

Statewide Single Audit KEY FINDINGS SUMMARY

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Fiscal Year Ended June 30, 2025

WHY AUDIT?

THE STATEWIDE SINGLE AUDIT

Our office performs the Statewide Single Audit in accordance with audit requirements placed upon the state as a condition of expending federal financial assistance. The federal Office of Management and Budget provides guidelines for selecting which programs to audit and the audit procedures to perform. The federal government uses the Single Audit Report to monitor how well the state administers the federal financial assistance and to follow up on prior audit findings. [Link to full report](#)

ABOUT THIS SUMMARY

This summary of the Statewide Single Audit highlights information included in Section III of the Schedule of Findings and Questioned Costs. It contains **recommendations that state agencies need to address** to ensure the proper administration and maintenance of federal funds.

SUMMARY of FINDINGS FOR FEDERAL AWARDS

40 Total Findings from **20** Federal Programs at **14** State Agencies

OF THESE FINDINGS...

19 Are New Findings **21** Are Repeated Findings

OUR AUDIT ALSO REVEALED

4 Financial Statement Related Findings

FEDERAL EXPENDITURES

\$14.3 billion

FY 2024

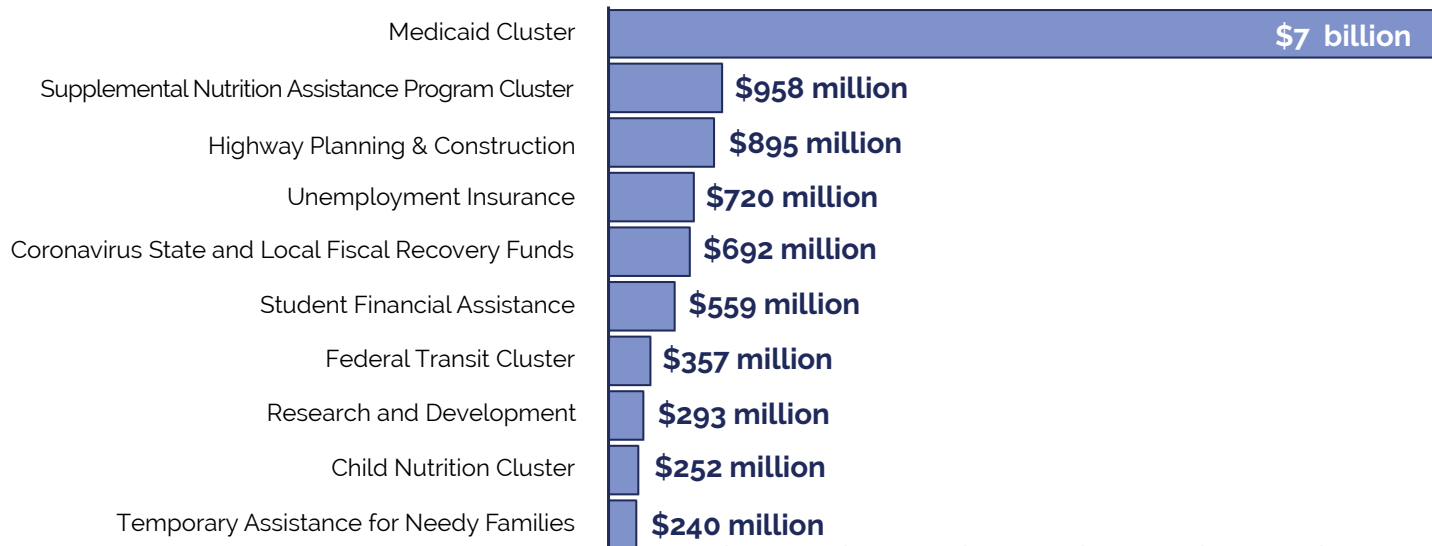
\$14.4 billion

FY 2025

FY 2025 includes **\$1.2 billion** for COVID-19 related funding.

