

STATE OF CONNECTICUT



*AUDITORS' REPORT
JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2015*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ ROBERT M. WARD

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AUDITORS OF PUBLIC ACCOUNTS

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AUDITORS' REPORT JOINT COMMITTEE ON LEGISLATIVE MANAGEMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2015

We have audited certain operations of the Joint Committee on Legislative Management (JCLM) and the commissions whose financial affairs were administered by JCLM, including the Permanent Commission on the Status of Women, Commission on Children, Latino and Puerto Rican Affairs Commission, African-American Affairs Commission, Connecticut Commission on Aging, and the Asian Pacific American Affairs Commission in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2014 and 2015. The objectives of our audit were to:

1. Evaluate the committee's internal controls over significant management and financial functions;
2. Evaluate the committee's compliance with policies and procedures internal to the office or promulgated by other state agencies, as well as certain legal provisions; and
3. Evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, minutes of meetings, and other pertinent documents; interviewing various personnel of the department, and testing selected transactions. We obtained an understanding of internal controls that we deemed significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we

designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We planned and performed our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis. We are not organizationally independent with respect to the Joint Committee on Legislative Management.

The accompanying Résumé of Operations is presented for informational purposes. This information was obtained from the committee's management and was not subjected to the procedures applied in our audit of the committee. For the areas audited, we identified:

1. No deficiencies in internal controls;
2. No apparent noncompliance with legal provisions;
3. No need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations in the accompanying report presents any findings arising from our audit of the Joint Committee on Legislative Management.

COMMENTS

FOREWORD

The Joint Committee on Legislative Management operates, generally, under the provisions of Title 2, Chapter 18a, Sections 2-71a through 2-71x of the General Statutes and is the administrative arm of the General Assembly. JCLM 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. JCLM is required to assess ways and means to improve legislative operations and to make improvements in legislative organization, procedures, facilities and working conditions. It is also responsible for the maintenance, supervision, and control of the State Capitol, Legislative Office Building and grounds, as well as authorized capital projects involving the preservation and restoration of the State Capitol.

Members of the Joint Committee on Legislative Management

In accordance with the provisions of Section 2-71a of the General Statutes, the membership of JCLM shall be as provided in the Joint Rules of the Senate and the House of Representatives. Section 3(c)(1) of the joint rules state there should be 13 members appointed from the Senate and

20 from the House of Representatives; however, the committee has been operating with vacancies for years. As of June 30, 2015, the members on the committee were as follows:

Senate Members: Co-Chairperson, President Pro Tempore Martin M. Looney, Majority Leader Bob Duff, Minority Leader Leonard A. Fasano, Senator Beth Bye, Senator Eric D. Coleman, Senator Joseph J. Crisco, Senator John W. Fonfara, Senator L. Scott Frantz, Senator Joan V. Hartley, Senator Kevin C. Kelly, Senator Kevin D. Witkos, and two vacancies.

House Members: Co-Chairperson, Speaker J. Brendan Sharkey, Majority Leader Joe Aresimowicz, Minority Leader Themis Klarides, Representative Juan R. Candelaria, Representative Vincent J. Candelora, Representative Michelle L. Cook, Representative Louis P. Esposito, Jr., Representative Linda M. Gentile, Representative Robert D. Godfrey, Representative Laura R. Hoydick, Representative Douglas McCrory, Representative Craig A. Miner, Representative Russell A. Morin, Representative Arthur J. O'Neill, Representative Linda A. Orange, Representative John E. Piscopo, Representative Kevin Ryan, and three vacancies.

Other members who served during the audited period were Senate President Pro Tempore Donald E. Williams, Jr., Senate Minority Leader John McKinney, along with Senators John A. Kissel, Gary D. LeBeau, Toni N. Harp, and Andrea L. Stillman. House members who served were House Minority Leader Lawrence F. Cafero, Jr., and Representatives Paul Davis, Mary G. Fritz, Auden Grogins, Sandy H. Nafis, and Pamela Z. Sawyer.

James P. Tracy is executive director of the Office of Legislative Management.

Legislative Changes

Public Act 14-23 allows for the Joint Committee on Legislative Management to purchase goods and services, including equipment, supplies, materials, information and telecommunication systems and services, from vendors with existing contracts with other states, Connecticut political subdivisions, nonprofit organizations, or public consortia, subject to the same contract terms and conditions as the other entities.

Legislative Commissions

There are six legislative commissions that have 21 voting members each, except for the Commission on Children, which has nine additional nonvoting ex-officio members. The commissions are responsible for focusing on quality of life issues, reporting on these issues, making recommendations for enhancing programs or services, commenting on proposed legislation, advising the General Assembly and the Governor concerning the administration of certain programs, gathering and maintaining current information regarding population changes, providing a liaison to and from governmental entities, and conducting educational and outreach activities. The total General Fund receipts for all commissions were \$52,437, \$50,601 and \$59,613 for the fiscal years ended June 30, 2013, 2014, and 2015, respectively. The changes in receipts were primarily attributable to changes in grant activity and private aid. General Fund expenditures for the commissions totaled \$1,796,337, \$2,220,624, and \$2,605,835 during the fiscal years ended June 30, 2013, 2014, and 2015, respectively. The changes were generally

attributed to staffing increases along with an increase in consulting expenses for various studies and website development.

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 chairperson of the commission as of June 30, 2015, was Antonia Moran. Teresa Younger served as executive director through June 2014. She was replaced by Carolyn Treiss, who served for the remainder of the audited period. The commission was formed in 1973 to study and improve the economic security, health, and safety of Connecticut women, and to work toward the elimination of gender discrimination. The commission monitors, critiques, and recommends changes to legislation and assesses programs and practices in state agencies for their effect on women. In accordance with Title 46a, Chapter 814f, Section 46a-170, the Trafficking in Persons Council operates within the commission for administrative purposes. This council strengthens efforts to prevent trafficking, protect and assist victims, and help prosecute traffickers.

The Commission on Children operates under the provisions of Title 46a, Chapter 814d, Sections 46a-126 to 46a-131b of the General Statutes. The commission's additional nonvoting ex-officio members are mostly heads of other agencies. The chairperson of the commission as of June 30, 2015, was George A. Coleman. Elaine Zimmerman served as executive director throughout the audited period. The commission was created in 1985 to promote public policies in the best interests of children, study how state programs and practices affect children and serve as a liaison between government and groups concerned with children. The committee makes policy recommendations to the legislature that will improve child health, safety and learning.

The Latino and Puerto Rican Affairs Commission operates under the provisions of Title 2, Chapter 23d, Section 2-120 of the General Statutes. The chairperson of the Latino and Puerto Rican Affairs Commission as of June 30, 2015, was Richard A. Cruz. Werner Oyanadel served as executive director throughout the audited period. The commission was established to make recommendations to the General Assembly concerning the policies and programs that affect the quality of life of the state's Latino and Puerto Rican population. The commission also conducts educational and outreach activities to raise awareness of issues for the Latino and Puerto Rican population of the state. The commission awards scholarships to help those in pursuit of higher education.

The Connecticut Commission on Aging operates under Title 17b, Chapter 319bb, Section 17b-420 of the General Statutes. The chairperson of the commission as of June 30, 2015, was Sherry Ostrout, and Julia Evans Starr served as the executive director throughout the audited period. The commission was created in 1993 to serve as an independent resource on aging-related issues for legislators, state agencies, the governor and others.

The Asian Pacific American Affairs Commission operates under Title 2, Chapter 23f, Section 2-122 of the General Statutes. The chairperson of the Asian Pacific American Affairs Commission as of June 30, 2015, was Angela Rola. Mui Mui Hin-McCormick served as executive director throughout the audited period. The commission was created in 2008 to oversee matters concerning the Asian Pacific American population in Connecticut.

The African-American Affairs Commission operates under Title 2, Chapter 23e, Section 2-121 of the General Statutes. The chairperson of the commission as of June 30, 2015, was Alphonse Wright. Glenn A. Cassis served as executive director throughout the audited period. The commission was created in 1997 to ensure adequate representation and recognition of the African-American population in Connecticut. The commission makes recommendations to the General Assembly and the Governor on the need for legislation, policies, programs or services to improve the quality of life for members of the African-American population.

