restoration in accordance with Section 4b-60 of the General Statutes. The commission's most recent report was issued in March 2013.

The Compensation Commission for Elected State Officers and General Assembly Members, in accordance with Section 2-9a of the General Statutes, is responsible for recommending legislative proposals for salary, expenses, pension, workers' compensation and any other benefits to be paid to the Governor, Lieutenant Governor, Secretary of the State, Attorney General, Treasurer, Comptroller and members of the General Assembly on or before February 15th in odd-numbered years and may, at its discretion, submit recommendations in even-numbered years. This commission did not submit the statutorily-required report as of February 15, 2013. The Commission on Uniform Legislation, in accordance with Section 2-80 of the General Statutes, is responsible for examining certain subjects on which uniformity is desired. Expenditures totaled \$32,100 and \$32,400 during the fiscal years ended June 30, 2012 and 2013, respectively, for annual dues and national conference travel costs for the members of the commission.

RÉSUMÉ OF OPERATIONS

General Fund – Receipts and Expenditures

General Fund receipts for the Office of Legislative Management (OLM), which is the administrative office, established under the committee, totaled \$17,779, \$38,439 and \$13,819 for the fiscal years ended June 30, 2011, 2012 and 2013, respectively. General Fund expenditures by account are summarized below:

Expenditures by Account	<u>Fiscal Year Ended June 30,</u>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
Personal Services & Employee Benefits	\$39,395,943	\$41,329,767	\$39,559,035
Premises and Property Expenses	6,224,807	5,919,342	6,594,262
Purchases & Contracted Services	5,568,188	4,783,998	4,951,133
Information Technology	1,465,515	1,544,462	2,389,933
Employee Expenses, Allowances & Fees	1,635,704	1,760,154	1,729,530
Purchased Commodities	406,367	439,317	426,106
Capital Outlays – Equipment	679,961	165,104	234,089
Grant Refund and Motor Vehicle Costs	47,800	58,220	71,177
Total Expenditures	<u>\$55,424,285</u>	<u>\$56,000,364</u>	<u>\$55,955,265</u>

Expenditures increased 1.04 percent and decreased 0.08 percent during the fiscal years ended June 30, 2012 and 2013, respectively. Personal services and employee benefits increased then decreased because there were long and short legislative sessions in those fiscal years, respectively. Premises and property expenses decreased 4.9 percent and increased 11.4 percent due to an increase for snow removal, rate adjustments and various projects. Information technology expenses increased \$845,471 during the fiscal year ended June 30, 2013, due mostly to new computers, network hardware and software.

Special Revenue Fund – Federal and Other Restricted Account

Restricted Fund receipts were \$2,667,638, \$2,694,002 and \$2,655,682 during the fiscal years ended June 30, 2011, 2012 and 2013, respectively. The major source of revenue was an annual transfer in the amount of \$2,500,000 from the Department of Revenue Services that was used to defray the costs of providing television coverage of state government deliberations and public policy events in accordance with Section 2-71x of the General Statutes.

Expenditures from this fund were \$3,463,830, \$2,803,557 and \$2,834,755 during the fiscal years ended June 30, 2011, 2012 and 2013, respectively. Expenditures decreased in the fiscal year ended June 30, 2012, as there was a large equipment purchase in the fiscal year ended June 30, 2011 to support the Connecticut Television Network (CT-N).

Capital Improvements and Other Purposes Fund

Expenditures from the Capital Improvements and Other Purposes Fund totaled \$0, \$2,024,177 and \$2,432,557 for the fiscal years ended June 30, 2011, 2012 and 2013, respectively. Expenditures were used to support software development within the Office of Fiscal Analysis and for electronic voting boards for the House of Representatives.

Performance Review – Follow up to the Prior Review of the Old State House

Section 2-90 of the General Statutes authorizes the Auditors of Public Accounts to examine the operations of state agencies to determine their effectiveness in achieving a legislative purpose. We had conducted such a review of the operations of the Old State House, a national historical landmark dating to 1796 and located on Main Street in Hartford. Public Act 07-4 of the June 2007 Special Session allowed the Connecticut General Assembly, through JCLM, to lease the Old State House from the City of Hartford for \$1 per year for at least 99 years. JCLM is responsible for the custody and control of the land, buildings and operations, including providing security, maintenance and community programming. We sought to determine whether JCLM has been able to effectively accomplish these goals while efficiently managing the operations.

