

# STATE OF CONNECTICUT

**AUDITORS' REPORT  
JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT  
FOR THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2005**

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

Table of Contents

---

**INTRODUCTION** .....1

**COMMENTS** .....1

    Foreword .....1

        Members of the Joint Committee on Legislative Management .....2

        Legislative Changes .....3

        Legislative Branch Offices and Commissions .....3

    Résumé of Operations .....3

        Receipts and Expenditures .....3

        Permanent Commission on the Status of Women .....5

        Commission on Children .....5

        Latino and Puerto Rican Affairs Commission .....7

        African-American Affairs Commission .....7

        Other Legislative Commissions .....8

**CONDITION OF RECORDS** .....10

    Noncompliance with Commission Reporting and Meeting Requirements .....10

    Commission Event Accountability and Late Deposit .....12

    Accounting for Property .....14

**RECOMMENDATIONS** .....15

**CERTIFICATION** .....17

**CONCLUSION** .....18

November 3, 2006

**AUDITORS' REPORT  
JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT  
FOR THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2005**

We have examined the financial records of the Joint Committee on Legislative Management and those commissions whose financial affairs were administered by that Committee including the Permanent Commission on the Status of Women, Commission on Children, Latino and Puerto Rican Affairs Commission, State Capitol Preservation and Restoration Commission, and the African-American Affairs Commission.

Our examination covered the fiscal years ended June 30, 2004 and 2005. Financial statement presentation and auditing is done on a Statewide Single Audit basis to include all State agencies. This examination has been limited to assessing the Joint Committee on Legislative Management's and the related Commissions' compliance with certain provisions of financial laws, regulations, contracts and grants, and evaluating the Committee's and related Commissions' internal control structure and procedures established to ensure such compliance. This report on our examination consists of the Comments, Condition of Records, Recommendations and Certification that follow.

**COMMENTS**

**FOREWORD:**

The Joint Committee on Legislative Management (JCLM, or Committee) operates, generally, under the provisions of Title 2, Chapter 18a, Sections 2-71a through 2-71x, of the General Statutes. It is responsible for the financial affairs of the General Assembly, including the coordination and management of legislative matters and the supervision and approval of legislative expenditures from all appropriations to the General Assembly, legislative commissions and legislative interim committees. It must review and approve budgetary requests of all legislative commissions, committees, and agencies, and coordinate the work of the General Assembly's standing committees. The Committee is required to assess ways and means to improve the legislative operation and to make improvements in the legislative organization, procedures, facilities and working conditions. It is also responsible for the maintenance, supervision and control of the State Capitol and the

Legislative Office Building and grounds as well as for the undertaking of authorized capital projects involving the preservation and restoration of the State Capitol building.

**Members of the Joint Committee on Legislative Management:**

Under the provisions of Section 2-71a of the Connecticut General Statutes, the membership of JCLM shall be as provided in the joint rules of the House of Representatives and the Senate. Such rules provide for 20 members to be appointed from the House of Representatives and 13 from the Senate. As of June 30, 2005, the Committee's membership was as follows:

- House Members:
  - Co-Chairperson, Speaker, James A. Amann
  - Deputy Speaker, Emil Altobello, Jr.
  - Deputy Speaker, Mary G. Fritz
  - Deputy Speaker, Robert D. Godfrey
  - Deputy Speaker, Marie L. Kirkley-Bey
  - Majority Leader, Christopher G. Donovan
  - Minority Leader, Robert M. Ward
  - Representative Reginald G. Beamon
  - Representative Richard O. Belden
  - Representative Lawrence F. Cafero, Jr.
  - Representative Michael A. Christ
  - Representative Ruth C. Fahrback
  - Representative John C. Geragosian
  - Representative Denise W. Merrill
  - Representative Evelyn C. Mantilla
  - Representative Walter M. Pawelkiewicz
  - Representative Claudia Powers
  - Representative Pamela Z. Sawyer
  - Two Vacancies
- Senate Members:
  - Co-Chairperson, President Pro Tempore, Donald E. Williams, Jr.
  - Chief Deputy President Pro Tempore, Biagio Ciotto
  - Majority Leader, Martin M. Looney
  - Minority Leader, Louis C. DeLuca
  - Senator Thomas A. Colapietro
  - Senator Joseph J. Crisco, Jr.
  - Senator Judith G. Freedman
  - Senator Thomas P. Gaffey
  - Senator George L. Gunther
  - Senator Joan V. Hartley
  - Senator John McKinney
  - Senator Ernest E. Newton, II
  - One Vacancy

