



# 2021 Annual Report

## to the Connecticut General Assembly

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

*~ In Memoriam ~*



**State Auditor Robert J. Kane**  
**April 30, 1967 – February 5, 2021**

Rob was committed to our state and our office's efforts in helping it to work more effectively. In addition to serving as state auditor from 2017 to 2021, Rob also cherished his service in the Senate and enjoyed his relationships and interactions with the entire legislative community.

First and foremost, Rob was dedicated to his children, family, and friends. He regaled us proudly about his children's activities and achievements. He loved his siblings and enjoyed their many holiday and birthday gatherings.

Although our work is very serious, Rob's wonderful sense of humor was frequently on display.



**State Auditor Robert M. Ward**  
**November 8, 1952 – May 9, 2021**

Bob served the State of Connecticut for over three decades and was loved and respected by all. He was an honest and dedicated public servant who always worked to make Connecticut better. He served 22 years in the General Assembly and was Minority Leader for 14 years. He also served four years as commissioner of the Department of Motor Vehicles.

We were fortunate to work with him as state auditor from 2011 to 2016. Bob really enjoyed his work and cared about our employees. He especially enjoyed the daily interaction with Lisa and Donna in our Capitol office. He also loved to attend

APA summer, holiday, and retirement events, because it gave him a chance to get to know our team better.

Bob cared first about his family. He was a very proud husband, father, and grandfather.

# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

STATE CAPITOL

210 CAPITOL AVENUE

HARTFORD, CONNECTICUT 06106-1559

JOHN C. GERAGOSIAN

CLARK J. CHAPIN

**January 28, 2022**

Members of the General Assembly:

We hereby submit our annual report on the operations of the office of the Auditors of Public Accounts (APA) in accordance with Section 2-92 of the Connecticut General Statutes.

In 2021, our office continued to achieve a high level of productivity despite ongoing challenges associated with the pandemic. Our office, like the agencies we audit, continued to operate both remotely and in-office in accordance with guidance from legislative leadership. Despite these challenges, we issued more reports during each of the last two years than most years in recent history. Our office issued an average of 38 reports each year from 2012 to 2019. We issued 71 reports in 2020, and 50 reports in 2021. We would like to thank the legislative leaders for permitting our office to operate remotely.

During the past year, our management team continued to find new ways to make our office more efficient and enhance the professional reputation the APA continues to enjoy. Our achievements are described in Section I of this report. General information on the operations of our office also appears in that section. Pursuant to the provisions of Section 2-92 of the General Statutes, this report includes recommendations in Section II for your consideration during the upcoming legislative session.

Occasionally, we are asked, "Who audits the auditors?" Generally Accepted Government Auditing Standards (GAGAS) mandate that governmental audit organizations have an external quality control review assessment, known as a peer review, every three years. To comply with this requirement, our office participates in the peer review program sponsored by the National Association of State Auditors, Comptrollers and Treasurers (NASACT). Under this program, NASACT provides a team of qualified government auditors from other states as well as the federal government to conduct a review of our quality control procedures. NASACT selects the teams from a pool of volunteer auditors that each participating state audit organization is obligated to provide.

The peer review team completed our most recent peer review during August of 2019, which covered the one-year period of July 1, 2018 to June 30, 2019. The peer review team examined our quality control procedures to determine whether such procedures were sufficient to ensure that our office conducted audits during the review period in accordance with professional auditing standards. The resulting report gave our office a peer review rating of pass, which is the highest rating possible. The report concluded that the Auditors of Public Accounts suitably designed and complied with the system of quality control during the review period to provide our organization with reasonable assurance of performing and reporting in conformance with GAGAS in all material respects. An external peer review team will perform our next review this summer.

Our website (<https://wp.cga.ct.gov/apa/>) includes additional information on the operations of our office. A key feature of our website is the availability of reports (both present and past) that members of the public may access.

According to law, we maintain work papers for all audits we conduct of state agencies, state quasi-public bodies, and state-supported institutions. All of these documents, except those classified by statute as confidential, are available for review by members of the General Assembly and the public. While we distribute copies of our reports to all members of the General Assembly and various state officials when issued, if additional information is required for any of our published audit findings, we can be reached directly at [john.geragosian@cga.ct.gov](mailto:john.geragosian@cga.ct.gov) (860-240-8651) or [clark.chapin@cga.ct.gov](mailto:clark.chapin@cga.ct.gov) (860-240-8653) to provide any supporting information we have on file.

In transmitting this annual report, we wish to say that it is our pleasure to serve you, the members of the Connecticut General Assembly. We hope that you and your families are healthy and safe during these uncertain times.

Respectfully submitted,



John C. Geragosian  
State Auditor

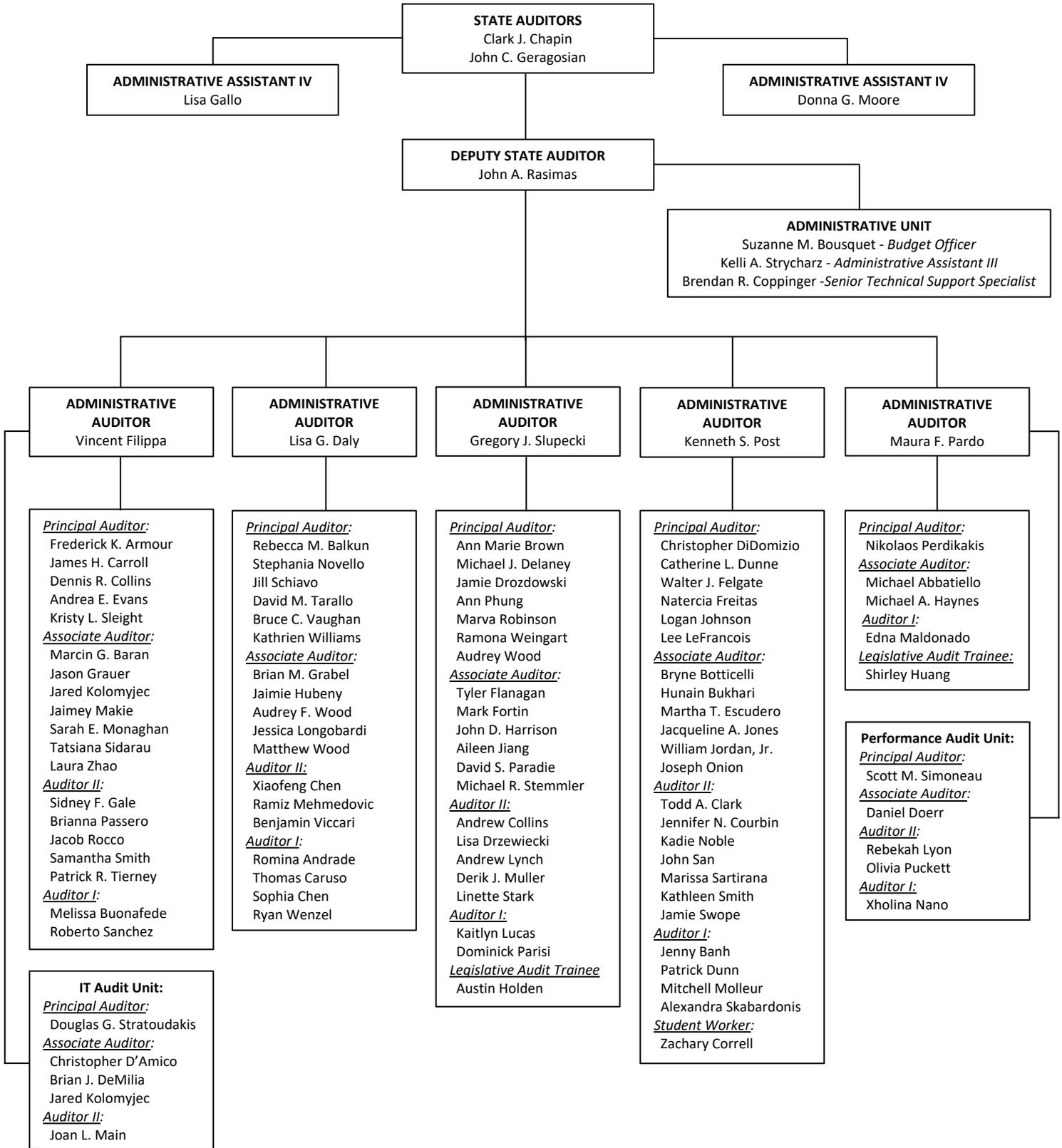


Clark J. Chapin  
State Auditor

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**AUDITORS OF PUBLIC ACCOUNTS  
ORGANIZATIONAL STRUCTURE  
as of January 1, 2022**