We highlighted areas with opportunity for improvement during our prior audit report for the fiscal years ended June 30, 2010 and 2011, based upon the cost per visitor (net of any admission fee) of \$84. OLM studied the recommendations and acted on reducing electricity rates and competitive bidding aspects of our report. No changes were made to the standard operating hours or mandatory staffing minimum requirements despite the seasonality of visitor patterns. The building has been preserved and is open to the public. Daily administration for the building and the store has been outsourced to the Connecticut Public Affairs Network (CPAN). OLM issued a request for proposal to encourage competitive bidding; however, vendor interest was limited to CPAN. CPAN organizes community activities such as “lunch and learn” events, networking events, school tours, historical programs and art exhibits. Bookings for weddings and corporate events declined over the last two years due to the lack of funding for marketing.

JCLM is required to have custody and control of the Old State House, provide maintenance, request proposals and award contracts for educational and community programming, maintenance and operation of the Old State House. This has all been accomplished effectively, in that the process works well and produces the intended result. However, it appears that without significant changes, the static expenses and limited revenues will limit efficiencies for the foreseeable future.

CONDITION OF RECORDS

Our review of the financial records of the Joint Committee on Legislative Management disclosed no areas of concern for the fiscal years ended June 30, 2012 and 2013.

RECOMMENDATIONS

Our prior report on the Joint Committee on Legislative Management contained five recommendations, all of which were either implemented or otherwise not repeated as current audit recommendations.

Status of Prior Audit Recommendations:

- The Joint Committee on Legislative Management should work to reduce its electricity expenses. According to the Office of Legislative Management, current market rate is being paid and it is monitoring the rates for the best price. We will not repeat this recommendation.
- The Joint Committee on Legislative Management should comply with Sections 4-98 subsection (a) and 4-89 subsection (b) of the General Statutes. We found no areas of noncompliance in this area and will not repeat this recommendation.
- The African American Affairs Commission should attempt to pursue compliance with Section 54-1m of the General Statutes or consider working towards a change in legislation. Public Act 12-74, effective July 1, 2012, transferred the commission's responsibilities to another agency. We will not repeat this recommendation.
- The Latino and Puerto Rican Affairs Commission should follow internal controls to minimize the risk of loss when planning its special events, should not forfeit funds unnecessarily, and should reduce the related administrative burden it places on the Office of Legislative Management. During our current audit, no significant issues came to our attention regarding the commission and we will not repeat this recommendation.
- The Joint Committee on Legislative Management should work to improve the efficiency and effectiveness of the operations of the Old State House and should revisit certain contracts for services provided on its behalf. During the current audited period, the committee improved its efficiency and effectiveness slightly and revisited certain contracts for services. We will not repeat this recommendation.

Current Audit Recommendations:

Our current report contains no recommendations.

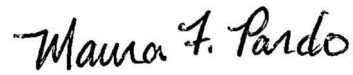
CERTIFICATION

As required by Section 2-90 of the General Statutes, we have audited the books and accounts of the Joint Committee on Legislative Management for the fiscal years ended June 30, 2012 and 2013. Management of the Joint Committee on Legislative Management is responsible for establishing and maintaining effective internal control over financial operations, safeguarding of assets and compliance with the requirements of laws, regulations, contracts and grants. The financial statement audits of the Joint Committee on Legislative Management for the fiscal years ended June 30, 2012 and 2013, are included as part of our Statewide Single Audits of the State of Connecticut for those fiscal years.

We are not organizationally independent with respect to the Joint Committee on Legislative Management; therefore, we do not express an opinion on the books and accounts referred to in the first paragraph.

CONCLUSION

We wish to express our appreciation for the cooperation and courtesies extended to our representatives by the personnel of the Joint Committee on Legislative Management during the course of our examination.



Maura F. Pardo
Principal Auditor

Approved:



John C. Geragosian
Auditor of Public Accounts



Robert M. Ward
Auditor of Public Accounts