The vacancies represent appointments that had not been made as of June 30, 2005. D'Ann Mazzocca served as Executive Director during the audited period. Other members who served during the audited period were:

- House Members:
  - Co-Chairperson, Speaker, Moira K. Lyons
  - Deputy Speaker, Melody A. Currey
  - Deputy Speaker, Wade A. Hyslop, Jr.
  - Representative Raymond V. Collins
  - Representative William R. Dyson
  - Representative Brian J. Flaherty
  - Representative Roberty T. Keeley
- Senate Members:
  - Co-Chairperson, President Pro Tempore, Kevin B. Sullivan
  - Senator William A. Aniskovich
  - Senator Thomas J. Herlihy

**Legislative Changes:**

Public Act 03-01, Section 106, of the June 30, 2003, Special Session, codified as Section 2-71x, and effective August 16, 2003, required the Department of Revenue Services to provide to the Office of Legislative Management two million dollars (of taxes imposed on public service companies providing community antenna television service) to defray the cost of providing television coverage of State government deliberations and public policy events. During the audited period, amounts were provided and used to defray the costs of providing television coverage.

Public Act 03-229, effective October 1, 2003, and codified in parts of Section 2-120 requires, generally, that the Latino and Puerto Rican Affairs Commission work in consultation with JCLM to establish short- and long-term initiatives to meet the Latino and Puerto Rican community's needs. The Latino and Puerto Rican Affairs Commission has informed us that it is continuing to work toward these goals, however has not met with JCLM for this purpose as of February 9, 2006. This is disclosed in the Condition of Records section of this report.

Special Act 04-8, effective October 1, 2004, created an interagency task force on trafficking in persons and the Permanent Commission on the Status of Women was required to provide support staff and services for the task force. A report on the task force findings was issued in January 2006.

**Legislative Branch Offices and Commissions:**

Through its administrative staff, the Committee supports the operations of all legislative committees and commissions and the various agencies of the legislative branch, except the Auditors of Public Accounts. Within the budget for the Committee, provisions are made to fund the operations of Legislative Offices, including the Office of Legislative Management, Office of Legislative Research, Office of Fiscal Analysis, Program Review and Investigations, Legislative Library, Office of Information Technology, State Capitol Police, Offices of the Senate and House Clerks, and the Legislative Commissioners' Office.

Separate General Fund budgets were approved for the Permanent Commission on the Status of Women, the Commission on Children, the Latino and Puerto Rican Affairs Commission and the African-American Affairs Commission, as well as for the Auditors of Public Accounts. Other legislative commissions include the Law Revision Commission, the State Capitol Preservation and Restoration Commission, the Commission on Compensation of Elected State Officials and Judges, the Commission on Uniform Legislation and the Commission on Innovation and Productivity. The statutory authority, duties and membership of certain commissions are discussed in the "Résumé of Operations" section of this report.

**RÉSUMÉ OF OPERATIONS:**

**Receipts and Expenditures**

Public Act 04-2 of the May Special Session of the 2004 General Assembly authorized the establishment of two new special revenue funds relative to grants and restricted accounts. One of

***Auditors of Public Accounts***

---

these funds established by the State Comptroller during the fiscal year ended June 30, 2004, is the “Grants and Restricted Accounts Fund” (12060) to account for certain Federal and other revenues that are restricted from general use and were previously accounted for in the General Fund. Thus, starting with the fiscal year ended June 30, 2004, Federal grants and other restricted funds that were formerly accounted for in the General Fund have been reclassified into this newly established fund.