FEDERAL FINANCIAL ASSISTANCE

10 Largest Federal Programs (FY 2025)



NOTEWORTHY FINDINGS

Below are some noteworthy findings from the Statewide Single Audit Report for the fiscal year ended June 30, 2025

AGENCY

SUMMARY

Department of Social Services



Finding Number: 2025-014

Program Names: Medical Assistance Program (Medicaid, Title XIX), State Survey and Certification of Health Care Providers and Suppliers (Medicare, Title XVIII)

Federal Award Agency: U.S. Dept. of Health and Human Services



The health and safety of nursing home residents may be at risk.

Untimely Skilled Nursing and Intermediate Care Facilities Surveys

The Department of Social Services is the designated single state agency to administer the Medicaid program in accordance with Title 42 U.S. Code of Federal Regulations Part 431. Connecticut administered certain aspects of the Medicaid program through several state agencies including the Department of Public Health (DPH) as the state survey agency. Our review of survey documentation for 25 skilled nursing and intermediate care facilities disclosed that DPH conducted recertification surveys for 16 facilities between four and 17 months late, sent a notification letter and Statement of Deficiencies and Plan of Correction to 17 facilities between one and 31 days late, and conducted follow-up visits at 12 facilities between two and 232 days late. In addition, our review of 15 investigations for non-immediate jeopardy medium priority complaints or incidents disclosed that DPH did not initiate three surveys for complaints or incidents reported on July 8, 2024, through March 7, 2025. DPH should strengthen internal controls to ensure compliance with federal Medicare and Medicaid survey requirements. We reported this as a finding in the prior two audits. [Link to finding in full report.](#)

Department of Social Services



Finding Number: 2025-029

Program Name: Children's Health Insurance Program

Federal Award Agency: U.S. Dept. of Health and Human Services



QUESTIONED COSTS

\$357,516

We computed questioned costs by applying the applicable federal financial participation rate to the unallowed expenditures.

Ineligible Children's Health Insurance Program Clients

Our review of 25 Children's Health Insurance Program (CHIP) eligibility determinations disclosed the Medicaid Management Information System improperly paid claims for one client when Access Health Connecticut (AHCT) and the Department of Social Services (DSS) Integrated Management of Public Assistance for Connecticut (ImpaCT) system determined this client was not eligible for CHIP. In addition, the AHCT web portal improperly determined nine clients as eligible for CHIP when they had third-party insurance coverage at the time of enrollment. Further, our analysis of CHIP data identified 326 clients who aged out of the program when they turned 19. DSS paid \$531,670 in benefits for these clients who were no longer eligible for CHIP. DSS should strengthen internal controls to ensure that each CHIP recipient is eligible for the program according to the state plan and federal regulations. We reported this as a finding in the six prior audits. [Link to finding in full report.](#)

AGENCY

Department of Social Services



Finding Number: 2025-025

Program Name: Money Follows the Person Rebalancing Demonstration

Federal Award Agency: U.S. Dept. of Health and Human Services

QUESTIONED COSTS

\$347,253

We computed questioned costs by applying the applicable federal financial participation rate to the unallowed expenditures.

SUMMARY

Ineligible Money Follows the Person Clients

Our review of 40 Money Follows the Person (MFP) claims disclosed that the Department of Social Services (DSS) did not terminate MFP participation for two clients. DSS should have ended participation on April 5, 2018, and July 30, 2020, respectively. In addition, DSS processed \$7,724 of ineligible MFP expenses for two clients, approved two applicant care plans that exceeded the cost of institutional care, and did not perform or document a comparative cost analysis for one client to demonstrate that care plan costs did not exceed nursing facility costs. DSS should strengthen internal controls to ensure that only eligible recipients receive MFP services in accordance with federal laws, award terms and conditions, and the MFP Operational Protocol. [Link to finding in full report.](#)

Department of Social Services



Finding Number: 2025-011

Program Name: Medical Assistance Program (Medicaid, Title XIX)

Federal Award Agency: U.S. Dept. of Health and Human Services

QUESTIONED COSTS

\$11,518

We computed questioned costs by applying the applicable federal financial participation rate to benefit payments associated with the ineligible recipients.

Improper Medicaid Eligibility Determinations

Our review of 60 Medicaid cases to determine if the Department of Social Services (DSS) properly granted eligibility disclosed that DSS granted Medicaid eligibility to one recipient upon denial of their renewal application. DSS improperly continued eligibility for 30 months until notification of our review. In addition, our review of 18 non-qualified aliens who received non-emergency medical services in prior audits disclosed that DSS issued \$12,443 in payments for non-emergency medical services provided to one non-qualified alien who was ineligible to receive services. DSS should strengthen internal controls to ensure that only eligible recipients receive Medicaid services in accordance with federal laws and the Medicaid State Plan. We reported this as a finding in the prior audit. [Link to finding in full report.](#)

Department of Social Services



Finding Number: 2025-013

Program Name: Medical Assistance Program (Medicaid, Title XIX)

Federal Award Agency: U.S. Dept. of Health and Human Services

DSS has reduced assurance that it uses appropriate rates to pay for long-term care facility services.

Overdue Long-Term Care Facility Audits

The long-term care facility audit requirements provide that the Department of Social Services (DSS) must determine the established per diem payment rate by a desk review of the submitted annual report, which field auditors must subsequently verify and authenticate. Our review of 15 long-term care facilities field audits disclosed that DSS did not perform two biennial field audits. DSS had not audited one facility in eight years and seven months and one facility in ten years and nine months. DSS should comply with the long-term care facility auditing procedures in the State Medicaid Plan. [Link to finding in full report.](#)

AGENCY

SUMMARY

Department of Public Health



Finding Number: 2025-200

Program Name: HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B)

Federal Award Agency: U.S. Dept. of Health and Human Services



There is an increased risk that federal drawdowns will not occur in accordance with the department's immediate cash requirements to administer the program.

Lack of Controls Over HIV Care Formula Grants Cash Management

We reviewed the Department of Public Health's (DPH) drawdown tool and determined that it was not effective in monitoring the department's cash needs. The tool understated expenditures by \$29,208,717. As a result, the cash-on-hand amounts were not reliable. DPH should strengthen internal controls over cash management to ensure that federal drawdowns align with the immediate cash needs to administer the program. We reported this as a finding in the prior audit. [Link to finding in full report.](#)

Department of Housing



Finding Number: 2025-725

Program Names: Section 8 Housing Choice Vouchers and Mainstream Vouchers

Federal Award Agency: U.S. Dept. of Housing and Urban Development



QUESTIONED COSTS

41,491

Improper Section 8 Assistance Payments

Our review of 60 housing assistance payments and utility reimbursements disclosed that in 14 cases, payments were incorrectly calculated. We also noted that in two cases, DOH paid \$37,233 under housing assistance payment contracts that were void because they were not executed within 60 calendar days from the beginning of the lease term. DOH should strengthen internal controls to ensure that it properly calculates Section 8 Housing Choice Vouchers and Mainstream Vouchers housing assistance and utility benefit payments. [Link to finding in full report.](#)

Office of Policy and Management



Finding Number: 2025-400

Program Name: Coronavirus State and Local Fiscal Recovery Funds

Federal Award Agency: Department of the Treasury



CT State Community College could pay part-time and extension lecturers for services they did not provide.

