

STATE OF CONNECTICUT



*AUDITORS' REPORT
CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2008*

AUDITORS OF PUBLIC ACCOUNTS

KEVIN P. JOHNSTON ❖ ROBERT G. JAEKLE

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September 29, 2010

AUDITORS' REPORT
CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

We have examined the books, records and accounts of the Connecticut Health and Educational Facilities Authority (the Authority), as provided in Section 2-90 and Section 1-122 of the General Statutes, for the fiscal year ended June 30, 2008.

SCOPE OF AUDIT:

This audit was primarily limited to performing tests of the Authority's compliance with certain provisions of laws, regulations, contracts and grants, including but not limited to, a determination of whether the Authority has complied with its written operating procedures, that are required per Section 10a-179(h) of the General Statutes, concerning the following areas:

- Affirmative action
- Personnel practices
- Purchase of goods and services
- Use of surplus funds
- Distribution of loans, grants and other financial resources.

We also considered the Authority's internal control over its financial operations and its compliance with requirements that could have a material or significant effect on the Authority's financial operations in order to determine our auditing procedures for the purpose of evaluating the Authority's financial operations and compliance with certain provisions of laws, regulations, contracts and grants, and not to provide assurance on the internal control over those control objectives. Our consideration of internal control included the five areas identified above.

Our audit included a review of a representative sample of the Authority's activities during the fiscal year in the five areas identified above and a review of such other areas as we considered

necessary. The financial statement audit of the Authority, for the fiscal year indicated above, was conducted by the Authority's independent public accountants.

This report on our examination consists of the Comments, Condition of Records, Recommendations, and Certification that follow.

COMMENTS

FOREWORD:

The State of Connecticut Health and Educational Facilities Authority (hereafter CHEFA or the Authority) operates under the provisions of Title 10a, Chapter 187, of the General Statutes. The Authority is a public instrumentality and political subdivision of the State whose Board of Directors is appointed by the Governor. Pursuant to Chapter 12 of the General Statutes, CHEFA is classified as a quasi-public agency. As a quasi-public agency, the Authority's financial information is included as a component unit in the State of Connecticut's Comprehensive Annual Financial Report (CAFR).

The purpose of the Authority is to assist certain health care institutions, institutions of higher education, and qualified not-for-profit institutions in the financing and refinancing of projects to be undertaken in relation to programs for these institutions. The Authority is empowered to issue its own bonds, bond anticipation notes and any other obligations for any of its corporate purposes and to fund and refund the same. As of June 30, 2008, CHEFA has issued \$11,847,220 in bonds, of which \$6,817,535 are outstanding. The Authority issued general obligation bonds through June 1979, for which the Authority is ultimately responsible for the payment of principle and interest when due. Subsequent to July 1, 1979, the Authority has issued only special obligation bonds for which principle and interest is solely payable from the revenues of the institutions and is not a debt of the Authority or the State of Connecticut. As of June 30, 2008, there were no general obligation bonds outstanding. The State is not obligated for the debt, except for debt that is issued under the Child Care Facilities Loan Program and the Special Capital Reserve Program.

Under the Child Care Facilities Loan Program, the State of Connecticut is responsible for paying a portion of the debt service on bonds issued under the program as specified in Section 17b-749i of the General Statutes. Under the Special Capital Reserve Program, debt is guaranteed by the State under Section 10a-186a of the General Statutes. Section 10a-186a of the General Statutes provides for the maintenance of a Special Capital Reserve Fund to be used for the payment of principal and interest on Authority bonds to finance projects at participating nursing homes and public institutions of higher education. The State is contingently liable to provide annual debt service requirements for such bonds if the Authority's funds are not sufficient to meet minimum reserve requirements for the Special Capital Reserve Fund.

The Authority's operations do not rely upon any State appropriation either from the General Fund or from bond funds. CHEFA generates revenue from fees on its portfolio of bonds and investment income.

The Authority provides grants to non-profit organizations that provide essential health,

educational, culture, and childcare services to Connecticut residents in targeted geographic areas of Connecticut. During the fiscal year ended June 30, 2008, CHEFA administered four grant programs, the Client Grant Program, the Open Grant Program, the Focused Investment Grant Program, and the Medical Malpractice Grant Program.