Receipts recorded within the Office of Legislative Management (OLM), which is the administrative office established under JCLM, totaled \$166,295, \$2,478,042 and \$2,499,397 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. The increase in receipts from the fiscal year ended June 30, 2003, include the transfer of \$2,000,000 each year from the Department of Revenue Services to defray the costs of providing television coverage of State government deliberations and public policy events in accordance with Public Act 03-01 of the June 30, 2003, Special Session. Other receipts consisted of rental payments from food service contractors, refunds of expenditures, Federal and non-Federal Aid.

Expenditures for OLM’s operations totaled \$49,851,670 and \$55,327,731 during the fiscal years ended June 30, 2004 and 2005. A summary of the General Fund’s, Special Revenue Fund’s, and Grants and Restricted Accounts Fund’s expenditures is presented below. For comparative purposes, expenditures for the fiscal year ended June 30, 2003, are also presented.

	<u>2002-2003</u>	<u>2003-2004</u>	<u>2004-2005</u>
General Fund – Budgeted Accounts	\$47,853,560	\$48,076,692	\$53,257,456
Special Revenue Fund (12021)		3,879	2,623
Grant/Restricted Fund (12060)		<u>1,771,099</u>	<u>2,067,651</u>
Totals	<u>\$47,853,560</u>	<u>\$49,851,670</u>	<u>\$55,327,730</u>

A summary of expenditures for only the Office of Legislative Management follows:

	<u>2002-2003</u>	<u>2003-2004</u>	<u>2004-2005</u>
Personal Services & Employee Benefits	\$32,661,655	\$33,008,982	\$34,835,305
Purchased & Contracted Services	13,072,774	9,185,633	9,831,129
Premises & Property Expenses	1,053,823	4,615,972	7,312,840
Information Technology		1,963,140	2,245,155
Capital Outlays – Equipment	438,357	770,717	724,479
Purchased Commodities	596,796	268,021	340,231
Motor Vehicle Costs		27,024	38,591
Grants & Aid		12,181	
Sundry Charges	24,655		
Revenue Refunds	<u>5,500</u>		
Totals	<u>\$47,853,560</u>	<u>\$49,851,670</u>	<u>\$55,327,730</u>

Expenditures increased approximately 4.2 percent and 11 percent during the fiscal years ended June 30, 2004 and 2005, respectively. Personal services and employee benefits increased 1.07 percent and 5.54 percent, due to merit raises, cost-of-living adjustments and the duration of the legislative sessions. All other expenditures were categorized differently between the fiscal years presented, which caused large changes among most categories. Generally, the increases in other

expenditures was primarily due to increased spending for a updated fire system and information technology purchases for hardware, software and supplies during the fiscal year ended June 30, 2004; and attorneys' fees, architectural services, printing services, and construction repairs exceeding \$2,000,000 to the legislative garage and the terrace leading to the Capitol, during the fiscal year ended June 30, 2005.

**Permanent Commission on the Status of Women:**

The Permanent Commission on the Status of Women operates under the provisions of Title 46a, Chapter 812, Sections 46a-1 to 46a-6, of the General Statutes. The Commission is comprised of 17 members whose duties are to conduct an ongoing study of all matters concerning women, inform leaders of business, education, governments, and the media of the problem of sex discrimination, to enlist their support in working toward improvement; serve as liaison between government and private interest groups concerned with services for women; promote consideration of qualified women for all levels of government positions; and oversee coordination and assess programs and practices in all State agencies as they affect women. The membership of the Permanent Commission on the Status of Women as of June 30, 2005, was as follows:

Susan O. Storey, Chairperson	Patricia Hendel
Senator John A. Kissell	Adrienne F. Houel
Senator Andrew J. McDonald	Tanya Meck
Representative Robert Farr	Jean L. Rexford
Representative Michael P. Lawlor	Robin L. Sheppard
Marcia A. Cavanaugh	Cindy R. Slane
Anne Dailey	Carrie G. Sussman
Barbara DeBaptiste	Patricia E. M. Whitcombe, M.D.
Sandra Hassan	

Leslie J. Gabel-Brett served as Executive Director throughout the audited period.

