

# STATE OF CONNECTICUT



***AUDITORS' REPORT  
CRIMINAL JUSTICE COMMISSION  
AND  
DIVISION OF CRIMINAL JUSTICE,  
OFFICE OF THE CHIEF STATE'S ATTORNEY  
FOR THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2005***

**AUDITORS OF PUBLIC ACCOUNTS**  
KEVIN P. JOHNSTON ❖ ROBERT G. JAEKLE

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October 26, 2007

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OFFICE OF THE CHIEF STATE'S ATTORNEY  
FOR THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2005**

We have made an examination of the financial records of the Criminal Justice Commission and the Division of Criminal Justice for the fiscal years ended June 30, 2004 and 2005. This report on that examination consists of the Comments, Recommendations and Certification that follow.

The financial statements pertaining to the operations and activities of the Criminal Justice Commission (Commission) and the Division of Criminal Justice (Division) for the fiscal years ended June 30, 2004 and 2005, are presented and audited on a Statewide Single Audit basis to include all State agencies and funds. This audit examination has been limited to assessing the Division's compliance with certain provisions of financial related laws, regulations, contracts and grants, and evaluating the internal control policies and procedures established to ensure such compliance.

**COMMENTS**

**FOREWORD:**

The Commission exists pursuant to Article 23 of the Amendments to the Connecticut Constitution and Section 51-275a of the General Statutes. The Commission is granted authority under Section 51-278 of the General Statutes to appoint the Chief State's Attorney to a five-year term, two Deputy Chief State's Attorneys to four-year terms, and a State's Attorney for each Judicial District to an eight-year term. The Commission also appoints Assistant State's Attorneys and Deputy Assistant State's Attorneys. Further, the Commission has the authority to remove any of the above officials after due notice and hearing.

## ***Auditors of Public Accounts***

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The Division was established within the Executive Branch pursuant to Article 23 of the Amendments to the Connecticut Constitution and under the provisions of Section 51-276 of the General Statutes, and is responsible for the investigation and prosecution of all criminal matters in the Superior Court and has all management rights except the appointment of State's Attorneys. Under Article 23, the Chief State's Attorney is the administrative head of the Division.

### **Members of the Commission:**

Terms of the six members of the Criminal Justice Commission, who are nominated by the Governor and appointed by the General Assembly, are coterminous with that of the Governor. Appointed members of the Commission as of June 30, 2005, were as follows:

Honorable Peter T. Zarella, Chairman  
Honorable Thomas A. Bishop  
Charles L. Howard, Esquire  
Garrett M. Moore, Esquire  
Anthony A. Turco, Esquire  
Ann G. Taylor, Esquire

In addition to the members listed above, Attorney Herbert J. Shepardson also served on the Commission during the audited period. Appointed members serve without compensation other than for necessary expenses incurred in performing their duties. The Chief State's Attorney also serves as a member of the Commission.

Christopher L. Morano served as Chief State's Attorney during the audited period and continued to serve until September 5, 2006, when Kevin T. Kane was appointed Chief State's Attorney.

### **Significant New Legislation:**

Public Act 03-273 - Effective October 1, 2003, The Chief State's Attorney or a State's Attorney is allowed, when applying for a grand jury investigation, to state the specific nature of the investigation or alleged crime by reasonably concluding that the normal investigative procedures would not advance the investigation and evidence or testimony might be compromised.

Public Act 04-123 - Effective October 1, 2004, the Chief State's Attorney is allowed to appear in court to represent the State when the State's Attorney for the judicial district consents, instead of requiring an appointment by the Criminal Justice Commission based on an application, good cause, and the unavailability of another State's Attorney.

**RÉSUMÉ OF OPERATIONS:**

Public Act 04-02 of the May Special Session of the 2004 General Assembly authorized the establishment of a new special revenue fund for grant and restricted accounts activity. During the 2003-2004 fiscal year, as a result of the implementation of the new Core-CT State accounting system and Public Act 04-02, the Comptroller established a new special revenue fund entitled “Grants and Restricted Accounts Fund” to account for Federal and other revenues that are restricted from general use and were previously recorded in the General Fund as restricted contributions and accounts.