Board of Directors and Administrative Officials: -----

The results of our tests disclosed no material or significant instances of noncompliance. However, we noted certain matters which we reported to Authority management in the accompanying “Condition of Records” and “Recommendations” sections of this report.

Pursuant to Section 10a-179(a) of the General Statutes, the Authority operates under a ten person Board of Directors. The Board of Directors includes the State Treasurer and the Secretary of the Office of Policy and Management as ex-officio members and eight residents of the State who are appointed by the Governor. Not more than four of the eight members appointed by the Governor can be of the same political party. In addition, three appointed members shall be trustees, directors, officers or employees of institutions for higher education, two appointed members shall be trustees, directors, officers or employees of health care institutions and one shall be a person having a favorable reputation for skill, knowledge, and experience in State and municipal finance. Members of the Board of Directors as of June 30, 2008, were as follows:

Ex-Officio:

Denise L. Nappier, State Treasurer
Robert L. Genuario, Office of Policy and Management

Appointed by the Governor:

Barbara Rubin, Chairperson
Patrick A. Colangelo, Vice Chairperson
John M. Biancamano
Steven P. Blackburn, Ph.D.
William J. Cibes, Jr., Ph.D.
Benson R. Cohn
Bryan K. Pollard, Esq.
Dori T. Sullivan, Ph.D.

Board Member Dori T. Sullivan, Ph.D. served on the Board during the audited period. She resigned on May 28, 2008. There was one vacancy as of June 30, 2008.

The Executive Director of the Authority is appointed by the Board of Directors. Richard D. Gray served in that capacity throughout the audited period.

Significant State Legislation:

There was no legislation enacted during the audited period that significantly impacted the

Authority.

Accounting Policies:

The Authority maintains books of accounts for its own operations and for each of the issues of debt outstanding. In accordance with the requirements of bond issue documents, separate funds are maintained for each issue. A brief description of the various types of funds maintained by the Authority and their purpose follows.

General Fund – This fund accounts for the revenues and expenses applicable to the operations of the Authority.

Construction and Project Funds – These funds reflect the receipt of bond proceeds, costs of issuance and disbursement of moneys for the payment of construction or renovation projects and equipment for the institutions.

Debt Service and Bond Funds – These funds account for the receipt of payments from the institutions and disbursement of monies for the payment of bond interest and principal.

Debt Service Reserve Funds – These funds record the receipt of a portion of the bond proceeds held in reserve to comply with the various bond resolutions. The balances are generally required to be maintained at an amount equal to the greatest amount of principal and interest payable in the current or any future bond year.

Loan Reserve Funds – These funds are used to repay the principal and interest of the institutions' repayment schedule.

Project Reserve Funds – These funds account for the receipt and disbursement of assets that are held for major repairs. The establishment of these funds is required by some bond issue documents.

Rebate Funds – These funds account for the accumulation of assets used to make arbitrage rebate payments to the Federal government under the Internal Revenue Code. The Federal government requires the rebate of amounts earned on the investment of tax-exempt bond proceeds in excess of the yield on the bonds.

Redemption Funds – These funds account for the accumulation of assets not required by other funds for the eventual redemption or purchase of bonds.

Renewal and Replacement Funds – These funds account for moneys that are deposited to cover anticipated expenses for major repairs of the project whose revenues are pledged to the bonds or for repair and replacement of related equipment.

Special Capital Reserve Funds – These funds are maintained to ensure compliance with

minimum capital reserve requirements of bond issues. Any deficiencies in the reserves are required to be funded by the institution after notification by the trustee. If the bond was issued under Section 10a-186a of the General Statutes, the State is obligated to replenish the fund if the institution does not.

Working Capital Reserve Funds – These funds are used if an institution fails to make its principal or interest payments on its loan. These funds are used before any withdrawals from the Special Capital Reserve Fund are made.