Expenditures of the Permanent Commission on the Status of Women totaled \$598,078, \$632,048, and \$683,926 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. The increases in expenditures were attributable to personal services costs and changes in grant expenditures. Receipts amounted to \$118,504, \$182,977 and \$159,267 during the three fiscal years, respectively. The increase and subsequent decrease in receipts was primarily attributable to changes in grant activity. For additional comments regarding the Permanent Commission on the Status of Women see the Condition of Records and Recommendations sections of this report.

**Commission on Children:**

The Commission on Children operates under the provisions of Title 46a, Chapter 814d, Sections 46a-126 to 46a-131a, of the General Statutes. The duties of the Commission are to review all matters concerning children and the Commission shall meet periodically with various State agencies and officials on any matter related to children and the delivery of services to children; meet with and be available to representatives of private providers of services to children, foster parents, and support

groups to children, to understand their concerns regarding the provision for service to children; receive from individuals and departments identified above, requests for review and recommendations by the Commission on any matters related to children and the delivery of services to children; inform leaders of the business community, education community, State and local governments, and the media of the nature and scope of problems faced by children; serve as a liaison between government and private groups concerned with children; and review coordination and assess programs and practices in all State agencies as they affect children. The Commission on Children publishes "The Social State of Connecticut," a report intended to monitor the social health of Connecticut's citizens and assist in analyzing and publicizing social health issues and in evaluating the State's progress in addressing these issues. The membership of the Commission on Children as of June 30, 2005, was as follows:

Appointed Members:

Judith A. Busch, Esq., Chairperson	James Cordier
Senator Mary Ann Handley	M. Alex Geertsma, M.D.
Senator Christopher S. Murphy	Alison Hilding
Representative Demetrios S. Giannaros	Carl Hooper
Representative Michael P. Lawlor	Josh Piteo
Maryann Campbell	Mary Grace Reed
Joseph C. Clary, Esq.	Laura Lee Simon
Mary K. Fox	John P. Yrchik, Ph.D.

Ex-officio, nonvoting members:

Darlene Dunbar, Commissioner of Children and Families  
Patricia A. Wilson-Coker, Commissioner of Social Services  
Peter H. O'Meara, Commissioner of Mental Retardation  
J. Robert Galvin, M.D., Commissioner of Public Health  
Dr. Betty J. Sternberg, Commissioner of Education  
Theresa Lantz, Commissioner of Correction  
Robert L. Genuario, Secretary of the Office of Policy and Management  
Richard Blumenthal, Attorney General  
Judge Joseph H. Pellegrino, Chief Court Administrator

Elaine Zimmerman served as Executive Director throughout the audited period.

Expenditures for the Commission on Children amounted to \$678,463, \$654,004, and \$739,179 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. Expenditures decreased and increased primarily because of changes in personal services, management consultant services, and changes in grant expenditures. Receipts amounted to \$142,461, \$123,814, and \$98,725 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. These receipts were comprised primarily of private and Federal grants. For additional comments regarding the Commission on Children see the Condition of Records and Recommendations sections of this report.

**Latino and Puerto Rican Affairs Commission:**

The Latino and Puerto Rican Affairs Commission operates under the provisions of Title 2, Chapter 23d, Section 2-120, of the General Statutes. The duties of the Commission are to review and comment on any proposed State legislation and regulations that would affect the Latino and Puerto Rican populations in the State; advise and provide information to the Governor on the State's policies concerning the Latino and Puerto Rican communities; advise the Governor concerning the coordination and administration of State programs serving the Latino and Puerto Rican populations; maintain a liaison between the Latino and Puerto Rican communities and governmental entities; encourage Latino and Puerto Rican representation at all levels of State government, including State boards and commissions; secure appropriate recognition of the accomplishments and contributions of the Latino and Puerto Rican populations of the State; and prepare and submit an annual report concerning its activities with any appropriate recommendations concerning the Latino and Puerto Rican populations in the State. The membership of the Latino and Puerto Rican Affairs Commission as of June 30, 2005, was as follows:

Ramón Arroyo, Chairperson	Alcides Ortíz
Carlos Alvarez	Awilda S. Reasco
Sonia Ayala	Norma Rodríguez-Reyes
Abner Burgos-Rodríguez	Ivette Servera
Manuel García	Maritza Tirú
Luis Menéndez	One Vacancy
Ann E. Negrón	

Other members who served during the audited period were Carlos M. Vázquez, Chairperson, Eva Maldonado, Angel Reyes, Raúl A. Rodríguez and Patricia Zuluaga. Fernando Betancourt served as Executive Director of the Commission throughout the audited period.