**General Fund:**

Comparative summaries of the Division’s General Fund receipts for the audited period, as compared to the period ended June 30, 2003, are shown below:

	<b><u>Fiscal Year Ended June 30,</u></b>		
	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>
General Fund:	\$	\$	\$
Forfeitures	3,993,434	8,234,577	3,773,924
Federal aid – miscellaneous	538,006	720,074	737,221
Penalties and settlements	259,935	1,075,183	1,455,816
Restricted contributions:			
Other than Federal	1,313,277	0	0
Federal	1,063,145	0	0
All other receipts	123,555	80,342	80,561
<b>Total General Fund Receipts</b>	<b><u>\$7,291,352</u></b>	<b><u>\$10,110,176</u></b>	<b><u>\$6,047,522</u></b>

General Fund receipts increased by \$2,818,824 and decreased \$4,062,654 during the fiscal years ended June 30, 2004 and 2005, respectively. The fluctuations during the audited period were attributable to several factors. There were large increases and decreases in bond forfeiture collections during the audited fiscal years that were a result of criminal defendants failing to appear for a court date. The total amount of the forfeitures can fluctuate greatly depending on the volume of activity in any given year. Also, there were increases in Federal reimbursements of indirect cost recoveries for continuing crime and drug control related programs. Additionally, large increases in “penalty and settlement” moneys were received as a result of global settlements of Medicaid Fraud cases prosecuted by the Federal government during the audited period. Total receipts were offset by decreases in (1) Federal and nonfederal grant receipts due to a change in the accounting for restricted account activity as described above, and (2) proceeds received from sales of older Division automobiles through auctions conducted by the Department of Administrative Services.

## *Auditors of Public Accounts*

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Comparative summaries of the Division's General Fund expenditures for the audited period, as compared to expenditures for the period ended June 30, 2003, are shown below.

	<b>Fiscal Year Ended June 30,</b>		
	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>
Budgeted Accounts:	\$	\$	\$
Personal services	35,099,664	34,809,694	36,993,893
Contractual services	2,652,799	2,616,183	2,908,803
Commodities	376,937	524,061	648,479
Sundry charges	2,067	29,863	40,420
Equipment	<u>362,603</u>	<u>1,000</u>	<u>16,576</u>
Total Budgeted Accounts	<u>38,494,070</u>	<u>37,980,801</u>	<u>40,608,171</u>
Restricted Contributions Accounts:			
Federal contributions	1,262,097	0	0
Other than Federal contributions	<u>1,235,117</u>	<u>0</u>	<u>0</u>
Total Restricted Contributions Accounts	<u>2,497,214</u>	<u>0</u>	<u>0</u>
<b>Total General Fund Expenditures</b>	<b><u>\$40,991,284</u></b>	<b><u>\$37,980,801</u></b>	<b><u>\$40,608,171</u></b>

General Fund budgeted account expenditures decreased by \$513,269 and increased \$2,627,370 during the fiscal years ended June 30, 2004 and 2005, respectively, representing a five percent increase over the audited period. Personal and contractual services expenditures accounted for the majority of budgeted account expenditures.

Decreases in expenditures during the 2003-2004 fiscal year were partially due to personal services costs from the implementation of budgetary constraints and measures that included a hiring freeze, layoffs, and a 2002-2003 fiscal year early retirement incentive. Increases in expenditures during the 2004-2005 fiscal year were primarily attributable to full-time positions eventually being filled replacing those who took the early retirement, retroactive payments on contract settlements, and annual salary increases. Contractual services expenditures slightly increased during the audited period due to (1) police witness fees being increased from \$40 to \$100 per day, and (2) increases in costs of medical services for examinations of victims for the purpose of collecting forensic evidence.

Expenditures from General Fund restricted contributions accounts decreased by \$2,497,214 during the audited period due to a change in accounting for restricted account activities as a result of the implementation of a new State accounting system as explained above.

In addition, the Criminal Justice Commission also had expenditures for the two year period which totaled \$268 and \$169, respectively. These expenditures were primarily for food provided for the Commissioners at their meetings.

### **Special Revenue Fund – Federal and Other Restricted Accounts:**

As previously explained, beginning with the 2003-2004 fiscal year, restricted accounts that had previously been reported in the General Fund are now recorded by the Comptroller in a newly established special revenue fund. The Division's Federal and Other Restricted Accounts receipts totaled \$2,236,122 and \$2,645,061 for the fiscal years ended June 30, 2004 and 2005,

respectively. These receipts consisted primarily of Federal and State reimbursements for continuing crime and drug control related programs.