Other Legislative Commissions

There are four other legislative commissions that had no receipts or expenditures, except for the Commission on Uniform Legislation:

The Law Revision Commission considers and prepares comments and recommendations on proposed law changes and submits an annual report to the General Assembly in accordance with Sections 2-85 through 2-88 of the General Statutes. The commission submitted its required annual reports. The State Capitol Preservation and Restoration Commission is responsible for a continuing study of the State Capitol for the preservation and restoration in accordance with Section 4b-60 of the General Statutes.

The Compensation Commission for Elected State Officers and General Assembly Members, in accordance with Section 2-9a of the General Statutes, is responsible for recommending legislative proposals for salary, expenses, pension, workers' compensation, and any other benefits to be paid to the Governor, Lieutenant Governor, Secretary of the State, Attorney General, Treasurer, Comptroller, and members of the General Assembly on or before February 15th in odd-numbered years and may, at its discretion, submit recommendations in even-numbered years. A report was submitted for 2015. The Commission on Uniform Legislation, in accordance with Section 2-80 of the General Statutes, is responsible for examining certain subjects on which uniformity is desired. Reports were issued for each year of the audited period.

RÉSUMÉ OF OPERATIONS

General Fund – Receipts and Expenditures

General Fund receipts for the Office of Legislative Management (OLM), which is the administrative office established under the committee, totaled \$12,927, \$135,426, and \$108,995 for the fiscal years ended June 30, 2013, 2014, and 2015, respectively. General Fund expenditures by account are summarized below:

Expenditures by Account	Fiscal Year Ended June 30,		
	2013	2014	2015
Personal Services & Employee Benefits	\$37,869,227	\$39,573,730	\$41,692,163
Premises and Property Expenses	6,593,633	7,306,112	7,731,254
Purchases & Contracted Services	4,884,600	5,591,253	5,419,755
Information Technology	2,381,564	1,747,811	1,781,050
Employee Expenses, Allowances & Fees	1,717,611	1,687,175	1,798,306
Purchased Commodities	407,027	434,690	760,549
Capital Outlays – Equipment	234,089	778,823	330,224
Motor Vehicle Costs	71,177	62,380	75,284
Total Expenditures	<u>\$54,158,928</u>	<u>\$57,181,974</u>	<u>\$59,588,585</u>

Expenditures increased 5.6 percent and 4.2 percent during the fiscal years ended June 30, 2014 and 2015, respectively. The increase is attributed to an increase in personal services and employee benefits. Fluctuations in all categories are expected due to the alternating between long and short sessions. Capital outlays for equipment increased in fiscal year 2014 due to security and information technology upgrades.

Special Revenue Fund – Federal and Other Restricted Account

Restricted Fund receipts were \$2,551,647, \$2,680,275, and \$3,249,492 during the fiscal years ended June 30, 2013, 2014, and 2015, respectively. The major source of revenue was an annual transfer in the amount of \$2,500,000 for fiscal years 2012-2013 and 2013-2014, and \$3,200,000 for fiscal year 2014-2015, from the Department of Revenue Services that was used to defray the costs of providing television coverage of state government deliberations and public policy events in accordance with Section 2-71x of the General Statutes.

Expenditures from this fund were \$2,775,956, \$2,475,326, and \$2,960,236 during the fiscal years ended June 30, 2013, 2014, and 2015, respectively.

Capital Improvements and Other Purposes Fund

Expenditures from the Capital Improvements and Other Purposes Fund totaled \$2,432,557, \$148,084, and \$1,913,812 for the fiscal years ended June 30, 2013, 2014, and 2015, respectively. Expenditures were used to support software development as well as construction of a veteran's memorial.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our review of the Joint Committee on Legislative Management for the fiscal years ended June 30, 2014 and 2015 identified no reportable conditions.

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior examination resulted in no recommendations.

Current Audit Recommendations:

There were no recommendations as a result of this examination.

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 the course of our examination.



David Tarallo
Principal Auditor

Approved:



John C. Geragosian
Auditor of Public Accounts



Robert M. Ward
Auditor of Public Accounts