Expenditures for the Commission amounted to \$396,733, \$398,715, and \$425,877 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. The increase in expenditures was primarily attributable to increases in personal services costs and contractual services that included temporary services, attorney fees, management consultant services and catering. Restricted account expenditures also increased and included management consultant services, gala expenses and photographic services. Receipts amounted to \$66,176, \$70,760, and \$106,203 during the three fiscal years, respectively. The increase in receipts was primarily attributable to increases in private grants. For additional comments regarding the Latino and Puerto Rican Affairs Commission see the Condition of Records and Recommendations sections of this report.

**African-American Affairs Commission:**

The African-American Affairs Commission operates under Title 2, Chapter 23e, Section 2-121, of the General Statutes. The Commission is charged with reviewing and commenting on proposed State legislation and regulations affecting the State's African-American population; encourage their representation in State government, advising and providing the Governor with information on State policies concerning them; advising the Governor on the coordination and administration of State

programs serving them; maintaining a liaison between their communities and governmental entities; and preparing and submitting an annual report to the Governor regarding the Commission's activities and any appropriate recommendation regarding them.

The membership of the African-American Affairs Commission as of June 30, 2005, was as follows:

George S. Logan, Chairperson	Michael Jefferson
Toni Bosley	Derrick T. McBride
Charles K. Botts, III	Victoria O. Odesina
Lillie B. Crosby	Brenda Person
Delores A. Franks	Three Vacancies
Rosetta E. Jones	

Other members who served during the audited period were Jacqueline Dickens, Kurt Harrison, and Sharon Ibrahim. Vanessa D. Burns served as Executive Director throughout the audited period.

Expenditures of the Commission were \$283,371, \$275,160, and \$320,635 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively. The decrease and subsequent increase in expenditures were primarily due to a reduction in management consultant services, and general increases in personal service costs and changes in grant expenditures. Receipts amounted to \$7,732, \$8,000, and \$24,750 for the fiscal years ended June 30, 2003, 2004 and 2005, respectively, and were comprised primarily of private grants.

**Other Legislative Commissions:**

Other Legislative Commissions are summarized below:

- The Law Revision Commission is to consider and prepare comments and recommendations on proposed law changes and submit an annual report to the General Assembly in accordance with Sections 2-85 through 2-88 of the General Statutes.
- The State Capitol Preservation and Restoration Commission is responsible for a continuing study of the State Capitol building and grounds to develop a master plan for the preservation and restoration of the Capitol in accordance with Section 4b-60 of the General Statutes.
- The Compensation Commission of Elected State Officials and Judges, in accordance with Section 2-9a of the General Statutes, is responsible to recommend legislative proposals for salary, expenses, pension, workers' compensation and any other benefits to be paid to elected State officials and judges on or before February 15<sup>th</sup> in odd-numbered years and may, at its discretion, submit recommendations in even numbered years.
- The Commission on Uniform Legislation, in accordance with Section 2-80 of the General Statutes, is responsible to examine certain subjects on which uniformity is desirable.

- The Commission on Innovation and Productivity is responsible to recommend innovations for the improvements of cost-effectiveness and efficiency, examine ways to increase productivity, reduce costs, and provide the highest quality services in State Government in accordance with Section 2-110 of the General Statutes.

There were no receipts for the commissions listed above. The only expenditures for the commissions were for annual membership dues and travel to annual conferences for the members of the Commission on Uniform Legislation. For additional comments regarding the Law Revision Commission, the State Capitol and Preservation and Restoration Commission, and the Commission on Innovation and Productivity, see the Condition of Records and Recommendations sections of this report.

## CONDITION OF RECORDS

Our review of the financial records and related operations of the Joint Committee on Legislative Management, the Permanent Commission on the Status of Women, the Commission on Children, the Latino and Puerto Rican Affairs Commission and other commissions disclosed some areas needing improvement that are discussed below.

### **Noncompliance with Commission Reporting and Meeting Requirements:**

*Criteria:* Annual reporting and meeting requirements for the Commissions are established in the General Statutes and Commissions' Bylaws as follows:

Latino and Puerto Rican Affairs Commission: Section 2-120, subsection (c)(8), of the General Statutes, requires the Commission to annually report to the Governor and the Joint Commission on Legislative Management (JCLM), its activities and recommendations. Subsection (b)(7)(B) of the same Section requires that any person absent from fifty percent of meetings during any calendar year shall be deemed to have resigned from the Commission, effective immediately. Rules of Procedure accepted by the Commission specify that minutes should be approved at each meeting (after correction) and minutes should record what is done, not what is said. Public Act 03-229, effective October 1, 2003, and codified in parts of Section 2-120 requires, generally, that the Commission work in consultation with the JCLM to establish short- and long-term initiatives to meet the Latino and Puerto Rican Community's needs.

Permanent Commission on the Status of Women: Ex-officio members or their designees should be represented appropriately at each meeting, and the Commission's Annual Report should be based on a calendar year in accordance with Sections 46a-4 and 1-1, of the General Statutes.

Commission on Children: The Commission's Bylaws state that unexcused absences from three consecutive meetings will result in a request to resign, and binding action should be taken only when a quorum is present.

Law Revision Commission: Section 2-87(7) states the Commission shall submit a report to the General Assembly. Commission on Innovation and Productivity: Section 2-110 of the General Statutes, requires the Commission to recommend innovations for the improvements of cost-effectiveness and efficiency, examine ways to increase productivity, reduce costs, and provide the highest quality services in State Government. State Commission on Capitol Preservation and Restoration: Section 4b-60, subsection (a), of the General Statutes requires the Commission to meet at least quarterly.

*Condition:* We noted that some of the Commissions did not always comply with their reporting and meeting requirements during the fiscal years ended June 30, 2004 and 2005, as follows:

Latino and Puerto Rican Affairs Commission: The Commission had not submitted its Annual Report for 2004 to the Governor or the Joint Commission on Legislative Management (JCLM) as of February 17, 2006. Two members of the Commission, deemed to have resigned as a result of failing to attend 50 percent of the scheduled meetings, continued to serve the Commission without being reappointed. The Commission's meeting minutes are not approved regularly or documented in good form in accordance with its Bylaws. Minutes of meetings indicate significant discord at the meetings. The Commission has not worked in consultation with JCLM to establish short- and long-term initiatives in accordance with Public Act 03-229.

Permanent Commission on the Status of Women: Since 2002, the Permanent Commission on the Status of Women's Annual Report has been based on a fiscal year instead of a calendar year as required by Statute. Regarding attendance issues at the meetings, one member was expected to resign in accordance with the Commission's Bylaws, and four ex-officio members do not attend the meetings or send designees. The Commission's Bylaws indicate that ex-officio members are not entitled to vote, however, we found nothing in the General Statutes to support such a nonvoting status.

Commission on Children: The Commission held 12 meetings during the audited period, but reached a quorum in only three of those meetings. Despite the lack of a quorum, it continued to approve the prior meetings' minutes and voted to elect one officer. Eight and six of its 16 voting members missed three or more consecutive meetings during the fiscal years ended June 30, 2004 and 2005, respectively, but none were asked to resign.

The Law Revision Commission and the Commission on Innovation and Productivity did not submit annual reports, and the State Commission on Capitol Preservation and Restoration did not hold meetings as required by the General Statutes.

*Effect:* Commissions whose boards do not comply with meeting, reporting and other requirements may be unable to effectively meet their legal mandates set forth in the General Statutes.