Expenditures in the Federal and Other Restricted Accounts totaled \$1,894,906 and \$2,781,320 for the fiscal years ended June 30, 2004 and 2005, respectively. Expenditures primarily consisted of personal services, related fringe benefits, and miscellaneous costs for various Federal and State programs including Juvenile Prosecution Enhancement, Stop Violence against Women, Statewide DWI Prosecution and Community Prosecution Programs.

In addition to the above special revenue fund expenditures, capital equipment purchases totaling \$14,778 and \$490,876 were paid from the Capital Equipment Purchases Fund during the respective audited years. Purchases were primarily for motor vehicles, computers, and telecommunication equipment.

**Pending Receipts Fund:**

The Division used a pending receipts fund to hold moneys in a custodial capacity until final disposition was determined. Total receipts collected and deposited were \$1,255,660 and \$1,862,259 for the fiscal years ended June 30, 2004 and 2005, respectively. Pending Receipts Fund withdrawals were based on actual activity and represented the final disposition of previously deposited unknown receipts into appropriate revenue accounts or returned to payors.

**Program Evaluation:**

Section 2-90 of the General Statutes authorizes the Auditors of Public Accounts to examine the operations of State agencies to determine their effectiveness in achieving legislative directives. We decided to follow-up on our prior recommendation and determine whether the Division of Criminal Justice has complied with Section 51-279c of the General Statutes and The Connecticut Association of Prosecutors' Collective Bargaining Agreement which requires a formal training program and certain training requirements for prosecuting attorneys.

Section 51-279c of the General Statutes requires that the Chief State's Attorney establish a formal training program for all newly appointed prosecuting attorneys consisting of not less than five days of training and an ongoing training program for all prosecuting attorneys consisting of not less than two days each year. The Connecticut Association of Prosecutors' Collective Bargaining Agreement (CAP) requires that each member of the Union participate in 14 hours of professional development in each fiscal/contract year.

Our review noted improvements were made with the offering of annual two-day training sessions and programs and the development of a recording and tracking system to account for prosecutors' training requirements, however, statutory and CAP requirements for all prosecutors to meet the required amount of training within the required time were not met as noted in the recommendation below.

**Prosecuting Attorneys' Training Program:**

*Criteria:* Pursuant to Section 51-279c of the General Statutes, the Chief State's Attorney is to establish a formal training program for all newly-appointed prosecuting attorneys consisting of not less than five days, and an ongoing training program for all prosecuting attorneys consisting of not less than two days each year. The Connecticut Association of Prosecutors' Collective Bargaining Agreement mandates that each member of the Union participate in 14 hours of professional development in each fiscal/contract year.

*Condition:* Adequate administrative controls are lacking to verify that prosecutors are in compliance with annual training requirements. The Division offered annual two-day training sessions to all its prosecutors; however, due to their official duties, not all prosecutors are able to attend. Efforts were also made to send new prosecutors to the National District Attorneys Association's programs; however, due to timing and limited access, not all new prosecutors could attend.

Based on the *Training Hours Summary* report, a training attendance record for all prosecuting attorneys, 31 and 21 percent of all prosecutors for the fiscal years ended June 30, 2005 and 2006, respectively, were found short of the required training hours. Additionally, the attending dates and hours posted are sometimes based on the sign-up sheet of a seminar or course and not on actual attendance records or certificates of completion.

*Effect:* The requirements of the General Statutes and the collective bargaining agreements for the amount of training for all prosecutors were not fully met nor substantiated in some cases.

*Cause:* The Division believes there is a lack of both funding and staffing resources to adequately provide the necessary training, and to monitor each prosecutor's compliance with those requirements.

*Recommendation:* The Division should continue its efforts in establishing formal training programs for new prosecutors and monitor all prosecutors' training to ensure compliance with statutory and collective bargaining requirements. (See Recommendation 1.)

*Agency Response:* "In August 2005, the Division implemented a new database application designed to collect information regarding employee training. This has enabled the creation of reports which greatly improve our ability to measure compliance with Section 51-279c and the Connecticut Association of Prosecutors' (CAP) collective bargaining agreement training requirements for prosecuting attorneys. Although the data for fiscal year 2005 may be incomplete, fiscal year 2006 activity shows significant improvement in the number of prosecutors who met their

training requirements, as was recognized in the audit. FY06 saw a 65 percent increase in overall prosecutor training hours – from 5,360 in FY05 to 8,866 hours. However, the ability of the Division of Criminal Justice to fully address the issues raised in the audit, such as substantiation of attendance at approved training events, is hampered by its lack of staff resources – specifically, a staff person dedicated to coordinating training events and monitoring compliance with training requirements. Despite repeated requests to the Office of Policy and Management for a Training Coordinator position, approval has not been granted. We will continue to host in-state training events for both new and senior prosecutors and continue to take advantage of the training opportunities afforded to new prosecutors by the National District Attorneys’ Association, but until we have dedicated training staff, similar to what exists in other state agencies, efforts to develop and monitor formal training programs will be limited. Since we revised the Training Request Form in FY07 to require the requester to identify how attendance will be verified, we will make an effort to emphasize the importance of submitting evidence of attendance. We also plan to again request the position of Training Coordinator in our expansion budget options for FY09 to be submitted this fall.”

## CONDITION OF RECORDS

Our review of the financial records of the Division of Criminal Justice disclosed some areas requiring comment and/or improvements that are discussed below.

### **Loss Reporting:**

*Criteria:* Section 4-33a of the General Statutes requires all State agencies to promptly notify the Auditors of Public Accounts and the State Comptroller of any unauthorized, illegal, irregular, or unsafe handling of State funds or breakdowns in the safekeeping of other State Resources.

*Condition:* During the course of our audit, management brought to our attention that an employee had used a State cell phone for personal usage. This unauthorized use of State resources was estimated at \$5,595 and was resolved by having the employee reimburse the State for this cost. However, the Division did not promptly notify the Auditors of Public Accounts and the State Comptroller of the unauthorized use of State resources.

*Effect:* The Division did not comply with Section 4-33a of the General Statutes.

*Cause:* Management initially discovered the misuse and resolved this matter internally, and due to oversight, failed to report this matter as required to appropriate officials.

*Recommendation:* The Division should comply with Section 4-33a of the General Statutes that requires prompt notification to the Auditors of Public Accounts and the State Comptroller when there is a breakdown in the safekeeping of State resources. (See Recommendation 2.)

*Agency Response:* “When management became aware of an employee’s inappropriate use of a state issued cell phone in August 2004, we immediately ordered a deactivation of the phone number, retrieved the cell phone from the employee, initiated an internal investigation, and referred the matter to the Connecticut State Police (CSP) for further investigation and determination of criminal activity. The agency believed it was taking appropriate action by notifying the State Police and was not aware that this situation required the filing of a Report of Loss or Damage to State Owned Real and Personal Property (Form CO-853) until advised by the auditors, at which time it filed the report (November 2006). The criminal investigation, concluded in July 2005, did not establish probable cause that a crime was committed. In February 2006, the employee reimbursed the Division \$5,595 for inappropriate cell phone usage charges. This was deposited in the State’s General Fund account.”

**Accounts Receivable Controls:**

*Criteria:* It is Management's responsibility to establish and maintain adequate and effective internal controls. The State Accounting Manual prescribes policies and procedures for accounts receivable records management, including that records should be accurate and complete. Good business practices and internal controls provide for documentation of transactions, accounts reconciliation, timely collection efforts, write-off of uncollectible accounts, and reliable and accurate reports.

Drug Asset Forfeitures: Section 54-36h, subsection (b), of the General Statutes authorizes the Division of Criminal Justice to pursue civil actions for the forfeiture of assets seized during arrests relating to controlled substances. Section 54-36i, subsection (a), of the General Statutes, establishes the drug asset forfeiture revolving account for depositing the net proceeds of ordered forfeitures, while subsection (c), requires that 70 percent of these forfeitures be allocated to the Department of Public Safety, 20 percent to the Department of Mental Health and Addiction Services and ten percent to the Division. The Department of Public Safety allocation is passed through to law enforcement agencies. The Division has a fiduciary responsibility for deposits and allocations of this account.

Bond Forfeitures: Section 51-279b, subsections (b), and (c), of the General Statutes establishes the Division's responsibility for the collection of forfeited bonds and provides for the authority to compromise and settle for less than the amount due. A former Chief State's Attorney established a uniform standard that requires payment of 50 percent within seven days, 75 percent within 30 days, and 100 percent thereafter.