The assets of the Debt Service and Bond Funds, Debt Service Reserve Funds, Loan Reserve Funds, Project Reserve Funds, Rebate Funds, Redemption Funds, Renewal and Replacement Funds, Special Capital Reserve Funds, and Working Capital Reserve Funds are held by trustees in accordance with the bond resolutions. The funds of the Construction and Project Funds are controlled by CHEFA, which has a fiduciary responsibility for them.

RÉSUMÉ OF OPERATIONS:

The financial position of the Authority as of June 30, 2007 and 2008, per its audited financial statements, is presented below.

	As of June 30,	
	2008	2007
Assets		
Current Assets		
Unrestricted Assets:		
Cash	\$ 1,349,000	\$ 180,000
Accounts Receivable, Net of Allowance for Bad Debt	174,000	256,000
Investments	21,850,000	21,386,000
Prepaid Expenses and Other	156,000	121,000
Total Unrestricted Assets	23,529,000	21,943,000
Restricted Assets:		
Cash	165,000	162,000
Fund Investments	1,133,962,000	536,437,000
Other Investments	4,851,000	4,708,000
Interest Receivables	495,000	0
Other Receivables	89,000	90,000
Total Unrestricted Assets	1,139,562,000	541,397,000
Total Current Assets	1,163,091,000	563,340,000

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Noncurrent Assets		
Investments (Restricted)	2,247,000	2,247,000
Capital Asset, Net of Depreciation	<u>296,000</u>	<u>254,000</u>
Total Noncurrent assets	<u>2,543,000</u>	<u>2,501,000</u>
Total Assets	<u>\$ 1,165,634,000</u>	<u>\$ 565,841,000</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 1,739,000	\$ 1,799,000
Amounts Held for Institutions	<u>1,139,532,000</u>	<u>541,335,000</u>
Total Current Liabilities	1,141,271,000	543,134,000
Noncurrent Liabilities		
Amount Held on Behalf of State of CT	<u>2,247,000</u>	<u>2,247,000</u>
Total Liabilities	<u>1,143,518,000</u>	<u>545,381,000</u>
Net Assets		
Invested in Capital Assets	296,000	254,000
Unrestricted	<u>21,820,000</u>	<u>20,206,000</u>
Total Net Assets	<u>22,116,000</u>	<u>20,460,000</u>
Total Liabilities and Net Assets	<u>\$1,165,634,000</u>	<u>\$ 565,841,000</u>

The Authority invests any excess funds in short-term investments and marketable securities, including the State Treasurer's Short Term Investment Fund (STIF) to earn investment income. Increases in the Authority's investments during the fiscal year ended June 30, 2008, are primarily from the receipts of annual administrative fees paid at the end of the of fiscal year 2007 that were not transferred to STIF until July 2008.

The Authority holds \$2,247,000 on behalf of the State of Connecticut to guarantee loans pursuant to Sections 17b-749g and 17b-749h of the General Statutes. Section 17b-749g established the Guaranteed Loan Fund Program and Section 17b-749h established the Small Direct Revolving Loan Program. The State provided \$1.5 million and \$750,000, respectively, to fund loan guarantees made under the programs. To date there has been one call on a loan guaranteed under the Small Direct Revolving Loan Program for a loss of \$3,000. Funds held on behalf of the State of Connecticut are invested in the State Treasurer's Short Term Investment Fund (STIF).

Fund investments are investments associated with construction and project funds that are managed and held by the Authority on behalf of client institutions. Increases in fund investments during the fiscal year ended June 30, 2008, are due to proceeds of the bonds that were issued

during the fiscal year.

A statement of revenues, expenses and changes in net assets for the fiscal years ended June 30, 2007 and 2008, follows. The information was obtained from the Authority's audited financial statements.