*Cause:* The Commission on Children's minutes did not differentiate between excused or unexcused absences (excused absences are allowed in its Bylaws), which increased the missed meeting totals for some members who were absent due to illness. Certain commissions may not feel comfortable asking Legislative members who miss meetings to resign. The Law Revision Commission is no longer an active commission and there is no evidence to support that the

Commission on Innovation and Productivity has ever met since being established in 1993. We were unable to determine the causes for certain other reported conditions.

*Recommendation:* Legislative Commissions should comply with all meeting and reporting requirements or the appropriate changes should be requested. (See Recommendation 1.)

*Agency Response:* “The Executive Director of the Latino and Puerto Rican Affairs Commission will be reminded of his responsibility to ensure compliance with annual report requirements, that minutes need to be approved at each meeting, that their rules require the minutes to reflect what was done at each meeting, and that short and long term initiatives be established to meet the Latino and Puerto Rican Community’s needs.

The Executive Director of the Permanent Commission on the Status of Women will be reminded that ex-officio members or their designees should be represented appropriately at each meeting and that the Commission’s annual report should be based on a calendar year in accordance with Sections 46-4 and 1-1 of the General Statutes.

The Executive Director of the Commission on Children will be reminded that unexcused absences from three consecutive meetings should result in a request to resign under their by-laws and that binding action should only be taken when a quorum is present.

The State Capitol Restoration and Preservation Committee has begun to meet on a regular basis in order to execute its responsibilities.

The legislative leaders will be approached as to their desire to modify the statutory requirements of the Law Revision Commission and the Commission on Innovation and Productivity.”

**Commission Event Accountability and Late Deposits:**

*Criteria:* Section 4-32 of the General Statutes requires receipts of \$500 or more to be deposited within 24 hours, and receipts totaling less than \$500 within seven calendar days. Our prior audit disclosed concerns related to the collection and accounting for Gala receipts. After these problems surfaced, procedures were developed by the Office of Legislative Management to help ensure that all cash receipts for the Latino and Puerto Rican Affairs Commission’s annual Gala Awards Banquet (Gala) were appropriately collected, accounted for, and deposited into a State bank account in a timely manner. These procedures included using prenumbered tickets, receiving full payment for the ticket before allowing entry to the Gala, having the ticket sales end one week prior to the event, and arranging a night deposit to a State bank account for incidental

cash receipts. Accountability reports, including documentation of exchange agreements for donated services, should be completed. Such accountability reports should explain differences between the number of tickets sold or compensated to the number of dinners billed from the vendor.

*Condition:* The Office of Legislative Management established internal controls for the collection of receipts for the Gala. Despite its efforts, the Executive Director of the Commission failed to completely implement the procedures that were specifically designed to improve the process. State funds were deposited into the Executive Director's personal bank account, prenumbered tickets were not consistently used, cash was accepted after the ticket sales cutoff date, admittance was allowed to the event without receiving full payment, and implausible explanations were given when inquiry was made.

The amount that was deposited into the Executive Director's account could not be verified, however, \$1,450 was returned and deposited to the State's bank account one day late. Another deposit for \$50 was deposited 60 days late. Accountability reports were not prepared for each year and exchange agreements were not completely documented. In addition, the tickets recorded as sold or compensated for the 2004 Gala (730), did not reconcile to the total number of dinners billed from the vendor (850), which may indicate a shortfall in collecting and recording State revenues, or some other area of concern for this event.

*Cause:* The Executive Director of the Latino and Puerto Rican Affairs Commission did not ensure that the established procedures were followed. We did not determine the cause for the exchange agreements not being documented completely.

*Effect:* Collection of cash is compromised when procedures are not followed, and agreements could be subject to differing interpretations when not documented in writing.

*Recommendation:* The Latino and Puerto Rican Affairs Commission should follow established procedures for cash receipts, commit all exchange agreements to writing, and comply with Section 4-32 of the General Statutes. (See Recommendation 2.)

*Agency Response:* "The Office of Legislative Management will continue to work with the Latino and Puerto Rican Affairs Commission to improve the administration of the Annual Awards Gala. OLM has recently established revised procedures for the deposit of all funds and incorporated specific requirements for deposits associated with the Annual Gala. We are meeting monthly with the commission staff responsible for administering the gala in order to resolve any potential problems as quickly as possible and to ensure proper administration

of the gala event. Written exchange agreements have been requested from the gala staff.”