*Condition:* We noted control weaknesses over the collection activities and bond forfeiture system for accounts receivable relating to drug asset forfeitures and bond forfeitures.

Drug Asset Forfeitures: Drug asset forfeiture accounts receivable balances decreased from \$1,500,000 at June 30, 2003, to \$1,142,000 at June 30, 2005. Subsequent to the audited period, the accounts receivable balance further decreased to \$797,000 at June 30, 2006. During this time, uncollected receivable balances over one and a half years after the court-ordered forfeiture date decreased from \$1,100,000 at June 30, 2003, to \$327,000 at June 30, 2006, a decrease of over 70 percent. Even though the receivable balances have decreased, there are still some 200 older cases totaling \$213,000, dated between 1989 and 2000, that should be either collected or written off.

Bond Forfeitures: The Division collected approximately \$11,939,000 in bond forfeitures during the audited period. During this period, bond forfeiture accounts receivable balances increased from \$4,700,000 at June

30, 2003, to \$4,963,000 at June 30, 2005. Subsequent to the audited period, the accounts receivable balance further increased to \$6,772,000 at June 30, 2006. Uncollected receivable balances over two years old totaled \$2,300,000 at June 30, 2006 which consisted of 110 cases.

The Division's bond forfeiture system includes a database that calculates the amount due, based on the compromise schedule and data downloaded from the Judicial Department. System weaknesses include the lack of a (1) reconciliation between actual receipts and amounts posted to the database, and (2) list of aged outstanding accounts receivable to assist in the collection process.

*Effect:* The control weaknesses over collection activities and the bond forfeiture system increase the risk that accounts receivables will not be collected and deposited.

*Cause:* Drug Asset Forfeitures: Inadequate oversight and manpower contributed to the lack of effort that is necessary to resolve the older outstanding cases.

Bond Forfeitures: Inadequate staffing contributed to the collection deficiencies. Also, the database used to record and account for bond forfeitures is outdated and does not provide adequate reports that could help in the collection process.

*Recommendation:* The Division should improve its controls over accounts receivable to ensure that records are complete and that collection efforts are made in a timely manner. (See Recommendation 3.)

*Agency Response:* “Drug Asset Forfeitures:  
We are pleased that significant improvements in the collection of drug asset forfeiture accounts receivable was noted in the audit. The Division continues to pursue collection of outstanding receivables by regularly issuing reports of receivable balances to the law enforcement agencies which initiate drug arrests, and follow-up with offers of assistance in locating records. In January 2007, the Chief States Attorney approved a revision to the Write-off Policy for Forfeiture Receivables to include as uncollectible “all monies erroneously deposited to the General Fund, despite a valid civil forfeiture judgment.” It is expected that this will permit the write-off of additional receivables. At present, the value of receivables for the older civil cases dated between 1989 and 2000 total approximately \$190,000 which shows a decrease from the audit period. The Division will review the remaining older cases and determine whether consideration should be given to writing off those which may not have a reasonable expectation of collection because of their age.

Bond Forfeitures:

The Division acknowledges the increase in bond forfeiture receivables and the weaknesses in the current bond forfeiture database system, which is dependent on information downloads from the Judicial Department. It was our hope that legislation proposed during the 2007 General Assembly session would have shifted the responsibility for collection of these receivables from the Division to the Department of Administrative Services which has staff devoted to collection activity. Unfortunately, this proposed legislation did not pass. In light of this, the Division plans to begin development of a new bond forfeiture database this fall which will address the weaknesses in the audit. However, the lack of adequate staff resources to devote to collection activity is contributing to the growing receivable balances. We will again request new positions in the budget expansion options for FY 2009 to devote to this activity, but without added staff there is limited additional effort which can be devoted to this labor intensive activity.”

**Court Operation’s Policy and Procedures for Receipts:**

*Criteria:* Judicial Branch Court Operation’s policy and procedures for collections of charitable contributions in lieu of fines requires that, (1) the prosecutor fill out a standard form and provide it to the defendant, (2) the defendant brings the completed form with the contribution to the Clerk’s office, and (3) the Clerk records the information, retains the form, and provides the defendant with a receipt record for the contribution.

*Condition:* During the course of our audit, management brought to our attention that two prosecutors had handled court receipts from defendants consisting of charitable contributions in lieu of fines and restitution monies to be forwarded to victims.

There are no policy and procedures in place addressing the accounting, collecting, and disbursing of restitution monies.

*Effect:* The prosecutor who handled court receipts for charitable contributions violated Court Operation’s procedures. Additionally, an investigation and subsequent court case pursued resulting in a conviction and an alleged theft of \$600.

Not having policy and procedures in place for the collection of restitution monies increases the risk of funds being unaccounted for.

*Cause:* Management informed us that all prosecutors are aware of court operating procedures prohibiting them from handling court receipts for charitable contributions.

It is not uncommon for prosecutors to handle restitution monies, however, due to oversight, no policy and procedures have been developed to address this issue.

*Recommendation:* The Division should remind prosecutors to comply with court operating procedures prohibiting them of collecting certain court receipts and establish, in conjunction with Judicial Branch Court Operations, policy and procedures for restitution monies collected. (See Recommendation 4.)

*Agency Response:* “The Division will remind prosecutors of court operating procedures which prohibit them collecting certain court receipts. The Division is in the process of developing a policy for the collection of restitution monies that will establish a common procedure for how this is handled in all judicial districts.”

**Time and Attendance Reporting for State’s Attorneys:**

*Background:* Article XXIII of the Connecticut Constitution establishes within the executive department a Division of Criminal Justice. Said Division shall include the Chief State’s Attorney, who shall be its administrative head, and the State’s Attorneys for each judicial district. The prosecutorial power of the State shall be vested in a Chief State’s Attorney and the State’s Attorney for each judicial district. Section 51-278 of the General Statutes states that the Criminal Justice Commission shall appoint an administrative head of the Division of Criminal Justice whose title shall be Chief State’s Attorney. The Commission’s primary responsibility is “the appointment and discipline, unless otherwise provided by collective bargaining agreement, of attorneys in the Division of Criminal Justice, according to law.”

*Criteria:* As prescribed in Section 51-279 of the General Statutes, part of the Chief State’s Attorney’s duties shall include: establishing guidelines, policies and procedures for the internal operation and administration of the Division which shall be binding on all Division personnel, and supervising the administrative methods and systems employed in the Division. Section 51-278a of the General Statutes requires that the State’s Attorneys devote full-time to their duties and good business and administrative practices would include providing methods of adequate accountability in performing one’s duties.

*Condition:* In the prior and current audited periods, we noted weaknesses in the following administrative practices that relate to the Chief State’s Attorney, Deputy Chief State’s Attorneys and judicial district State’s Attorneys.

There are no Division policies or regulations requiring the Chief State’s Attorney, Deputy Chief State’s Attorneys, and the 13 judicial district State’s Attorneys to maintain timesheets or other documentation of time

spent performing their duties. They do not complete timesheets nor formally record or account for time worked. Each judicial district State's Attorney recognizes that their normal scheduled hours should coincide with that of their court offices; however, due to the nature of the work they can decide to work at home or at any location that they deem appropriate. They are required to be available any time of the day, night, or on weekends, if needed, to deal with issues relating to their functions.

In addition, the State's Attorneys do not accrue or use any type of leave time, such as, personal, vacation or sick leave. We were informed that if a judicial district (JD) State's Attorney does take time for a vacation or is otherwise unavailable for duty, the JD State's Attorney is only required to notify the Chief State's Attorney in advance, in writing, of where he/she can be contacted, when it is anticipated that they will be out of State. They must also designate an individual in their office to act on his/her behalf during the absence. They receive annual salaries, based on compensation plans set by the Department of Administrative Services. Annual salaries are adjusted only for disciplinary action taken by the Commission.

*Effect:* Internal controls are weakened when time worked is not properly documented. Additionally, the Commission's decisions in reviewing State's Attorneys for reappointment or possible disciplinary action could be hampered without adequate supporting documentation of actual time worked.

*Cause:* Historical practices of the Division have not required that time sheets or other internal supporting documentation such as personal calendars and schedules be maintained, nor required the accrual and use of leave time.

*Recommendation:* The Division should establish policy and procedures for documenting time worked and leave time taken for the Chief State's Attorney, Deputy Chief State's Attorneys and judicial district State's Attorneys. (See Recommendation 5.)

*Agency Response:* "I will be working with the Deputy Chief State's Attorneys and State's Attorneys this summer and fall to establish a work schedule and a method of recording and accounting for time worked. This will, in all likelihood, also require the creation of leave plans for this group of employees because, at present, none exists. It is expected that the Department of Administrative Services and the Office of Policy and Management will be involved in the review and approval of any proposed plan."

## RECOMMENDATIONS

Our prior report on the Criminal Justice Commission and the Division of Criminal Justice contained five recommendations pertaining to the Division. Of the recommendations, one has been implemented and four are being restated and/or repeated. One new recommendation is being presented as a result of our current examination.

### *Status of Prior Audit Recommendations:*

- *The Division should strengthen its controls over fixed assets/inventory and the annual reporting of such assets.* The Division has improved its controls and reporting over fixed assets/inventory by closely monitoring its motor vehicles and computer equipment; however, a reporting deficiency for State property existed. As a result, this recommendation is being repeated in modified form. (See Recommendation 2.)
- *The Division should have a complete and updated comprehensive Administrative Policies and Procedures Manual.* The Division has properly completed and approved an updated comprehensive Administrative Policies and Procedures Manual; therefore, this recommendation is not being repeated.
- *Internal controls and procedures should be improved to ensure that accounts receivable are reliable and complete and that collection efforts are made in a timely manner.* The Division has improved its controls and procedures over accounts receivable by implementing a new database for drug asset forfeitures, distributing adequate policies and procedures to law enforcement agencies, writing off receivables when deemed uncollectible, and by statutorily transferring the collection responsibilities of certain imposed costs of certain cases to the Judicial and Motor Vehicle Departments. However, collection efforts for forfeitures still need improvement; therefore, this recommendation is being repeated in modified form. (See Recommendation 3.)
- *The Division should continue its efforts in establishing formal training programs for new prosecutors and should monitor all prosecutors' training to ensure compliance with statutory and collective bargaining requirements.* Some improvements were noted, including the offering of training programs and the development of a recording and tracking system to account for prosecutors' training requirements, however, deficiencies in this area still exist. As a result this recommendation will be repeated in modified form. (See Recommendation 1.)
- *The Commission should seek legislative and/or constitutional clarification of the Chief State's Attorney's authority over the judicial district State's Attorneys concerning policies and procedures relating to matters other than prosecutorial issues.* Policies and procedures on some matters such as the accountability of asset forfeiture receivables processed through criminal proceedings, dual employment, and concerns of the Chief State's Attorney's authority over the judicial district State's Attorneys regarding non-prosecutorial matters have been sufficiently clarified and resolved, however, deficiencies in this area still exist. As a result, this recommendation is being repeated in modified form. (See Recommendation 5.)

*Current Audit Recommendations:*

- 1. The Division should continue its efforts in establishing formal training programs for new prosecutors and monitor all prosecutors' training to ensure compliance with statutory and collective bargaining requirements.**

Comment:

Additional training programs for prosecutors should be made available for those who cannot attend the mandatory annual two-day training session due to official duties. The Division did not adequately monitor all prosecutors' training to ensure that the required amount of training was met.

- 2. The Division should comply with Section 4-33a of the General Statutes that requires prompt notification to the Auditors of Public Accounts and the State Comptroller when there is a breakdown in the safekeeping of State resources.**

Comment:

The Division did not report the unauthorized use of State property to the appropriate officials in a prompt manner.

- 3. The Division should improve its controls over accounts receivable to ensure that records are complete and that collection efforts are made in a timely manner.**

Comment:

Our examination noted weaknesses over accounts receivable including a lack of collections for the drug asset forfeitures and bond forfeitures. Additionally, the database for bond forfeitures is outdated and does not provide reconciliations or adequate aging reports to assist in the collection process.

- 4. The Division should remind prosecutors to comply with court operating procedures prohibiting them of collecting certain court receipts and establish, in conjunction with Judicial Branch Court Operations, policy and procedures for restitution monies collected.**

Comment:

We noted in one case that a prosecutor had handled charitable contributions contrary to operating procedures and no written policy and procedures exist for restitution monies collected.

- 5. The Division should establish policy and procedures for documenting time worked and leave time taken for the Chief State's Attorney, Deputy Chief State's Attorneys, and judicial district State's Attorneys.**

Comment:

Historically, timesheets, personal calendars, or schedules were not required nor maintained to document time worked or leave time taken. This lack of reporting weakens internal controls and could hinder the Commission's decision process when reviewing State's Attorneys for reappointment or disciplinary action.

## INDEPENDENT AUDITORS' CERTIFICATION

As required by Section 2-90 of the General Statutes we have audited the books and accounts of the Criminal Justice Commission and the Division of Criminal Justice for the fiscal years ended June 30, 2004 and 2005. This audit was primarily limited to performing tests of the Agency's compliance with certain provisions of laws, regulations, contracts and grants, and to understanding, and evaluating the effectiveness of the Agency's internal control policies and procedures for ensuring that (1) the provisions of certain laws, regulations, contracts and grants applicable to the Agency are complied with, (2) the financial transactions of the Agency are properly recorded, processed, summarized and reported on consistent with management's authorization, and (3) the assets of the Agency are safeguarded against loss or unauthorized use. The financial statement audits of the Criminal Justice Commission and the Division of Criminal Justice for the fiscal years ended June 30, 2004 and 2005, are included as a part of our Statewide Single Audits of the State of Connecticut for those fiscal years.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Criminal Justice Commission and the Division of Criminal Justice complied in all material or significant respects with the provisions of certain laws, regulations, contracts and grants and to obtain a sufficient understanding of the internal control to plan the audit and determine the nature, timing and extent of tests to be performed during the conduct of the audit.

### **Compliance:**

Compliance with the requirements of laws, regulations, contracts and grants applicable to the Criminal Justice Commission and the Division of Criminal Justice is the responsibility of the Criminal Justice Commission and the Division of Criminal Justice's management.

As part of obtaining reasonable assurance about whether the Agency complied with laws, regulations, contracts and grants, 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 Agency's financial operations for the fiscal years ended June 30, 2004 and 2005, we performed tests of its compliance with certain provisions of the laws, regulations, contracts and grants. However, providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial or less than significant instances of noncompliance, which are described in the accompanying "Program Evaluation," "Condition of Records," and "Recommendations" sections of this report.

**Internal Control over Financial Operations, Safeguarding of Assets and Compliance:**

The management of the Criminal Justice Commission and the Division of Criminal Justice is responsible for establishing and maintaining effective internal control over its financial operations, safeguarding of assets, and compliance with the requirements of laws, regulations, contracts and grants applicable to the Agency. In planning and performing our audit, we considered the Agency's internal control over its financial operations, safeguarding of assets, and compliance with requirements that could have a material or significant effect on the Agency's financial operations in order to determine our auditing procedures for the purpose of evaluating the Criminal Justice Commission and Division of Criminal Justice's financial operations, safeguarding of assets, and compliance with certain provisions of laws, regulations, contracts and grants, and not to provide assurance on the internal control over those control objectives.

However, we noted certain matters involving the internal control over the Agency's financial operations, safeguarding of assets, and/or compliance that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control over the Agency's financial operations, safeguarding of assets, and/or compliance that, in our judgment, could adversely affect the Agency's ability to properly record, process, summarize and report financial data consistent with management's authorization, safeguard assets, and/or comply with certain provisions of laws, regulations, contracts and grants. We believe the following findings represent reportable conditions: (1) inadequate monitoring of prosecutor's training requirements, (2) weaknesses in accounts receivable controls and procedures, and (3) lack of policy and procedures for restitution monies collected.

A material or significant weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with certain provisions of laws, regulations, contracts and grants or the requirements to safeguard assets that would be material in relation to the Agency's financial operations or noncompliance which could result in significant unauthorized, illegal, irregular or unsafe transactions to the Agency being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over the Agency's financial operations and over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material or significant weaknesses. However, we do not believe that the reportable conditions described above are material or significant weaknesses.

We also noted other matters involving internal control over the Agency's financial operations and over compliance which are described in the accompanying "Program Evaluation," "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.

**CONCLUSION**

We wish to express our appreciation for the courtesies and cooperation extended to our representatives by the Criminal Justice Commission and the Division of Criminal Justice personnel during the course of our audit.

William T. Zinn  
Associate Auditor

Approved:

Kevin P. Johnston  
Auditor of Public Accounts

Robert G. Jaekle  
Auditor of Public Accounts