## **SECTION I REPORT ON THE OPERATIONS OF OUR OFFICE**

### **Organization and Staff**

The office of the Auditors of Public Accounts can trace its origin to a charter granted in 1662 to the Colony of Connecticut by King Charles II of England. The state statutes of 1750 refer to the auditing of “the Colony’s account with the Treasurer of the Colony.” When the office of the Comptroller was created in 1786, the Auditors of Public Accounts was placed under its supervision and remained so until 1937, when legislation established the independent status of the office. Its organization with two state auditors, not of the same political party, makes Connecticut unique among state auditing agencies. Connecticut's audit function has been performed by more than a single auditor since its colonial origin.

The office of the Auditors of Public Accounts presently consists of 109 employees, including the state auditors. We are assisted in the management of the office by a deputy state auditor. The audit operations staff is composed of 101 auditors organized into five audit groups, with each group under the general direction of an administrative auditor. Included within these groups are a Performance Audit Unit and an Information Systems Audit Unit consisting of five auditors each. The Administration Unit has three employees providing administrative assistance to the office, support services to the field audit teams, and report processing services.

Our office hires professional auditing staff through a competitive selection process and promotes using a comprehensive method that includes annual performance evaluations and interviews by the state auditors. Our employees are encouraged to continue studies for advanced degrees and professional certifications, such as certified public accountant (CPA), certified internal auditor (CIA), certified fraud examiner (CFE), or certified information systems auditor (CISA). Forty-eight members of our audit staff have met relevant professional certification requirements and 62 have advanced degrees.

### **Auditing State Agencies**

During 2021, our auditors completed 50 audits of state and quasi-public agencies and made 512 audit recommendations. During the past calendar year, these agencies have implemented approximately 42% of our prior recommendations.

Our audit approach entails, among other procedures, an examination and verification of financial statements, accounting records, and supporting documents; a determination of the agency's compliance with statutory and budgetary requirements; an evaluation of the agency's internal control structure; verification of the collection and proper handling of state revenue; and an examination of expenditures charged to state appropriations. Our audit reports consist of findings and recommendations and, where appropriate, certified financial statements setting forth the condition and operations of the state funds involved.

In accordance with Section 2-90 of the General Statutes, we report any unauthorized, illegal, irregular, or unsafe handling or expenditure of state funds to the Governor, the State Comptroller,

the clerk of each house, and the Attorney General. We report these matters in our audit reports or by formal letter and collectively report less serious matters such as minor losses and acts of vandalism. State loss reports filed in 2021 with this office and the State Comptroller, in accordance with Section 4-33a of the General Statutes, disclosed approximately 397 losses, primarily through theft, vandalism, and inventory shortages involving an aggregate loss of \$11,606,635. A significant portion of this amount relates to a \$9,418,109 state building that was destroyed by an explosion. During the past year, we reviewed the reporting agencies' systems and evaluated whether they resolved the issues related to their reported losses.

We expect to issue our audit opinion on the state's financial statements for the fiscal year ended June 30, 2021 in February, as presented by the Office of the State Comptroller in the state's Comprehensive Annual Financial Report. In 2021, the Government Accounting Standards Board issued a pronouncement to rename the Comprehensive Annual Financial Report as the Annual Comprehensive Financial Report effective for fiscal years ending after December 15, 2021. In addition, during July 2021, our office issued its annual Statewide Single Audit Report for the State of Connecticut covering the fiscal year ended June 30, 2020. This report included the audited financial statements presented in the state's Comprehensive Annual Financial Report and the schedule of federal expenditures of federal awards received by the state. We conduct this audit under requirements of the federal Single Audit Act, and it is a condition for the state to receive some \$13,496,000,000 of federal financial assistance.

Since last summer, we have been participating in monthly meetings with federal, state, and local officials and certified public accounting firms from across the country. These meetings have focused on the unique challenges on public and private auditors in their oversight of Coronavirus and American Rescue Plan funds. They also provided an unprecedented opportunity to share the oversight work of federal, state, and local entities to keep us informed on issues of waste, fraud, and abuse. Through these interactions, we now have a single point of contact with federal officials regarding Coronavirus Relief and American Rescue Plan funds. One of the most informative resources we garnered from these interactions is the Pandemic Response Accountability Committee (PRAC). This office was established by 21 federal inspectors general to improve oversight of federal Coronavirus funds. The PRAC [website](#) is a valuable source of state and local reports and data.

In addition to these statewide audits, we also continue to audit each state agency on a cyclical basis, focusing on each agency's internal control structure and compliance with various laws and regulations. This auditing approach complements the Statewide Single Audit and avoids duplicative audit efforts.

Under existing disclosure requirements for the offering and sale of state bonds or notes, the State Treasurer must prepare an official statement for each offering. Included with these official statements – and those of quasi-public agencies that include state disclosures – are selected state financial statements that require an audit opinion. Our office is required to examine such statements and prepare an audit opinion for inclusion in the official statement. We also provide separate audit opinions in connection with the bonding programs of the Connecticut Health & Educational Facilities Authority, Connecticut Green Bank, and the Connecticut Housing Finance Authority. During 2021, we issued eight such audit opinions in connection with the sale of bonds

or notes of the state or quasi-public agencies and in connection with the separate bonding programs noted above.

We disclose audit findings to agency officials during the audit and share draft copies of audit reports with agency officials for their comments. We include agency responses to each audit finding in the report. When this is completed, the supervising auditor submits the report and its work papers for review. An administrative auditor conducts that review, verifies that the audit met generally accepted government auditing standards and certifies that the evidence collected during the audit supports the findings in the report. The deputy state auditor and both state auditors then review the report to ensure compliance with policies and procedures of this office. Our office provides draft copies of the approved audit report to agency officials and, when the agency requests, our auditors hold an exit conference with agency officials before final release and distribution of the report. Distribution of final reports is then made to agency heads, members of the General Assembly, Appropriations Committee, Governor, Lieutenant Governor, Comptroller, Treasurer, Attorney General, Secretary of the Office of Policy and Management, Connecticut State Library, designated federal agencies, news media and, when appropriate, members of boards and commissions and others. We also post copies of all reports on our [website](#).

A listing of the audit reports issued during 2021 and the number of recommendations included in each report follows:

Reports	Date of Issue	Recommendations		
		Current Report	Prior Report	Implemented
<b>DEPARTMENTAL AUDITS:</b>				
<b>General Government</b>				
Office of State Ethics	01/21/21	4	1	0
Freedom of Information Commission	02/02/21	3	0	NA
State Comptroller – State Financial Operations	02/19/21	1	1	0
Department of Veterans Affairs	03/18/21	9	11	3
State Comptroller – Departmental Operations	05/27/21	2	1	1
Secretary of the State	09/16/21	7	8	3
State Treasurer – Departmental Operations	09/30/21	5	3	1
Division of Criminal Justice	11/09/21	7	10	3
State Treasurer – Financial Operations	12/30/21	1	0	NA
<b>Regulation and Protection</b>				
Department of Labor	05/19/21	13	16	6
Department of Banking	07/14/21	6	1	1
Department of Motor Vehicles	07/20/21	19	18	8
Department of Consumer Protection	10/14/21	5	3	0
Department of Aging and Disability Services	11/16/21	1	1	1
<b>Conservation and Development</b>				
Department of Agriculture	03/30/21	1	3	2
Dept of Economic and Community Development	03/31/21	26	20	3

Reports	Date of Issue	Recommendations		
		Current Report	Prior Report	Implemented
<b>Health and Hospitals</b>				
Department of Public Health	11/04/21	22	25	8
<b>Human Services</b>				
Department of Social Services	01/27/21	34	30	7
Connecticut State Library	12/09/21	5	4	0
<b>Education</b>				
University of Connecticut	04/13/21	28	15	7
Southern Connecticut State University	04/14/21	12	10	3
Central Connecticut State University	07/15/21	3	4	3
Eastern Connecticut State University	08/04/21	6	10	6
Teachers' Retirement Board	09/14/21	1	4	3
Charter Oak State College	10/07/21	7	6	4
Office of Higher Education	10/26/21	5	3	1
Department of Education	11/17/21	22	23	10
Southern Connecticut State University	12/22/21	11	12	4
<b>Corrections</b>				
Department of Correction	09/08/21	24	19	4
<b>Judicial</b>				
Judicial Branch	04/21/21	17	6	3
Judicial Branch	11/08/21	12	17	7
<b>Legislative</b>				
Joint Committee on Legislative Management	02/18/21	1	1	1
<b>Quasi-Public Agencies</b>				
Connecticut Airport Authority	02/25/21	0	0	NA
Connecticut Lottery Corporation	03/16/21	2	4	4
Connecticut Health Insurance Exchange	05/04/21	5	7	6
Connecticut Green Bank	05/06/21	3	7	6
Tweed – New Haven Airport Authority	06/02/21	5	1	0
Capitol Region Development Authority	10/27/21	3	3	2
<b>Total Recommendations – Departmental Audits</b>		<b>338</b>	<b>308</b>	<b>121</b>

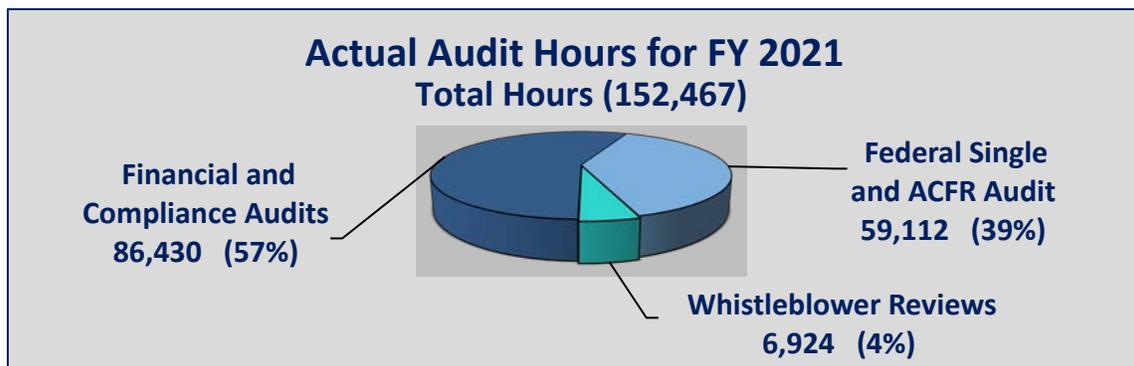
Reports	Date of Issue	Recommendations		
		Current Report	Prior Report	Implemented
<b>OTHER AUDITS:</b>				
<b>STATEWIDE AUDITS:</b>				
State of Connecticut – Federal Single Audit	07/30/21	57	67	26
<b>PERFORMANCE AND SPECIAL REVIEWS:</b>				
Core-CT General Controls Audit	05/25/21	5	13	10
Department of Social Services and Veyo Non-Emergency Medical Transportation	07/21/21	29	59	30
Protective Services for the Elderly	08/11/21	47	NA	NA
Oversight of Connecticut’s Assisted Living Facilities	09/22/21	22	NA	NA
The Department of Motor Vehicles Background Check Process for Student Transportation Employees	12/01/21	10	16	6
<b>OTHER FINANCIAL STATEMENT AUDITS:</b>				
Governor's Residence Conservancy, Inc.	04/07/21	3	5	2
Governor's Residence Conservancy, Inc.	04/20/21	1	3	1
Central Connecticut State University – NCAA	06/03/21	0	0	NA
Governor's Residence Conservancy, Inc.	08/25/21	2	1	1
University of Connecticut	12/07/21	0	0	NA
University of Connecticut Health Center	12/15/21	0	0	NA
<b>Total Recommendations – Other Audits</b>		<b><u>174</u></b>	<b><u>161</u></b>	<b><u>76</u></b>
<b>Total Recommendations – All Audits</b>		<b><u>512</u></b>	<b><u>469</u></b>	<b><u>197</u></b>
<b>Resolved Within Current Audit Cycle 42%</b>				

The departmental audit reports issued by our office generally contain recommendations calling for various improvements in an agency’s internal control structure as well as recommendations to better ensure compliance with certain laws, regulations, contracts, and grant agreements when we find instances of noncompliance. A summary analysis of the 338 recommendations appearing in our departmental audit reports identified the following conditions that were presented in a significant number of audits:

<b>Classification of 2021 Audit Recommendations</b>	
<b>Internal Control Recommendations:</b>	
Payroll and time and attendance	34
Personnel administration	30
Equipment/supplies inventories	25
Purchasing of goods and/or services	23
Establishment or amendment of written procedures	15
All other internal control recommendations	<u>75</u>
<b>Total Internal Control Recommendations</b>	<b><u>202</u></b>
<b>Compliance Recommendations:</b>	
Payroll and personnel laws and regulations	29
Reporting laws and regulations	27
Miscellaneous regulations and/or policies	19
Miscellaneous laws	12
All other compliance recommendations	<u>29</u>
<b>Total Compliance Recommendations</b>	<b><u>116</u></b>
<b>Miscellaneous Recommendations:</b>	
Information Technology	11
Laws, by-laws, regulations and internal procedures	3
All other miscellaneous recommendations	<u>6</u>
<b>Total Miscellaneous Recommendations</b>	<b><u>20</u></b>
<b>Total Departmental Audit Recommendations</b>	<b>338</b>

In addition to the departmental audit recommendations mentioned above, our office issued a Statewide Single Audit Report, which contained 57 audit recommendations calling for various improvements in controls over state-administered federal programs and compliance with related laws and regulations. We also performed financial statement audits at the University of Connecticut and the University of Connecticut Health Center. Additionally, our office issued four other financial statement audit reports and five performance, special, or other reviews during 2021.

During the fiscal year ended June 30, 2021, our office expended 152,467 audit hours. The following chart provides a breakdown of these audit hours:



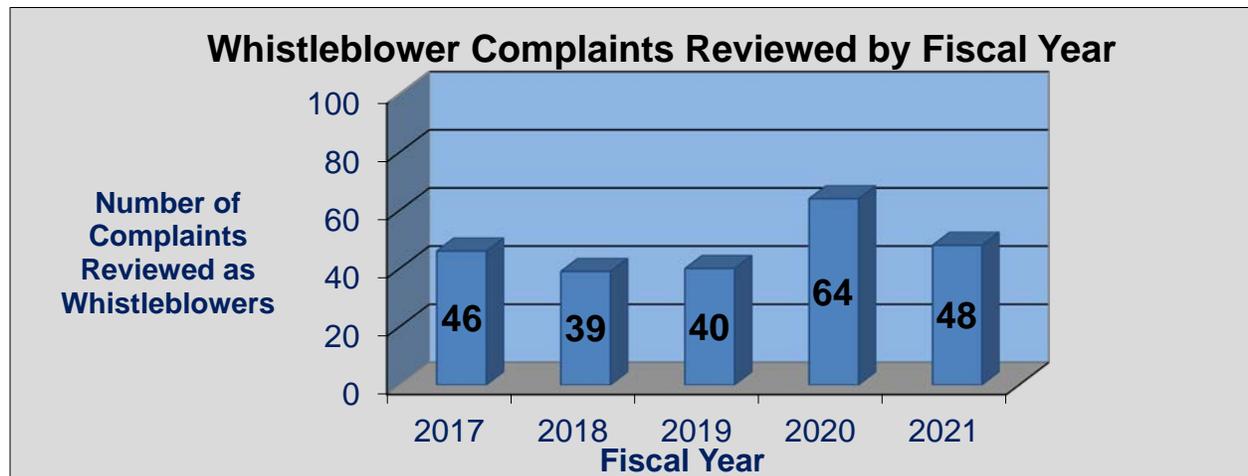
Our federal Single Audit work generated approximately \$1.8 million in costs eligible for federal reimbursement to the state’s General Fund during the 2020-2021 fiscal year. The state realizes these recoverable costs through a state-prepared statewide cost allocation plan approved by the federal government each year. In accordance with this plan, the state charges our office’s Single Audit costs to the federal programs in which the state participates. In turn, the federal government reimburses the state for a portion of these costs using the indirect cost recovery rates included in the statewide cost allocation plan.

**Whistleblower Matters**

The provisions of Section 4-61dd of the General Statutes, known as the Whistleblower Act, allow our office to receive complaints from anyone having knowledge of any matter involving corruption, unethical practices, violations of state laws or regulations, mismanagement, gross waste of funds, abuse of authority, or danger to public safety occurring in any state department or agency or quasi-public agency. Section 4-61dd also applies to state contracts in excess of \$5 million. We review all such whistleblower matters and report our findings and recommendations to the Attorney General. At the request of the Attorney General, or on our own initiative, we can assist in any continuing investigation.

During the fiscal year ended June 30, 2021, we received and evaluated 171 complaints. We handled 48 of them as whistleblower complaints, covering matters such as alleged misuse of state funds, employee misconduct, personnel issues, and violations of federal or state law. The 123 complaints that we did not deem whistleblower complaints were often referred to our field auditors for consideration in their regular agency audits.

Section 4-61dd of the General Statutes requires an annual report on all whistleblower complaints, which our office prepared and filed on July 13, 2021 with the clerks of the House and Senate. By law, our office cannot disclose the identity of the complainant unless the complainant authorizes it or it is otherwise unavoidable, but the general nature of each complaint is available from our office. In addition to the confidentiality of the complainant, the records of any investigation of whistleblower matters are considered exempt records and do not require disclosure under the Freedom of Information statutes.



The following is a summary of whistleblower complaints received during the 2020-2021 fiscal year and the date we reported the results of our review to the Office of the Attorney General:

<b>Whistleblower Matters Received Agency/Subject</b>	<b>Month Reported</b>	<b>Date Reported To Attorney General</b>
<b>Administrative Services</b>		
Unfair grievance process	07/20	11/18/20
Nepotism and unfair hiring process	08/20	05/25/21
Vendor falsification of density test results	09/20	03/24/21
Improper elevator inspections	01/21	*
<b>Central Connecticut State University</b>		
Self-dealing by faculty, no ombudsman	07/20	*
Overpaying for landscape services	12/20	10/27/21
Contract steering	04/21	*
<b>Children and Families</b>		
Improper investigation	06/21	12/10/21
Reversal of care and financial agreement	06/21	*
<b>Community Colleges</b>		
Unfair promotion and bias	08/20	*
<b>Corrections</b>		
Questionable purchases of protective equipment	07/20	*
Failure to investigate, unfair discipline	04/21	*
Abuse of hotel accommodations	04/21	*
Questionable payroll expense	03/21	*
Abuse of authority and waste	05/21	*
Failure to ensure confidentiality, lack of care	05/21	*
<b>Developmental Services</b>		
Mortality reviews in private group homes	05/21	*
<b>Early Childhood</b>		
Monitoring expenditures	05/21	*
<b>Economic and Community Development</b>		
Lack of due diligence	12/20	06/07/21
Lack of consideration for new businesses	03/21	*
<b>Emergency Services and Public Protection</b>		
Excessive spending	10/20	10/26/21

<b>Whistleblower Matters Received Agency/Subject</b>	<b>Month Reported</b>	<b>Date Reported To Attorney General</b>
<b>Energy and Environmental Protection</b>		
Negligence in remediation investigation	06/21	*
<b>Higher Education</b>		
Unfair discipline	05/21	*
<b>Housing</b>		
Contractor concerns	09/20	06/07/21
Incentive housing zone	10/20	*
Incentive housing zone	09/20	*
<b>Judicial Department</b>		
Favoritism	01/21	05/26/21
Running a business on state time	01/21	05/26/21
Juvenile residential facility safety	09/20	10/27/21
<b>Labor</b>		
Various workplace concerns	05/21	11/18/21
<b>Lottery Corporation</b>		
Monitoring any sales of expired tickets	05/21	*
<b>Mental Health and Addiction Services</b>		
Lack of proper investigation	10/20	*
Fiscal oversight concerns	08/20	01/20/21
Unlicensed paraprofessionals	09/20	*
<b>Motor Vehicles</b>		
Failure to address pending transactions	10/20	*
<b>Office of Policy and Management</b>		
Improper award of school construction grants	08/20	*
Actions of the Northwest Council of Governments	09/20	*
Abuse of authority for excessive raises	06/21	*
<b>Probate Court</b>		
Conflicts and drug reporting concerns	12/20	*
<b>Public Health</b>		
Unqualified hire, favoritism, underperformance	10/20	*
<b>Revenue Services</b>		
Failure to investigate	10/20	*

<b>Whistleblower Matters Received Agency/Subject</b>	<b>Month Reported</b>	<b>Date Reported To Attorney General</b>
<b>Social Services</b>		
Improper promotion	07/20	10/19/20
Medication delays	09/20	*
Elderly services concerns	11/20	*
Misrepresentation of marriage status for benefits	05/21	*
<b>Transportation</b>		
Inflated budget and delayed project	02/21	05/26/21
<b>University of Connecticut Health Center</b>		
Various personnel and payroll concerns	06/20	05/25/21
Various information technology concerns	05/21	*
* <i>Matters currently under review</i>		
<b>Total Complaints Received During 2020 - 2021</b>	<b>48</b>	
<b>2020 – 2021 Complaints Closed</b>	<b>11</b>	
<b>Prior Year Complaints Closed During 2020 – 2021</b>	<b>32</b>	

As noted above, our office also received information on 123 other matters that were rejected under the provisions of Section 4-61dd (b)(1) of the General Statutes. The following is the breakdown of how our office handled these rejected complaints:

<b>Disposition of Complaints</b>	<b>2019-2020</b>	<b>2020-2021</b>
<b>Total Complaints Received</b>	<b>214</b>	<b>171</b>
<b><u>Whistleblower Complaints Recorded</u></b>		
<b>Total Complaints Reviewed as Whistleblower</b>	<b>64</b>	<b>48</b>
<b>Complaints Closed as of June 30</b>	<b>25</b>	<b>11</b>
<b>Complaints Under Review as of June 30</b>	<b>39</b>	<b>37</b>
<b><u>Whistleblower Complaints Closed</u></b>		
<b>Fiscal Year 2021</b>	<b>-</b>	<b>11</b>
<b>Fiscal Year 2020</b>	<b>25</b>	<b>24</b>
<b>Fiscal Year 2019</b>	<b>25</b>	<b>8</b>
<b>Fiscal Year 2018</b>	<b>7</b>	<b>0</b>
<b>Fiscal Year 2017</b>	<b>2</b>	<b>0</b>
<b>Total Whistleblower Complaints Closed</b>	<b>59</b>	<b>43</b>
<b>Disposition of Complaints</b>	<b>2019-2020</b>	<b>2020-2021</b>
<b>Complaints Rejected Pursuant to CGS 4-61dd (a) and (b)</b>		
<b>Total Rejected Complaints</b>	<b>150</b>	<b>123</b>
<b><u>Reason for Rejection</u></b>		
<b>Handled as part of scheduled audit</b>	<b>52</b>	<b>40</b>
<b>Not related to a state or quasi-public agency</b>	<b>31</b>	<b>19</b>
<b>There are other available remedies</b>	<b>38</b>	<b>43</b>
<b>Other complaints have greater priority</b>	<b>8</b>	<b>7</b>
<b>Better investigated by another agency</b>	<b>21</b>	<b>13</b>
<b>Not Timely</b>	<b>0</b>	<b>1</b>

## **Generally Accepted Governmental Auditing Standards (GAGAS)**

An audit consists of a review and examination of records, documents, and financial statements; the collection of information needed to certify the fairness of presentations in financial reports; compliance with statutory requirements and regulations; and evaluation of management's efficiency and effectiveness in carrying out responsibilities. National organizations set standards for the conduct of audits and for the preparation and issuance of audit reports. Generally Accepted Government Auditing Standards (GAGAS) are standards established by the United States General Accountability Office (GAO) that are codified into a publication entitled [Government Auditing Standards](#), which is more commonly referred to as the Yellow Book.

Although the standards prepared by the GAO are only required in connection with entities supported by or receiving federal assistance, they are so comprehensive that their application to all governmental audits is generally encouraged. Because the Auditors of Public Accounts in the State of Connecticut functions in many respects as the GAO does in the federal government, we have chosen to accept and follow government auditing standards in the performance of virtually all of our audit work.

Following GAGAS has had a significant impact on our operations. Continuing education for our professional staff, periodic internal and external quality control review assessments, and compliance with recent Statements on Auditing Standards (SAS) issued by the American Institute of Certified Public Accountants (AICPA) require constant attention, updating of policies and procedures, and monitoring.

### **Continuing Education**

Auditors responsible for planning, directing, conducting or reporting on governmental audits must complete at least 80 hours of appropriate continuing education and training every two years, with at least 24 of those hours in subjects directly related to the governmental environment and governmental auditing. Accordingly, we follow a training policy statement that provides for reasonable assistance in the form of expanded training and seminars, together with tuition reimbursement programs for our employees taking appropriate courses. To provide training that is more effective for our auditors, this year's training program included contracted seminars, webinars, and self-study courses.

### **External Quality Control Reviews**

Generally Accepted Government Auditing Standards (GAGAS) mandate that governmental audit organizations have an external quality control review assessment, known as a peer review, every 3 years. To comply with this requirement, our office participates in the peer review program sponsored by the National Association of State Auditors, Comptrollers and Treasurers (NASACT). Under this program, NASACT provides a team of qualified government auditors from other states and the federal government to conduct a review of our quality control procedures. NASACT selects the teams from a pool of volunteer auditors that each participating state audit organization is obligated to provide.

The peer review team completed our most recent peer review during August of 2019, which covered the one-year period of July 1, 2018 to June 30, 2019. The peer review team examined our quality control procedures to determine whether such procedures were sufficient to ensure our office conducted audits during the review period in accordance with professional auditing standards. The resulting report gave our office a peer review rating of pass, which is the highest rating. The report concluded that the Auditors of Public Accounts suitably designed and complied with the system of quality control during the review period to provide our organization with reasonable assurance of performing and reporting in conformance with GAGAS in all material respects.

Our office is also required to monitor its operations between peer reviews to ensure continuing effectiveness of the quality control system. Two of our auditors completed an internal inspection of our office's system of quality control for the fiscal period ended June 30, 2020 in January 2021. Another team will be completing an internal inspection for the fiscal period ended June 30, 2021 and expects to issue a report by May.

Our next external peer review, covering the one-year period ending June 30, 2022, will be conducted in the summer of 2022.

In addition, representatives of various federal inspector general offices periodically conduct an external quality control review of our office's federal audit work. Our 2019 peer review team included a representative from the Department of Health and Human Services' Office of the Inspector General, who conducted a review of select work papers supporting our 2018 Single Audit of the State of Connecticut. While this federal review did not cite any audit deficiencies, the reviewer informally conveyed two matters for further consideration to our management team, highlighting areas in which our office could make improvements in our single audit documentation. Because of this federal review, our office implemented these improvements.

## **Recent Developments and Accomplishments**

### **Special Audits and Reviews**

This past year, our office released several special audits and reviews. We also performed follow-up reviews of prior performance audits to gauge the implementation of recommendations we had made in the original audits. On August 11, 2021, we released [Protective Services for the Elderly](#), which contained 47 recommendations. On September 22, 2021, we released [Oversight of Connecticut's Assisted Living Facilities](#), which contained 22 recommendations. On July 21, 2021, we released a [follow-up review](#) of the Department of Social Services and Veyo Non-Emergency Medical Transportation. The [original audit](#), performed at the request of several legislators, contained 59 recommendations. Our current review noted that 30 recommendations were implemented and 29 were repeated. On December 1, 2021, we released a [follow-up review](#) of The Department of Motor Vehicles Background Check Process for Student Transportation Employees. Our current review noted that six of the 16 recommendations from the [original audit](#) were implemented and ten were repeated.

## **Evaluations and Performance Audits of Economic Development Programs and Tax Incentives**

Section 2-90c of the General Statutes requires the Auditors of Public Accounts to evaluate DECD management practices and operations regarding the ease or difficulty for taxpayers to comply with the requirements of the incentive programs. It also mandated that our office suggest recommendations for improving the administrative efficiency or effectiveness of the incentive programs.

On October 22, 2020 we issued a [report](#) related to our review of the DECD 2018 and 2019 annual reports. We presented five recommendations, four of which were repeated or restated with modifications from our [review](#) of the DECD 2017 annual report, as follows:

- The Department of Economic and Community Development should work with other state agencies to ensure that it includes all non-DECD administered business assistance or incentive programs in its annual report. In addition, the General Assembly should consider modifying the reporting requirements included in Section 32-1m of the General Statutes or require the agencies administering the programs to provide the data needed to estimate the impact on the state's economy.
- The Department of Economic and Community Development should ensure that amounts in its annual report are accurate and adequately supported.
- The Department of Economic and Community Development should ensure that amounts in its economic impact calculations are accurate, and that the department includes all relevant factors in its analysis.
- The Department of Economic and Community Development should work with Connecticut Innovations, Inc. to ensure the number of jobs reported in the annual report are accurate.
- The General Assembly should consider amending the reporting requirements in Section 32-1m of the General Statutes to include information on uncollectible loans, and potential and actual loan forgiveness.

We will be following up on these recommendation during our next review, which is scheduled for this summer.

## **Recent Legislative Changes**

During the 2021 legislative session, the General Assembly passed [Public Act 21-145](#), An Act Implementing the Recommendations of the Auditors of Public Accounts. The act changed various statutes related to our office, auditing, and other related topics. Among other things, the act:

- Explicitly prohibits state agencies from denying the Auditors access to their records or accounts (Section 1).

- Requires certain new or amended state contracts to contain a provision allowing the agency to access any relevant data upon demand, at no additional cost, in the agency's prescribed format and allows the Auditors access to this data when auditing the agency (Sections 2 and 3).
- Requires state agencies to notify the Auditors at least 15 days before contracting for auditing services and prohibits agencies from entering these contracts until the Auditors advise whether it can perform the work instead (Section 4).
- Extends ethics code provisions on prohibited activities that apply to state-hired consultants and independent contractors to their employees (Section 12).

### **Updated Agency Guide**

We recently updated our [agency guide](#) to reflect the changes in Public Act 21-145. We created the guide to help state and quasi-public agencies better understand the state and federal audit process and their statutory reporting responsibilities to our office.

### **Improving Information Technology Capabilities and Oversight**

In 2021, we further expanded our use of data analytics and will continue to increase the level of support our IT Unit provides to our field audit teams to sort and aggregate data and trends in a manner that enhances the audit process. We hope to receive large data sets from several state agencies to advance our data analytics capabilities.

We continue to evaluate the state's information technology structure for effectiveness and to determine whether state systems adequately maintain the integrity of data, protect against breaches of privacy, and ensure proper safeguards are in place to protect against fraud. In 2022, we intend to add to our information technology audit capabilities with enhanced data analytics and provide our team with additional IT audit resources.

In 2021, our office began working with the United States Treasury's Do Not Pay Program to enhance our data analytics capabilities. Do Not Pay works directly with state agencies to manage federally funded state-administered programs to reduce waste, fraud, abuse, and reporting errors. The program offers state agencies, at no cost, data analytics and other tools to help prevent improper payments. Do Not Pay currently works with federal programs such as American Rescue Plan; Coronavirus Aid, Relief, and Economic Security Act (CARES Act); Coronavirus Economic Relief for Transportation Services (CERTS); Medicaid; Supplemental Nutrition Assistance Program (SNAP); Temporary Assistance for Needy Families (TANF); and Unemployment Insurance. We expect to conduct our first joint project in 2022.

### **Continuing Profession Education and Development**

In 2021, our office again utilized significant in-house continuing education for our auditors, providing certain educational materials and programs directly rather than contracting with outside providers. This provided our staff with quality training that is more relevant and affordable, thereby saving taxpayer dollars.

Our office participates in various professional organizations involved in governmental auditing. On the national level, we are actively involved with the National Association of State Auditors, Comptrollers and Treasurers (NASACT) and the National State Auditors Association (NSAA). Our state auditors and other members of our office serve on various NASACT and NSAA committees. One of our state auditors serves on the NSAA and NASACT Executive Committees. Regionally, we continue to be actively involved with the New England Intergovernmental Audit Forum (NEIAF). These affiliations enable our office to receive information affecting our profession, present educational opportunities for our employees, and provide valuable information sharing.

Our office supports and encourages our employees to serve in professional audit organizations in various capacities. A member of our management team served on the Governmental Accounting and Auditing Committee of the Connecticut Society of Certified Public Accountants (CTCPA) through July 2021. Another audit supervisor serves on the same committee and other CTCPA committees. One of our audit supervisors participated on a peer review team in Virginia and another participated on a team in Pennsylvania.

The past year was one of significant challenges for the office of the Auditors of Public Accounts. We are proud that our professional team worked to overcome those challenges. We will continue to find new ways to improve efficiency and enhance the professional reputation our office has always enjoyed.

## SECTION II

### RECOMMENDATIONS

- 1. The General Assembly should consider amending Section 1-210(b)(13) of the General Statutes to clarify that complaints filed under Section 4-61dd are exempt from disclosure under the Freedom of Information Act.**

Comment:

Section 1-210(b)(13) of the General Statutes excludes the disclosure of records of an investigation or the name of an employee providing information under the provisions of Section 4-61dd (Whistleblower Act). A recent Freedom of Information case sought the public release of a whistleblower complaint, arguing that it is not a record of the investigation.

The confidentiality of whistleblower records has been upheld by the General Assembly, as well as court and Freedom of Information Commission decisions. Section 4-61dd(g) is the only statute referencing the public reporting of whistleblower information. It requires our office to report, by September 1<sup>st</sup> annually, the number of matters for which facts and information were transmitted to the auditors pursuant to 4-61dd during the preceding state fiscal year and the disposition of each such matter. Our office also reports on whistleblower activity in our annual report each February. The annual report includes a listing of all whistleblower complaints received during the preceding year, a general description of each complaint, and whether and when our office reported its findings to the Office of the Attorney General. The annual report also contains general information on the disposition of all complaints, including those rejected under Section 4-61dd(b).

Releasing these complaints publicly could have a chilling effect on the whistleblower process. It potentially jeopardizes the identity of complainants. Even a redacted complaint may provide evidence of the complainant's identity or position within an agency. This could lead to fewer complaints because potential complainants would fear exposure of their identity. It is also likely that it would lead to more anonymous complaints. This would make it more difficult for our office to review the complaint because it would be almost impossible to gather additional information from the complainant.

Our last concern is that publicly releasing whistleblower complaints would lead to malicious filings aimed to tarnish a person's reputation. The current whistleblower process, which treats the complaint as a confidential record of the investigation, allows our office to discreetly conduct its review to determine the validity of the complaint. We report the results of all of our reviews to the Office of the Attorney General.

- 2. The General Assembly should consider amending Section 14-44(e) of the General Statutes to allow the Department of Motor Vehicles to receive periodic updates from federal and out-of-state criminal databases for active school bus drivers.**

Comment:

Our office issued a 2019 [performance audit](#) (The Department of Motor Vehicles Background Check Process for Student Transportation Employees) and [follow-up report](#) in 2021. We found that the Department of Motor Vehicles does not conduct comprehensive criminal history checks for current school bus drivers. The department does not check with the FBI national crime history database for criminal activity after its initial background check during the application process.

The Department of Motor Vehicles regularly compares student transportation drivers against the Department of Emergency Services and Public Protection's (DESPP) criminal database and its driver suspension data. Currently, the department is not authorized to periodically check national crime databases. Section 14-44(e) of the Connecticut General Statutes only references the checking of the national criminal database (fingerprint check) at the time of issuance.

3. **The General Assembly should consider amending Section 7-395(c) of the General Statutes to require the local legislative body or local or regional board of education to hold a public meeting, prior to submitting a corrective action plan regarding an audit showing unsound or irregular financial practices, management letter comments, or lack of internal controls in relation to commonly accepted standards in municipal finance. The meeting should include a discussion of the nature of any of these audit deficiencies and should address the causes for these conditions and potential corrective action.**

Comment:

Section 7-395(b)(2) states that, if the secretary of the Office of Policy and Management finds that a municipality or regional school district's audit contains evidence of unsound or irregular financial practices or management letter comments or lack of internal controls in relation to commonly accepted standards in municipal finance, then the secretary shall prepare a report concerning such finding, including, but not limited to, information to aid in the evaluation of such finding and recommendations for corrective action. The secretary must submit the report to the Municipal Finance Advisory Commission, Auditors of Public Accounts, and the chief executive officer and clerk of the municipality or superintendent of schools for the regional school district.