**Accounting for Property:**

*Criteria:* The Joint Committee on Legislative Management reports its inventory to the Office of the State Comptroller (Comptroller). Reporting should be accurate and include all required inventory items.

*Condition:* Paintings, statues, and historical artifacts, among other items, located on the grounds of the State Capitol and the Legislative Office Building, were not all appropriately reported on the State’s inventory during the fiscal years ended June 30, 2004 and 2005, as required by the Office of the State Comptroller.

*Cause:* Many artifacts costing less than the minimum reportable amount were not maintained on the inventory listing; however, the Comptroller stipulates that historical treasures must be listed regardless of cost or value.

*Effect:* Certain items were not recorded appropriately on the State’s inventory.

*Recommendation:* The Joint Committee on Legislative Management should ensure all inventory, including historical artifacts, is accounted for completely and accurately. (See Recommendation 3.)

*Agency Response:* “The Office of Legislative Management will be contracting for an appraisal of all historical artifacts under the control of the Joint Committee on Legislative Management in order to update these items and ensure they are all included on the agency’s inventory records.”

## RECOMMENDATIONS

Our prior audit report on the Joint Committee on Legislative Management for the fiscal years ended June 30, 2002 and 2003, contained three recommendations. Of the three recommendations, one has been resolved and two have been repeated as current audit recommendations.

*Status of Prior Audit Recommendations:*

- Commissions under JCLM should comply with all meeting, appointment, and reporting requirements mandated by the General Statutes and bylaws or request that the appropriate changes be made to such requirements. The African American Affairs Commission implemented our prior audit recommendation; however, we continue to have concerns regarding other Commissions. This recommendation is repeated as Recommendation 1.
- Contract payments should be made within the established contract language and terms unless appropriate contract amendments are approved and signed. We noted no concerns in this area during our current audit. This recommendation will not be repeated.
- The Latino and Puerto Rican Affairs Commission should comply with Section 4-32 of the General Statutes when depositing receipts and should prepare complete and timely accountability reports for events where money is collected. The conditions reviewed during our current audit indicate that this Commission failed to follow the established procedures and this condition still exists. This recommendation is repeated as Recommendation 2.

*Current Audit Recommendations:*

- 1. Legislative Commissions should comply with all meeting and reporting requirements or the appropriate changes should be requested.**

Comment:

Commissions associated with the Joint Committee on Legislative Management did not comply with all meeting and reporting requirements.

- 2. The Latino and Puerto Rican Affairs Commission should follow established procedures for cash receipts, commit all exchange agreements to writing, and comply with Section 4-32 of the General Statutes.**

Comment:

State monies should always be deposited into a State bank account and the number of dinners charged should reconcile to the revenue generated from such ticket sales.

- 3. The Joint Committee on Legislative Management should ensure all inventory, including historical artifacts, is accounted for completely and accurately.**

Comment:

Accounting for property should be improved.

**CERTIFICATION**

As required by Section 2-90 of the General Statutes, we have audited the books and accounts of the Joint Committee on Legislative Management 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 Joint Committee on Legislative Management for the fiscal years ended June 30, 2004 and 2005, are included as part of our Statewide Single Audits of the State of Connecticut for those fiscal years.

Because we are not organizationally independent with respect to the Joint Committee on Legislative Management, our audit was not performed 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. However, we did apply the field work standards for financial audits in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Joint Committee on Legislative Management complied in all material or significant respects with the provisions of the certain laws, regulations, contracts and grants and obtain a sufficient understanding of the internal control structure to plan the audit and determine the nature, timing and extent of tests to be performed during the conduct of the audit.

**CONCLUSION**

We wish to express our appreciation for the cooperation and courtesies extended to our representatives by the personnel of the Joint Committee on Legislative Management during this examination.

Maura F. Pardo  
Principal Auditor

Approved:

Kevin P. Johnston  
Auditor of Public Accounts

Robert G. Jaekle  
Auditor of Public Accounts