	<u>As of June 30,</u>	
	<u>2008</u>	<u>2007</u>
Operating Revenues		
Revenues from Institutions:		
Administrative Fees	\$ 5,625,000	\$ 4,871,000
Bond Issuance Fees	97,000	138,000
Miscellaneous Revenues	<u>297,000</u>	<u>1,284,000</u>
Total Operating Revenues	<u>6,019,000</u>	<u>6,293,000</u>
Operating Expenses		
Salaries and Related Expenses	2,534,000	2,297,000
Grant Expenses	1,412,000	2,083,000
Other Operating Expenses	<u>1,253,000</u>	<u>1,452,000</u>
Total Operating Expenses	<u>5,199,000</u>	<u>5,832,000</u>
Operating Gain (Loss)	820,000	461,000
Non-Operating Revenues		
Income from Investments	<u>836,000</u>	<u>1,028,000</u>
Change in Net Assets	1,656,000	1,489,000
Net Assets, Beginning of Year	<u>20,460,000</u>	<u>18,971,000</u>
Net Assets, End of Year	<u>\$ 22,116,000</u>	<u>\$ 20,460,000</u>

Total revenues for the fiscal year ended June 30, 2008, were \$6,855,000, a \$466,000 decrease over the fiscal year ended June 30, 2007. The Authority charges an annual administrative fee to institutions with outstanding bond issues to cover operating expenses of the Authority. All issues other than those under the Special Capital Reserve Program are charged an annual fee of nine basis points on the outstanding par amount of the bonds. Bonds issued under the Special Capital Reserve Program are charged an annual fee of fourteen basis points. The increase in administrative fees was caused by the additional fee generated by new bonds issued and refinancing of existing bonds issues that were issued during the fiscal year. The Authority also charges a bond issuance fee of \$5,000 for each bond issue. Income from investments decreased during the fiscal year ended June 30, 2008, because of an increase in the amount invested and a

lower average yield for investments. The average yield during fiscal year 2008 was 3.919 percent as compared to 5.518 percent for fiscal year 2007.

Operating expenses of the Authority totaled \$5,199,000 during the fiscal year ended June 30, 2008, a \$633,000 decrease from fiscal year ended June 30, 2007. The Authority's operating expenses consists of salary expenses, grant expenses, and other operating expenses. Salary expenses increased during the fiscal year by \$237,000. The increase was caused by the addition of the hiring of two new positions, labor grade adjustments, and employee incentives. The labor grade adjustments were in response to the Governor's request for quasi-public agencies to review and alter its compensation policies. The Authority engaged an outside consultant firm to complete a compensation study and to make recommendations for changes in compensation. Grant expenses decreased by \$671,000 from the fiscal year ended June 30, 2007. The amount of grants awarded during a fiscal year depends on the availability of funding and the amount of applications submitted for review. Other operating expenses decreased by \$199,000 from fiscal year ended June 30, 2007. This decrease is due to the reduction in the purchase of office supplies and non-capital equipment, savings generated by switching to a new telephone and internet provider, a reduction in bond issuance expense, savings in courier costs, and the use of outside consultants.

Subsequent Events:

Subsequent to June 30, 2008, *The Fiscal Year 2009 State of Connecticut Deficit Mitigation Plan*, approved by the Connecticut General Assembly and signed by Governor M. Jodi Rell, required the Authority to transfer \$13,150,000 from its reserve funds to the State of Connecticut's General Fund. The reserved funds were used to fund the Authority's grant program. Currently, the Authority has suspended the awarding of any new grants until further notice.

Subsequent to June 30, 2008, Executive Director Richard D. Gray resigned on August 22, 2008. Managing Director Jeffrey A. Asher was appointed Acting Executive Director by the Board of Directors on August 22, 2008. The Board conducted an extensive search and interviewing process for a new Executive Director in conjunction with the Department of Administrative Services. Jeffrey A. Asher was appointed Executive Director by the Board of Directors on January 16, 2009.

CONDITION OF RECORDS

Our review of the records of the Connecticut Health and Educational Facilities Authority revealed the following areas that warrant comment.

Contracted Professional Services:

Criteria: Section 10a-179(h)(4) of the General Statutes provides that the Board of Directors of the Authority shall adopt written procedures for contracting for financial, legal, bond underwriting and other professional services, including a requirement that the Authority solicit proposals at least once every three years for each such service which it uses.

Condition: We noted that the Authority did not solicit proposals at least once every three years for some contracted professional services.

Effect: The Authority is not in compliance with Section 10a-179(h)(4) of the General Statutes.

Cause: The Authority considered some of the contractors to be sole source providers. However, it does not appear that the providers are the only contractors who could provide the applicable services.

