

STATE OF CONNECTICUT



*AUDITORS' REPORT
DIVISION OF PUBLIC DEFENDER SERVICES
FISCAL YEARS ENDED JUNE 30, 2018 AND 2019*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ ROBERT J. KANE

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EXECUTIVE SUMMARY

In accordance with the provisions of Section 2-90 of the Connecticut General Statutes, we have audited certain operations of the Division of Public Defender Services. The objectives of this review were to evaluate the division’s internal controls, compliance with policies and procedures, as well as certain legal provisions, and management practices and operations for the fiscal years ended June 30, 2018 and 2019.

The key findings and recommendations are presented below:

<p>Page 6</p>	<p>Our review disclosed that during the audited period, the division paid a software developer \$543,481 prior to receiving services and without a contract in place. The division did not have a network software policy in place defining user roles and data security. The Division of Public Defender Services should strengthen internal controls over the procurement process to ensure that fully executed contracts with clearly defined deliverables and payment terms are in place for large purchases prior to the start of a project. The division should also develop a policy addressing system privileges in accordance with the Network Security Policy and Procedures established by the Office of Policy and Management and update privilege sets that reflect appropriate employee roles within the system. (Recommendation 1.)</p>
<p>Page 8</p>	<p>Our review identified employees with availability to approve expenditure authorizations outside of their job duties. It also disclosed that the division did not have an adequate audit trail to track who authorized the expense. The Division of Public Defender Services should strengthen internal controls by restricting access to employees designated to approve authorization requests. The division should also analyze prior approvals to determine whether any unauthorized transactions occurred. (Recommendation 2.)</p>
<p>Page 9</p>	<p>The division’s current application process does not include a sufficient level of review and investigation to provide reasonable assurance that only eligible applicants are provided with public defender services. Most of the applications reviewed for public defender services were unsigned or did not provide all of the information necessary to support applicant eligibility. The Division of Public Defender Services should strengthen internal controls to ensure that clients properly complete applications and division employees follow eligibility guidelines. (Recommendation 3.)</p>

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

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Hartford, Connecticut 06106-1559

JOHN C. GERAGOSIAN

ROBERT J. KANE

August 18, 2020

AUDITORS' REPORT DIVISION OF PUBLIC DEFENDER SERVICES FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2019

We have audited certain operations of the Division of Public Defender Services in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2018 and 2019. The objectives of our audit were to:

1. Evaluate the division's internal controls over significant management and financial functions;
2. Evaluate the division's compliance with policies and procedures internal to the division or promulgated by other state agencies, as well as certain legal provisions; and
3. Evaluate the effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, minutes of meetings, and other pertinent documents; interviewing various personnel of the division; and testing selected transactions. We obtained an understanding of internal controls that we deemed significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate

evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Résumé of Operations is presented for informational purposes. This information was obtained from various available sources including, but not limited to, the division's management and the state's information systems, and was not subjected to the procedures applied in our audit of the division. For the areas audited, we identified:

1. Deficiencies in internal controls;
2. Apparent noncompliance with policies and procedures or legal provisions; and
3. No need for improvement in the effectiveness, economy, or efficiency of management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations in the accompanying report presents any findings arising from our audit of the Division of Public Defender Services.

COMMENTS

FOREWORD

The Division of Public Defender Services operates, generally, under the provisions of Title 51, Chapter 887 of the General Statutes. The division provides legal representation to indigent clients in adult and juvenile misdemeanor and felony cases, including appeals and other post-conviction matters, as well as child protection. The division is an autonomous body within the Judicial Department for fiscal and budgetary purposes only, maintaining its own business office for administrative purposes.

Established by statute, the division is made up of three components: a 7-member commission responsible for policymaking, appointment of all personnel, and compensation matters; an Office of the Chief Public Defender charged with statewide administration of the public defender system and the provision of specialized legal representation; and the individual public defender offices providing legal services throughout the state to indigent persons accused of crimes as required by the United States and Connecticut constitutions.

Commission members as of June 30, 2019, were as follows:

Attorney Thomas J. Rechen; Chairman
Honorable William R. Dyson
Aimee Golbert, Licensed Clinical Social Worker
Honorable Hillary Strackbein
Attorney Ramona Mercado-Espinoza
Attorney G. Kenneth Bernhard
Honorable Elpedio N. Vitale

Julia DiCocco Dewey also served on the commission during the audited period.

Section 51-290 of the General Statutes provides for the commission to appoint a chief public defender. The chief public defender’s duties include the supervision of all state public defender staff as well as the administration, coordination, and control of the operation of public defender services throughout the state. The current chief public defender is Christine P. Rapillo. The commission appointed her to the position after the retirement of Susan O. Storey effective October 1, 2017.

SIGNIFICANT NEW LEGISLATION

The following notable legislative changes affecting the division either passed or took effect during the audited period:

- **Public Act 17-2** (June Special Session) established a pilot program referred to as the Civil Gideon Program to provide indigent persons with access to legal counsel at any hearing on an application for relief from abuse cases (i.e., civil restraining orders). The Office of the Attorney General transferred \$400,000 from settlement funds to the Division of Public Defender Services to fund the program during the audited period.
- **Public Act 19-59** established a pilot program to provide representation to persons at parole revocation hearings. The act appropriated \$252,342 to the division’s personal services budget to fund 4 new positions beginning in fiscal year 2020.

RÉSUMÉ OF OPERATIONS

Revenues

Revenues for the Division of Public Defenders Services for the fiscal years ended June 30, 2017, 2018 and 2019, are summarized below by fund:

	2016-2017	2017-2018	2018-2019
General Fund	\$ 22,143	\$ 15,943	\$ 40,610
Federal and Other Restricted Accounts Fund	23,614	239,315	288,252
Total Revenues	\$45,757	\$ 255,258	\$ 328,862

General Fund revenues primarily consisted of refunds of prior year expenditures and the sale of surplus property. The increase in revenue in the Federal and Other Restricted Accounts Fund was due to a transfer from the Office of the Attorney General to fund the Civil Gideon Program.

Revenues for the Division of Public Defenders Services for the fiscal years ended June 30, 2017, 2018 and 2019, are summarized below by account:

	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Restricted Aid not Grant Transfer	\$ -	\$ 200,000	\$ 200,000
Grant Transfer Fed Grant Restricted	23,614	39,315	85,681
Refunds of Expend-Prior Years	17,079	14,818	32,489
Sale of Property	3,648	1,125	8,120
Other revenue	1,416	-	2,572
Total Revenues	\$45,757	\$ 255,258	\$ 328,862

Revenues increased for the Grant Transfer Federal Grant-Restricted account between the fiscal years ended June 30, 2018 and 2019 due to the awarding of a federal grant for post-conviction DNA testing. The division can assess fees to clients who are financially able to pay towards the cost of representation in accordance with a schedule of reasonable charges. In addition, the division established a partial reimbursement program for all clients, under which it bills clients of geographical area offices a flat \$25 fee unless they demonstrate the ability to pay more. Indigent clients are not required to pay the fees, as public defender services are a constitutional right. Agency revenues do not include the fees collected as reimbursement for public defender services. The division accounts for these fees as a reduction in personal services expenditures. The division collected \$76,497 and \$63,502 in reimbursements of current year expenditures during the fiscal years ended June 30, 2018 and 2019, respectively.

Expenditures

Expenditures for the Division of Public Defenders Services for the fiscal years ended June 30, 2017, 2018 and 2019, are summarized below by fund:

	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
General Fund	\$ 66,887,713	\$ 63,987,661	\$ 65,910,079
Capital Equipment Fund	265,038	382,826	620,133
Federal and Other Restricted Accounts Fund	30,763	36,715	230,919
Capital Improvements & Other Purposes	399,745	364,640	724,602
Total Expenditures	\$67,583,259	\$ 64,771,842	\$ 67,485,733

Federal and Other Restricted Accounts Fund expenditures increased in the fiscal year ended June 30, 2019 due to the expenditure of funds allocated for the Civil Gideon Program. The increases to the Capital Equipment Fund and Capital Improvements & Other funds were from allocation of bond funds for two information technology projects designed to modernize the infrastructure and increase server storage capacity.

Expenditures for the Division of Public Defenders Services for the fiscal years ended June 30, 2017, 2018 and 2019, are summarized below by account:

	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Wages, Salaries and Employee Expenses	\$ 40,168,340	\$ 37,772,705	\$ 39,662,675
Professional Services	24,211,484	23,879,135	24,147,475
Other Services	1,878,348	1,684,623	1,767,393
Motor Vehicle Costs	23,655	12,665	13,539
Premises and Property Expenses	167,797	145,527	179,407
Information Technology	751,432	722,133	633,237
Purchased Commodities	140,059	464,695	419,517
Equipment - Capital Outlay	242,144	90,359	662,490
Total Expenditures	\$67,583,259	\$ 64,771,842	\$ 67,485,733

The decrease in wages and salaries from the fiscal year ended June 30, 2017 to the fiscal year ended June 30, 2018 reflected a reduction in the number of employees due to retirements. The increase in purchased commodities from the fiscal year ended June 30, 2017 to the fiscal year ended June 30, 2018 was due to the purchase of new laptop computers. The division replaced most of its laptops in 2018 and 2019. The increase in Equipment – Capital Outlay from the fiscal year ended June 30, 2018 to the fiscal year ended June 30, 2019 was primarily due to the purchase of new servers.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our review of the records of the Division of Public Defender Services disclosed certain matters of concern requiring agency attention.

Weaknesses in the External Case Management System

Background:

The Division of Public Defender Services may assign client cases to division or outside attorneys. In most instances, the division assigns cases to its own attorneys. However, if the division is unable to represent an accused person because of a conflict of interest or heavy caseload, it may appoint a private attorney.

In 2013, the division hired a software developer to implement a case management system for externally-assigned cases. The developer continues to provide support services and cloud storage for the system. The division has also asked the developer to gradually implement additional programming enhancements. This included the creation of a billing module that allows law firms, expert witnesses, and other vendors to submit legal and investigation-related invoices that are then processed for payment in the state's accounting system, Core-CT. With this enhanced functionality, the division increased annual payments for the software from \$74,319 in the 2013-2014 fiscal year to \$275,831 in the 2018-2019 fiscal year.

Criteria:

Sound business practice dictates that fully-executed contracts should be in place for large purchases to protect the legal interests of the parties. The contract should define the parties' responsibilities and clearly specify deliverables and payment terms.

Pursuant to the Office of Policy and Management's Network Security Policy and Procedures, it is state policy to prohibit unauthorized access, disclosure, duplication, modification, diversion, destruction, loss, misuse, or theft of information. Each state agency must develop policies addressing system privileges. These policies should restrict system access based on the need-to-know, and identify the process for granting and revoking system privileges.

Access rights for developers should generally be restricted to a development environment, unless there are specific extenuating circumstances.

Condition:

The division does not have a contract in place with the software developer to provide support services and cloud storage for its external case management system. There are no signed agreements that specify deliverables or payment terms for these services. The developer's

invoices do not provide a detailed breakdown of the costs of support, hosting, and subscription services. The cost of these services, which the developer bills in advance, increased from \$43,637 in the 2017-2018 fiscal year to \$127,081 in the 2019-2020 fiscal year.

We noted weaknesses concerning access to the external case management system, including:

- The division cannot clearly identify which system records users have access to view or edit within the system. The software developer created broad-based privilege sets for the division's internal and external users. However, it is unclear which access rights those privilege sets give the system users and whether they are appropriate based on each user's responsibilities.
- We noted 5 software developer employees with unrestricted access to live data, which appears outside their development functions.
- We also noted that the division gave 5 non-information technology access to add, edit, and delete records after the creation of vouchers.

Context:

The division's caseload is approximately 114,000 cases per year. External assigned counsel are engaged for approximately 20% of these cases. The division paid approximately \$24 million per year in professional services expenses during the audited period. Most of these expenses originated in the case management system and were paid out of the state's central accounting system.

As of February 2020, there were 5 developer accounts, 86 internal user accounts, and 1,313 external user accounts (consisting of attorneys and other vendors).

Effect:

There is an increased risk for the division to incur costs for undelivered services, or higher rates, because the parties did not create a fully-executed contract defining deliverables and payment terms. There is also increased data security risk, as highly sensitive case and client data is stored remotely on the software developer's servers.

Unnecessary or inappropriate access to information systems increases the risk for errors, fraud, or unintended system changes. It also undermines data security. There is additional risk when contractors have access to sensitive data without a valid business purpose.

Cause:

There appears to be inadequate managerial oversight regarding the procurement process.

The division does not have a network security policy in place to establish oversight of its external case management system.

Prior Audit Finding: This finding has not been previously reported

Recommendation: The Division of Public Defender Services should strengthen internal controls over the procurement process to ensure that fully-executed contracts with clearly defined deliverables and payment terms are in place for large purchases prior to the start of a project. The division should also develop a policy addressing system privileges in accordance with the Network Security Policy and Procedures established by the Office of Policy and Management, and update privilege sets that reflect appropriate employee roles within the system. (See Recommendation 1.)

Agency Response: “The Division of Public Defender Services of Public Defender Services agrees that there is not currently a contract in place with Adatasol. Adatasol’s initial work plan was limited to creating a centralized case assignment system using the FileMaker platform. As the utility of the program became evident, more tasks were incorporated into the program, including flat rate case payments and hourly billing for assigned counsel and the approval, auditing and payment for all case related expenses for both assigned counsel and agency staff. The Division of Public Defender Services is in the final stages of drafting a contract with Adatasol and expects to have a finalized agreement in place soon. The Division provided information on the cost drivers and the reasons for the increased cost year to year, including detail on different modules that were developed and added. This included information on a case assignment module, expert billing module and additions to the child protection module. The contract being implemented with Adatasol will require that all changes be in writing and should prevent issues with recording and tracking future adjustments.

The Division agrees that there are weaknesses in the system. The privilege sets have been changed to limit the number of people who are able to approve expenses and will be further amended to clarify specific roles. Adatasol has been unable to develop a system adjustment to prevent users from editing or deleting vouchers. A policy will be put in to place to forbid this practice going forward.”

Internal Controls Deficiencies over Authorization Approvals

Background: Assigned contracted attorneys can submit authorization requests in the division’s case management system to seek approval for expenditures for services that would aid in the defense of their cases. These services include investigations, medical services, and expert witnesses.

<i>Criteria:</i>	Division employees must approve authorization requests prior to the reimbursement of these expenses. The case management system should maintain a proper audit trail to show that only designated staff approved authorization requests.
<i>Condition:</i>	The division designated three senior level employees to approve requests to authorize these expenditures. Based on the privilege sets we received from the system developer, at least 11 non-information technology staff had access to authorize these expenditures. The case management system does not specifically indicate who authorized the expense.
<i>Context:</i>	The division processed approximately 8,700 investigation-related vouchers requiring prior authorization, totaling \$4.6 million, during the audited period. The case management system allows for multiple payments on a single authorization as long as they do not exceed the total authorization amount.
<i>Effect:</i>	Improper expense authorizations could result in unauthorized payments and inaccurate financial records.
<i>Cause:</i>	The division did not ensure that only designated employees had access to approve authorization requests.
<i>Prior Audit Finding:</i>	This finding has not been previously reported.
<i>Recommendation:</i>	The Division of Public Defender Services should strengthen internal controls by restricting access to employees designated to approve authorization requests. The division should also analyze prior approvals to determine whether any unauthorized transactions occurred. (See Recommendation 2.)
<i>Agency Response:</i>	<p>“The Division of Public Defender Services agrees that the number of people with approval authority should be limited, supervision should be increased and a better audit trail should be developed. The Agency has a multi-layer process in place to monitor the approval of expenses, the auditing of bills and the payment of invoices. The Chief and the Deputy Chief have authority to approve any request for authorization under those limits and to approve any final invoice for payment. The Director of Delinquency Defense and Child Protection can also approve expenses and invoices for juvenile delinquency, child protection and family matters.</p> <p>Only two other employees have had the ability to approve authorizations and invoices. They report directly to the Director of Assigned Counsel</p>

and the Director of Delinquency Defense and Child Protection and work with the Deputy Chief to manage expenses. They were given the ability to do the approvals in the event that the Chief, Deputy Chief or Director of Delinquency Defense and Child Protection were unable to access the system. They are supposed to have the authorization of the Chief, Deputy Chief or Director of Delinquency Defense and Child Protection prior to approving most requests. The level of supervision over these employees has been increased. Going forward, all emergency approvals made by these employees will be authorized in writing by the Director of Assigned Counsel and the Director of Delinquency Defense and Child Protection or the Deputy Chief Public Defender.

Acknowledging that weaknesses exists, there are many checks in place to ensure that no improper approvals or payments are made. During the audit period, any request for a case related expense that exceeded \$300 per hour OR totaled more than \$5,000 required authorization from the Public Defender Services Commission (Commission). Vendors are required to submit detailed documentation of what work was done with their invoice. All invoices must be reviewed and approved by the attorney supervising the work. They are then reviewed by the Chief, Deputy Chief or Director of Delinquency Defense and Child Protection and once approved, audited again by the Financial Unit. The system does produce an audit trail that shows who approved the final invoice. We have no reason to believe that any inappropriate expenses were authorized.

The Division of Public Defender Services is working with Adatasol to ensure that the identity of the authorizing party is recorded. In addition, the program will be adapted to ensure that the two staff members who had the ability but not the authority to approve authorizations are only able to authorize transcript requests. If the program cannot be modified to do this, their ability to authorize expenses will be shut off.”

Evaluating Defendant’s Eligibility for Public Defenders

Criteria: Section 51-297(a) of the General Statutes requires defendants to complete and sign applications under oath setting forth their liabilities, assets, sources of income, and any other applicable information. Section 1-24(15) of the General Statutes permits certain public defender employees to administer oaths. These employees must sign the applications and indicate whether the defendant is eligible for public defender services based on the information provided.

Condition: Our review of 26 applications identified the following conditions:

- Nineteen applications were missing client signatures affirming the accuracy of their provided information.
- Employees authorized to administer oaths did not sign 14 applications.
- The division did not indicate its determination of client eligibility on 15 applications.
- Two applications were missing.
- The division used 5 different application templates.

Context: During the audited period, there were approximately 80,000 new cases across the entire division. We selected 26 applications from the Hartford Geographic Area (GA) 14, Enfield GA 13, Hartford Judicial District (JD), and Rockville JD courthouses. We selected applications filed from April 1, 2019 through December 31, 2019, which was after the division implemented new procedures and standardized forms.

Effect: There is an increased risk that ineligible individuals will receive public defender services. If ineligible individuals received such services without signing their applications, they may not be susceptible to penalty of false statement charges under Section 51-297(a) of the General Statutes.

Cause: In response to a prior audit finding regarding missing or incomplete applications for public defender services, the division recently implemented new application process guidelines and a new standardized application form. It appears that the courthouses are not yet following the new guidelines.

Prior Audit Finding: This finding has been previously reported in the last audit report covering fiscal years ending June 30, 2016 to 2017.

Recommendation: The Division of Public Defender Services should strengthen internal controls to ensure that clients properly complete applications and division employees follow eligibility guidelines. (See Recommendation 3.)

Agency Response: “The Division of Public Defender Services agrees that there are weaknesses in field offices complying with agency policy on taking applications for public defender services. Staff has been directed to use the proper form and to either have the form signed by the applicant or indicate that the application was sworn and could not be signed, since many of the lock ups in the state courthouses do not allow for passing a pen or paper through to the applicant. In the coming fiscal year, DPDS will institute a regular auditing process to ensure that field offices are following the guidelines and the signature requirements. In addition, DPDS will continue to request funding for tablets to electronically take

applications. This would allow us to program the system to ensure all information is obtained and to automatically save the application in our electronic case management system.”

Recovery of Overpayments

Criteria: State agencies should make documented efforts to recover vendor overpayments.

Condition: During the prior audit, we identified \$7,047 in overpayments to 5 vendors. The division indicated that it would attempt to recover the amounts due. During the current audit, the division did not provide evidence that it attempted to recoup these overpayments.

Effect: The division cannot recover the overpayments if it does not make formal collection efforts.

Cause: There was inadequate managerial oversight over the collections process.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal year ended June 30, 2016 to 2017.

Recommendation: The Division of Public Defender Services should attempt to recover all vendor overpayments and should document its efforts to recover them. If the division cannot recover these funds, it should document the reason. (See Recommendation 4.)

Agency Response: “The Division of Public Defender Services recovers overpayments through credits when the assigned counsel attorney still has an active contract. The contractor will continue to accept cases but will not be paid until the overpayment is fully recovered. This was done using an override in the filemaker payment system. While the Agency believes that all overpayments referenced in the audit report have been fully recovered, the filemaker system does not appear to have kept a record of the withheld payments. We are in the process of attempting to verify this with the vendors.

The Agency has already requested that Adatasol make the necessary changes to the program to ensure documentation of any withheld credits going forward. In the event there is another instance of overpayment, we will institute a backup system of documentation. Any recovery of overpaid funds done through case credits will be separately documented outside of filemaker by the Director of Assigned Counsel. When the overpayment has been fully recovered, the Director of Assigned

Counsel will certify to the Chief and Deputy Chief Public Defender and the attorney who received the overpayment that the debt has been satisfied. The certification shall be maintained with the Director of Assigned Counsel for 5 years subsequent to the debt being resolved.”

Appointment of Commission Members

- Criteria:* Section 51-289(3) of the General Statutes requires the Governor to appoint a chairman of the Public Defender Services Commission.
- Condition:* The Governor appointed the current chairman of the Public Defender Service’s Commission in 2010. The term was set to expire on December 20, 2013 or until a successor was reappointed. However, no formal reappointment was made.
- Effect:* Without a formal reappointment, there may be ineffective monitoring of the Public Defender Services Commission, even though the appointment letter allows for the term to continue in perpetuity.
- Cause:* The division did not notify the Office of the Governor’s that the chairman’s term expired.
- Prior Audit Finding:* This finding has not been previously reported.
- Recommendation:* The Division of Public Defender Services should review the status of all commission members and formally contact appointing authorities regarding members with expired terms for reappointment consideration. (See Recommendation 5.)
- Agency Response:* “Members of the Public Defender Services Commission are appointed by the Governor, Chief Justice and leadership of the House and Senate pursuant to Conn. Gen. Stat. 51-289. Members have historically contacted the appointing authority to secure reappointment when necessary and desired. Upon request of the commissioner, the Chief Public Defender has contacted the appointing authority to support the member’s request for reappointment. The Agency will contact the current chair and the other members of the commission with expired terms to determine if they are seeking reappointment and will then determine what communication should be sent to the appointing authorities.”

RECOMMENDATIONS

Our prior audit report on the Division of Public Defender Services contained 3 recommendations. One has been implemented or otherwise resolved and 2 have been repeated with modifications during the current audit.

Status of Prior Audit Recommendations:

- The Division of the Public Defender Services should review payments to all contractors during the period when its billing system malfunctioned. The division should correct any errors and recover overpayments. **This recommendation is being partially repeated as no documentation was presented regarding recovery of the overpayments. (See Recommendation 4.)**
- The Division of Public Defender Services should develop clear written guidelines for determining whether defendants are eligible for public defender services. The division should ensure that public defender services applications are completed under oath and disclose all of the necessary information required by law. The division should also consider requesting access to personal information readily available at other state agencies (e.g., Department of Social Services, Department of Revenue Services) and utilizing such information during application review. **This recommendation is being partially repeated as there were still missing and incomplete applications. (See Recommendation 3.)**
- The Division of the Public Defender Services should prepare and submit an administrative report to the Governor in accordance with Section 4-60 of the General Statutes. **The division submitted an administrative report to the Governor for the fiscal year ended June 30, 2019. This recommendation is not being repeated.**

Current Audit Recommendations

- 1. The Division of Public Defender Services should strengthen internal controls over the procurement process to ensure that fully executed contracts with clearly defined deliverables and payment terms are in place for large purchases prior to the start of a project. The division should also develop a policy addressing system privileges in accordance with the Network Security Policy and Procedures established by the Office of Policy and Management, and update privilege sets that reflect appropriate employee roles within the system.**

Comment:

Our review disclosed that the division paid a software developer \$543,481 prior to receiving services during the audited period and without a contract in place. The division did not have a network software policy in place defining user roles and data security.

- 2. The Division of Public Defender Services should strengthen internal controls by restricting access to employees designated to approve authorization requests. The division should also analyze prior approvals to determine whether any unauthorized transactions occurred.**

Comment:

Our review identified employees with access to approve expenditure authorizations that was outside of their job duties. It also disclosed that the division did not have an adequate audit trail to track who authorized the expense.

- 3. The Division of Public Defender Services should strengthen internal controls to ensure that clients properly complete applications and division employees follow eligibility guidelines.**

Comment:

Our review of public defender services applications identified multiple instances of missing or incomplete applications. The current process does not include a sufficient level of review to provide reasonable assurance that public defender services are only provided to eligible applicants.

- 4. The Division of Public Defender Services should attempt to recover all vendor overpayments and should document its efforts to recover them. If the division cannot recover these funds, it should document the reason.**

Comment:

Our prior audit of the division identified \$7,047 in overpayments to 5 vendors. The division indicated that it would attempt to recover the amounts due. During the current audit, the division did not provide evidence that it attempted to recoup these overpayments.

- 5. The Division of Public Defender Services should review the status of all commission members and consider formally contacting appointing authorities to determine whether there should be a reappointment.**

Comment:

The Public Defender Services Commission's current chairman's term expired in 2013 without a reappointment.

ACKNOWLEDGMENTS

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

Thomas Caruso
Matthew Wood

CONCLUSION

In conclusion, we wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Division of Public Defender Services during the course of our examination.



Matthew Wood
Associate Auditor

Approved:



John C. Geragosian
State Auditor



Robert J. Kane
State Auditor