Lack of Verification and Approval of Part-Time and Extension Credit Lecturer Costs

The Office of Policy and Management (OPM) was designated as the primary state agency responsible for overseeing the Coronavirus State and Local Fiscal Recovery Funds and reporting to the federal government. OPM allocated funds to the CT State Community College and other state agencies to assist with carrying out the program's objectives. CT State Community College made \$70,175,519 in salary and fringe benefit payments for 2,796 part-time and extension credit lecturers without verifying the lecturers provided the contractual services or documenting supervisory approval. CT State Community College should strengthen internal controls to ensure that part-time and extension credit lecturer payroll and fringe benefits costs are based on actual time worked and are properly approved. [Link to finding in full report.](#)

AGENCY

SUMMARY

Multiple State Agencies

Finding Numbers: 2025-021, 2025-031, 2025-032, 2025-201, 2025-575

Program Names: Temporary Assistance for Needy Families, Low-Income Home Energy Assistance Program, Social Services Block Grant, HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B), Crime Victim Assistance

Federal Award Agencies: U.S. Dept. of Health and Human Services and Department of Justice



State agencies have reduced assurance that subrecipients used federal funds for allowable activities.

Inadequate Subrecipient Monitoring

State agencies that pass-through funds to subrecipients are required to monitor subrecipient activities as necessary to ensure that they comply with federal statutes, regulations, and the subaward's terms and conditions and ensure that they achieve performance goals and objectives. Our review noted the following agencies did not comply with federal requirements for monitoring subrecipients.

- **The Department of Children and Families (DCF)** did not complete four annual fiscal reviews to ensure that Temporary Assistance for Needy Families subrecipients met their audit requirements for the fiscal year. Further review disclosed that DCF lacked procedures to perform annual reviews for Youth Service Bureau subrecipients. [Link to finding in full report.](#)
- **The Department of Social Services (DSS)** did not conduct annual fiscal reviews for one Low-Income Home Energy Assistance Program subrecipient. [Link to finding in full report.](#)
- **The Department of Housing (DOH)** did not monitor four Social Services Block Grant subrecipients for overdue programmatic reports, three for overdue client satisfaction surveys, five for overdue state single audits, and eight for overdue annual financial audits. In addition, DOH did not adequately review expenditures in financial reports submitted by ten subrecipients, did not review state single audits for seven subrecipients, and did not accurately complete administrative monitoring reports for three subrecipients. [Link to finding in full report.](#)
- **The Department of Public Health (DPH)** did not conduct annual on-site financial review visits for any of the six HIV Care Formula Grants not-for-profit subrecipients. [Link to finding in full report.](#)
- **The Judicial Branch** did not perform regular subrecipient desk reviews or site visits at least once every two years during the award period as required by federal regulations for the Crime Victim Assistance program. [Link to finding in full report.](#)

State agencies should strengthen internal controls to ensure compliance with federal requirements for monitoring subrecipients. We reported these as findings for DSS and DPH in the prior two audits, DCF in the prior three audits, and DOH in the prior 11 audits.

Office of the State Comptroller



Finding Number: 2025-004



OSC's failure to accurately prepare the SEFA increases the risk of reporting inaccurate federal expenditure information to the Federal Audit Clearinghouse.

Lack of Controls over the Schedule of Expenditures of Federal Awards

Our review of the Schedule of Expenditures of Federal Awards (SEFA) and SEFA notes disclosed that the Office of the State Comptroller (OSC) did not accurately complete the Federal Awards Workbook in accordance with federal regulations and reporting requirements. OSC used an outdated version of the workbook, did not properly complete data fields for 167 reporting lines, and reported cluster names for 17 reporting lines that did not agree with the cluster designations in the 2025 Compliance Supplement. In addition, OSC reported amounts passed through to subrecipients that exceeded total expenditures for three federal programs, left 333 required data fields blank, and reported 11 amounts that did not agree with the SEFA Notes. Further, OSC did not exclude certain interagency grant transfers and did not detect duplicated reporting lines. OSC subsequently corrected the material errors. OSC should strengthen internal controls to ensure that it accurately prepares the SEFA in compliance with federal Office of Management and Budget guidelines. [Link to finding in full report.](#)

FULL LIST OF 2025 FINDINGS

Below is the complete listing of findings from the Statewide Single Audit Report for the fiscal year ended June 30, 2025

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