Recommendation: The Connecticut Health and Educational Facilities Authority should solicit proposals at least once every three years for all contracted professional services as required under Section 10a-179(h)(4) of the General Statutes. (See Recommendation 1.)

Agency's Response "The Authority hereby acknowledges that it has not solicited proposals every three years for four of its contracted professionals including those for payroll processing services, information technology programming services, and loan origination servicing for the Child Care Facilities Loan Fund (CCFLF) Guaranteed Loan Fund Program and Small Direct Loan Fund. The Authority adopted new written procedures on September 9, 2009, which modified the requirements for solicitation of competitive bids. Competitive bids are required for any single expenditure in excess of \$25,000 annually. This eliminated the requirement for soliciting proposals for the payroll processing and information technology programming services. The Authority does not believe that it should be required to solicit proposals for the loan origination and servicing for the CCFLF Guaranteed Loan Fund Program or the Small Direct Loan Fund Program due to the unique nature of these services. The following further explains

the Authority's position:

1. CCFLF Guaranteed Loan Fund when this program was established pursuant to PA 97-259, it was structured to have participation by seven lending institutions that agreed to share equally in the loan risk which was supported by a State and Authority loan guaranty. Only one of the seven banks offered to assume the role of the loan originator/servicer, Peoples United Bank. Since the other Banks were not willing to serve as loan originator/servicer, we don't believe that we have any other option and therefore we will continue to use Peoples United Bank.
2. CCFLF Small Direct Loan Fund - Connecticut Community Investment Corporation (CTCIC) is a Federally funded statewide Small Business Administration (SBA) lender. The loans made under this program, subject to a maximum loan of \$25,000, are made in conjunction with much larger SBA loans. The loan structure is somewhat unique, CTCIC has agreed to function as the loan originator and servicer, CTCIC has agreed to provide these services with a management fee that is based on the investment earnings of the Small Direct Loan Fund Protection Account which has an approximate balance of \$750,000. Our options are limited and therefore we will continue to use CTCIC."

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior audit examination resulted in six recommendations. The following is a summary of those recommendations and action taken by the Authority.

- The Connecticut Health and Educational Facilities Authority should update all written procedures, as required by Section 10a-179(h) of the General Statutes where necessary and should adhere to its written procedures. The Authority updated its written procedures during our current audited period. This recommendation has been resolved.
- The Connecticut Health and Educational Facilities Authority should solicit proposals at least once every three years for all contracted professional services as required under Section 10a-179(h)(4) of the General Statutes. This recommendation has been repeated as Recommendation 1.
- The Connecticut Health and Educational Facilities Authority should include a penalty for false statement provision in all of its financial assistance applications and agreements as required under Section 1-126 of the General Statutes. The Authority updated its financial assistance applications to include a penalty for false statement during our current audited period. This recommendation has been resolved.
- The Connecticut Health and Educational Facilities Authority should specify a minimum time period for which capital assets purchased with grant funds should be used. In addition, the Authority should monitor whether the asset is being used for its intended purpose for the specified time. The Authority updated its application to include a clause that states grantees must use and retain capital assets purchased with grant or loan funds for a minimum of five years. This recommendation will not be repeated.
- The Connecticut Health and Educational Facilities Authority should ensure that its annual report contains all information required under Section 1-123 of the General Statutes. The Authority's annual report contains all information required under Section 1-123 of the General Statutes. This recommendation will not be repeated.
- The Connecticut Health and Educational Facilities Authority should either segregate the duties of entering payroll amounts and authorizing payroll processing or should implement a review of the payroll process. During our current audit review, the Authority has implemented new internal controls over the payroll process. This recommendation was not repeated.

Current Audit Recommendation:

- 1. The Connecticut Health and Educational Facilities Authority should solicit proposals at least once every three years for all contracted professional services as required under Section 10A-179(h)(4) of the General Statutes.**

Comments:

The Authority did not solicit proposals at least once every three years for some contracted professional services.