Section 7-395(c) currently states that, upon receipt of a report submitted pursuant to subsection (b) of this section, the chief executive officer of a municipality or audited agency or superintendent of schools for the regional school district shall attest to and explain the Secretary's findings and submit a plan for corrective action, in writing, to the Secretary.

We recommend that, prior to the submission of the corrective action plan, the legislative body or, in a municipality where the legislative body is a town meeting, the board of selectmen or regional or local board of education shall hold a public meeting to discuss the nature of the unsound or irregular financial practices, management letter comments, or lack of internal controls related to commonly accepted municipal finance standards. The meeting shall also address the causes for these conditions and potential corrective action. This would ensure that local officials and the public are aware of these issues and can monitor efforts to address them.

**Technical Corrections and Other Matters**

- a. The General Assembly should consider amending all sections of the General Statutes that contain any reference to “a separate, non-lapsing account within the General Fund,” and should consider drafting any future legislation accordingly. This would ensure consistency between statutory requirements and the state’s current accounting practices in which the Federal and Other Restricted Accounts Special Revenue Fund is used to account for such funds.

Prior to the 2003 implementation of the state’s Core-CT accounting system, the General Fund was used for the accounting of budgeted and private restricted funds. However, since the implementation of Core-CT, these funds were segregated in the system through the creation of the General Fund (11000), which is used for the state’s general operations, for which the funds commonly lapse at fiscal year-end. The system also has a Federal and Other Restricted Accounts Special Revenue Fund (12060) that is used to account for the funds reflected in the language of current law. This change would ensure consistency between statutory language and current accounting practices and avoid noncompliance.

- b. The General Assembly should replace all statutory references to a Comprehensive Annual Financial Report with Annual Comprehensive Financial Report (ACFR.)

The Governmental Accounting Standards Board (GASB) implemented this change in response to stakeholder concerns that the common pronunciation of the acronym for Comprehensive Annual Financial Report sounds like a profoundly objectionable racial slur. This change is effective for fiscal years ending after December 15, 2021. Our office has already adopted the new language.

The following sections of the General Statutes refer to the Comprehensive Annual Financial Report:

- Section 3-115b
- Section 4-72
- Section 8-169mm
- Section 15-120
- Section 32-605

**Recently Adopted Recommendations**

1. The General Assembly should consider strengthening Section 2-90(g) of the General Statutes to explicitly require agencies to provide records or accounts to our office upon demand. (2021 PA 21-145 Section 1)
2. The General Assembly should consider requiring state statutes and contract language to include provisions to grant our office and contracting state agencies access to agency data held by third-party contractors. The contractors should promptly provide that information to the state at no cost. (2021 PA 21-145 Section 2)
3. The General Assembly should consider updating the language in Section 2-90(c) of the general statutes to reflect current conditions and coincide with the overall audit responsibilities delineated in the statutes. (2021 PA 21-145 Section 3)
4. The General Assembly should consider modifying the state's procurement laws to include a general provision that the Auditors of Public Accounts be given the right of first refusal on all procurement of audit services. (2021 PA 21-145 Section 4)
5. The General Assembly should consider amending Section 10-91g of the General Statutes to clarify what is a private provider and what constitutes special education services. (2021 PA 21-145 Section 5)
6. The General Assembly should consider amending Section 4b-21 of the General Statutes to establish deadlines for the Department of Administrative Services in the real property surplus process. (2021 PA 21-145 Section 8)
7. The General Assembly should consider amending statutory provisions addressing Bradley International Airport law enforcement services to reflect the current organizational structure, terminology, and federal restrictions. The General Assembly should consider reevaluating the need for a separate audit of reimbursements from the Bradley Enterprise Fund to the Department of Emergency Services and Public Protection for those services. (2021 PA 21-145 Section 18)
8. The General Assembly should consider amending Section 31-426 of the General Statutes to remove certain references to management functions placed on the Auditors of Public Accounts related to the Connecticut Retirement Security Authority. (2021 PA 21-145 Section 7)
9. The General Assembly should consider amending Section 1-86e of the General Statutes to include employees of consultants or independent contractors. The General Assembly also should consider requiring consultants, independent contractors, and their employees to disclose any financial benefit or potential conflict with any person or entity they recommend to the state (or state agency) for the purchase of goods or services. (2021 PA 21-145 Section 12)

10. The General Assembly should consider amending Section 10-292(a) of the General Statutes to ensure that school safety documents are reviewed and approved prior to the approval of design and construction documents for school building projects funded with school construction grants. (2021 PA 21-145 Section 13)
11. Section 2-90(b) of the General Statutes requires our office to, “conduct an audit of reimbursements made from the Bradley Enterprise Fund to the Department of Emergency Services and Public Protection to cover the cost of Troop W operations...”

The Department of Emergency Services and Public Protection merged Troop W into Troop H, effective March 9, 2012. As such, the reference to Troop W within section 2-90(b) should be changed to Troop H. (2021 PA 21-145 Section 18)

12. Section 32-42 of the General Statutes states that for audit requirements of the quasi-public Connecticut Innovations, Incorporated, “The accounts of the corporation shall be subject to annual audits by the State Auditors of Public Accounts.” (2021 PA 21-145 Section 11)

Section 8-260 of the General Statutes states that for audit requirements of the quasi-public Connecticut Housing Finance Authority, “The accounts of the authority shall be subject to annual audits by the State Auditors of Public Accounts.” (2021 PA 21-145 Section 9)

Section 15-120kk of the General Statutes states that for audit requirements of the quasi-public Connecticut Airport Authority, “The accounts of the authority shall be subject to annual audits by the State Auditors of Public Accounts.” (2021 PA 21-145 Section 10)

Since July 1, 2010, annual audits of quasi-public agencies were no longer required. Public Act 10-172 changed quasi-public audits from annual to biennial, effective July 1, 2010. The audit language in sections 32-42, 8-260, and 15-120kk should be amended or removed to reflect that change.

13. Section 1-122 specifies the requirements for the Auditors of Public Accounts to conduct audits of all quasi-public agencies. However, in several sections of the General Statutes, there is potentially conflicting language for audits of certain quasi-public agencies.

For the Materials Innovation and Recycling Authority, Section 22a-263 states that “The authority shall be subject to audit by the state Auditors of Public Accounts in accordance with normal audit practices prescribed for departments, boards, commissions and other agencies of the state.” For consistency, we would recommend eliminating that language.

For the Connecticut Retirement Security Authority, Section 31-426 states that “(b) The Auditors of Public Accounts may conduct a full audit of the books and accounts of the authority pertaining to such activities, receipts and expenditures, personnel, services or facilities, in accordance with the provisions of section 2-90. For the purposes of such audit, the Auditors of Public Accounts shall have access to the properties and records of the authority, and may prescribe methods of accounting and the rendering of periodical reports

in relation to projects undertaken by the authority.” For consistency, we would recommend eliminating that language.

For the State Education Resource Center, Section 10-357b(14)(c)(2) includes the language “...and (2) audit by the Auditors of Public Accounts under section 2-90.” For consistency, we would recommend eliminating that language. (2021 PA 21-145 Section 6)

14. Section 15-120kk of the General Statutes states that for audit requirements of the quasi-public Connecticut Airport Authority, “The accounts of the authority shall be subject to annual audits by the State Auditors of Public Accounts.”

Since July 1, 2010, annual audits of quasi-public agencies were no longer required. Public Act 10-172 changed quasi-public audits from annual to biennial, effective July 1, 2010. The audit language in section 15-120kk should be amended or removed to reflect that change. (2021 PA 21-145 Section 10)

15. Section 17a-10c(d) of the General Statutes states that, when a child is placed out of home, the caseworker shall, among other requirements, “explain to the child that the child may contact the caseworker, the child’s attorney, the Department of Children and Families regional office, the Department of Children and Families Office of the Ombudsman or the Office of the Child Advocate if the child feels that his or her rights under the Sibling Bill of Rights has been violated, and provide the child with contact information for such caseworker, such regional office, the Department of Children and Families Office of the Ombudsman...”

Section 17a-10e(d) of the General Statutes states that when a child is placed out of home, the caseworker shall, among other requirements, “explain to the child that the child may contact the caseworker, the child’s attorney, the Department of Children and Families regional office, the Department of Children and Families Office of the Ombudsman or the Office of the Child Advocate if the child feels that his or her rights have been violated or expectations have not been met under the Children in Care Bill of Rights and Expectations, and provide the child with contact information for such caseworker, such regional office, the Department of Children and Families Office of the Ombudsman...”

The Department of Children and Families renamed the Office of the Ombudsman to the Office of Community Relations in 2019. As such, the references to the Office of the Ombudsman in sections 17a-10c(d) and 17a-10e(d) should be updated to reflect the name change. (2021 PA 21-145 Section 17)

16. The General Assembly should consider limiting the conditions that may be used to justify a waiver from competitive bidding when services are procured under a personal services agreement. Limiting such conditions to those that are specifically presented within Section 4-215 of the General Statutes would accomplish that objective. (2019 PA 19-117 Section 104)

**Note:** While Public Act 19-117 did not fully address our recommendation, it implemented important reporting and transparency to the competitive bidding process. The act requires the OPM secretary to post any approved personal services agreement (PSA) waiver requests on the state contracting portal. It also requires the OPM secretary to submit a report, by January 15, 2020, and annually thereafter, to the Appropriations and Government Administration and Elections committees and the State Contracting Standards Board. The report must (1) list any PSA waiver requests received during the prior year and (2) include the justification for granting or denying the requests.

The act also requires each executive branch agency to submit an agency procurement plan, by January 1, 2020, and every three years thereafter, to the OPM secretary for approval. The plan must include a list of all services and programs the agency intends to contract for over the next three years and a planned schedule of procurements indicating whether the (1) procurement will be based on competitive negotiation or competitive quotation, or (2) agency has determined that a sole source procurement is required and intends to apply to the secretary for a waiver.

17. The General Assembly should consider enacting legislation to amend Section 2-90 and Section 4-33a of the General Statutes to encourage timely reporting by agencies of matters that may be currently under investigation. (2018 PA 18-137 Section 1)
18. The General Assembly should consider enacting legislation to amend Section 4-33a of the General Statutes to allow the Auditors of Public Accounts flexibility in determining the manner in which agencies report matters with large numbers of reportable events in their normal course of business. (2018 PA 18-137 Section 2)
19. The General Assembly should consider including agency human resources directors as mandated reporters of ethics violations, as required for others by Section 1-101pp of the General Statutes. (2018 PA 18-137 Section 3)
20. The General Assembly should consider an amendment to Section 4-37g(b) of the General Statutes to allow the Auditors of Public Accounts to conduct a full audit of the books and accounts of any foundation established under that section, in accordance with the provisions of Section 2-90, if the foundation failed to have a full audit of its books and accounts as required under Section 4-37f(8) of the General Statutes. Also, the General Assembly should consider an amendment to Section 4-37f(8) of the General Statutes to require that the foundation's audit be completed and the audit report issued within six months of the end of the foundation's fiscal year. (2018 PA 18-137 Sections 4 and 5)
21. The General Assembly should consider an amendment to Section 5-164a(c) of the General Statutes to reflect the policy changes implemented by the State Employees Bargaining Agent Coalition (SEBAC) agreements, Office of Labor Relations General Notices, Governor Rell's Executive Order No. 27-A, and Governor Malloy's Executive Order No. 3 related to rehired state retirees. (2018 PA 18-137 Section 23)

22. The General Assembly should consider revising Section 2-90(b) of the General Statutes to allow our office to conduct audits of security services reimbursements from the Bradley Enterprise Fund to the Department of Emergency Services and Public Protection on a biennial basis rather than an annual basis. (2018 PA 18-137 Section 6)
23. The General Assembly should consider modifying the existing procurement laws to include a requirement that the Auditors of Public Accounts review all requests from executive branch agencies anticipating a need for audit services to determine whether such services are necessary and whether the Auditors of Public Accounts could provide this work. (2018 PA 18-137 Section 9)
24. The General Assembly should consider amending Section 19a-80(c) of the General Statutes to change the background check requirement to a precertification process. (2018 PA 18-137 Section 25)
25. The General Assembly should consider amending Section 38a-660 of the General Statutes to eliminate conflicting provisions pertaining to the lapsing of funds in the surety bail bond agent examination account. (2018 PA 18-137 Section 10)
26. The General Assembly should revisit the Brokered Transactions Guaranty Fund established by Sections 38a-880 through 38a-889 of the General Statutes and determine whether it is reasonable to maintain \$500,000 in the fund when it has paid no claims in 20 years. (2018 PA 18-137 Section 24)
27. The General Assembly should consider restricting any payments related to non-disparagement agreements or those made by state agencies to departing state employees for the purpose of avoiding litigation unless such payment is made pursuant to (1) a settlement agreement entered into by the Attorney General on behalf of the state agency, or (2) an authorization by the Governor pursuant to section 3-7 of the General Statutes. The General Assembly should also consider restricting any language in a non-disparagement or settlement agreement that explicitly prohibits separating employees from the ability to exercise their rights under the state's Whistleblower Act or similar federal law. (2018 PA 18-137 Sections 8 and 26)
28. The General Assembly should consider amending Section 4-33a of the General Statutes to require state agencies to notify the Auditors of Public Accounts when breaches involving personally identifiable information or private health information occur by the agencies or their contractors. (2018 PA 18-137 Section 2)
29. The General Assembly should consider repealing Section 32-605(b) of the General Statutes to eliminate a redundant compliance audit of the Capital Region Development Authority. (2018 PA 18-137 Section 11)

30. The General Assembly should consider amending Part III of the State Code of Ethics to allow the Office of State Ethics to receive complaints and investigate alleged violations of state or quasi-public agencies retaining lobbyists, as prohibited by 1-101bb of the Connecticut General Statutes. (2018 PA 18-137 Sections 17 through 22)
31. The General Assembly should consider amending Section 4-37f(8) of the General Statutes to increase the threshold for requiring an annual audit of foundations established for the principal purpose of supporting or improving a state agency from \$100,000 to \$250,000. (2018 PA 18-137 Section 4)
32. The General Assembly should consider amending Section 1-123(4) of the General Statutes to refer to a complete set of financial statements. (2018 PA 18-137 Section 7)
33. The General Assembly should consider repealing certain obsolete legislation pertaining to the Office of the County Sheriffs under Title 6 of the General Statutes. (2018 PA 18-137 Section 27)
34. The General Assembly should consider enacting legislation to include provisions within Title 8, Chapter 127c of the General Statutes to prohibit the disclosure of the names or any information concerning applicants for or recipients of assistance from the Department of Housing, unless directly related to the administration of the assistance program. (2017 PA 17-177 Section 1)
35. The General Assembly should consider clarifying whether the State Fund Commission that administers the Solders', Sailors' and Marines' Fund is a public agency subject to freedom of information laws. (2017 PA 17-189 Section 1)
36. The General Assembly should amend the Statutory Provisions of the State Whistleblower Act to include Probate Courts. (2017 PA 17-136 Section 1)