INDEPENDENT AUDITORS' CERTIFICATION

As required by Section 2-90 and Section 1-122 of the General Statutes, we have conducted an audit of the State of Connecticut Health and Educational Facilities Authority's activities for the fiscal year ended June 30, 2008. This audit was primarily limited to performing tests of the Authority's compliance with certain provisions of laws, regulations, contracts and grant agreements, including but not limited to a determination of whether the Authority has complied with its regulations concerning affirmative action, personnel practices, the purchase of goods and services, the use of surplus funds and the distribution of loans, grant agreements and other financial resources, and to understanding and evaluating the effectiveness of the Authority's internal control policies and procedures for ensuring that the provisions of certain laws, regulations, contracts and grant agreements applicable to the Authority are complied with. The financial statement audit of the Authority, for the fiscal year indicated above, was conducted by the Authority's independent public accountants.

We conducted our audit in accordance with the requirements of Section 2-90 and Section 1-122 of the General Statutes. In doing so, we planned and performed the audit to obtain reasonable assurance about whether the Authority complied in all material respects with the provisions of certain laws, regulations, contracts and grant agreements and to obtain a sufficient understanding of internal control to plan the audit and determine the nature, timing and extent of tests to be performed during the conduct of the audit.

Internal Control over Financial Operations and Compliance:

In planning and performing our audit, we considered the Connecticut Health and Educational Facilities Authority's internal control over its financial operations and its compliance with requirements as a basis for designing our auditing procedures for the purpose of evaluating the Authority's financial operations and compliance with certain provisions of laws, regulations, contracts and grant agreements, but not for the purpose of providing assurance on the effectiveness of the Authority's internal control over those control objectives. Our consideration of internal control included, but was not limited to, the following areas:

- Affirmative action
- Personnel practices
- Purchase of goods and services
- Use of surplus funds
- Distribution of loans, grants and other financial resources.

Our consideration of the internal control over the Authority's financial operations and over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial operations and compliance with requirements that might be significant deficiencies or material weaknesses.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect on a timely basis unauthorized, illegal, or irregular transactions. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to properly initiate, authorize, record, process, or report financial data reliably consistent with management's direction, and/or comply with certain provisions of laws, regulations, contracts, and grant agreements such that there is more than a remote likelihood that noncompliance with laws, regulations, contracts and grant agreements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that noncompliance which could result in significant unauthorized, illegal, irregular or unsafe transactions and/or material noncompliance with certain provisions of laws, regulations, contracts, and grant agreements that would be material in relation to the Authority's financial operations will not be prevented or detected by the Authority's internal control.

Our consideration of the internal control over the Authority's financial operations and compliance with requirements was for the limited purpose described in the first paragraph of this section and would not necessarily disclose all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We noted no matters involving internal control that we consider to be material or significant weaknesses.

Compliance and Other Matters:

As part of obtaining reasonable assurance about whether the Connecticut Health and Educational Facilities Authority complied with laws, regulations, contracts and grant agreements, noncompliance with which could result in significant unauthorized, illegal, irregular or unsafe transactions or could have a direct and material effect on the results of the Authority's financial operations for the fiscal year ended June 30, 2008, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including but not limited to the following areas:

- Affirmative action
- Personnel practices
- Purchase of goods and services
- Use of surplus funds
- Distribution of loans, grants and other financial resources.

Our examination included reviewing all or a representative sample of the Authority's activities in those areas and performing such other procedures as we considered necessary in the circumstances.

The results of our tests disclosed no material or significant instances of noncompliance. However, we noted certain matters which we reported to Authority management in the accompanying “Condition of Records” and “Recommendations” sections of this report.

This report is intended for the information of the Governor, the State Comptroller, the Appropriations Committee of the General Assembly and the Legislative Committee on Program Review and Investigations. However, this report is a matter of public record and its distribution is not limited. Users of this report should be aware that our audit does not provide a legal determination of the Authority’s compliance with the provisions of the laws, regulations, contracts and grant agreements included within the scope of this audit.

CONCLUSION

We wish to express our appreciation for the cooperation and courtesies extended to our representatives by the personnel of the Connecticut Health and Educational Facilities Authority during our examination.

Kathrine E. Williams
Associate Auditor

Approved:

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts