

# STATE OF CONNECTICUT



*AUDITORS' REPORT  
POLICE OFFICER STANDARDS AND TRAINING COUNCIL  
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2010*

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

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# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

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December 12, 2011

### **AUDITORS' REPORT POLICE OFFICER STANDARDS AND TRAINING COUNCIL FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2010**

We have examined the financial records of the Police Officer Standards and Training Council (POSTC or Council) for the fiscal years ended June 30, 2009 and 2010. This report on that examination consists of the Comments, Recommendations and Certification which follow.

The financial statements pertaining to the operations and activities of the Police Officer Standards and Training Council for the fiscal years ended June 30, 2009 and 2010 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 Police Officer Standards and Training Council'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.

The Department of Administrative Services provided accounting, payroll and personnel services for the Police Officer Standards and Training Council during the audited period. The scope of our audit did not extend to the evaluation of the relevant controls at the Council.

### **COMMENTS**

#### **FOREWORD:**

The Police Officer Standards and Training Council operates under the provisions of Title 7, Chapter 104, Sections 7-294a through 7-294z of the General Statutes. Section 2c-2b, subsection (c) (4), of the General Statutes provides for POSTC's termination effective July 1, 2014, unless reestablished by legislative act.

POSTC is charged with setting policy, training and licensing standards for all full-time and part-time municipal police officers throughout the state in regard to basic and continuing training. POSTC is also responsible for the certification of basic and review training programs conducted by various municipalities as well as the administration of the certification of police officers and police

instructors statewide. It arranges for and funds in-service training programs for law enforcement managers, supervisors and other personnel. POSTC operates the Law Enforcement Resource Center, a library and media center located at the Connecticut Police Academy.

In addition, POSTC operates a basic recruit training program at the academy. Its enrollees include recruits primarily from smaller municipalities that do not operate their own basic training programs and law enforcement personnel from various state agencies and institutions.

Public Act 05-251, Section 60, subsection (c), allows the Commissioner of the Department Administrative Services, in consultation with the Secretary of the Office of Policy and Management, to develop a plan whereby the Department of Administrative Services (DAS) would merge and consolidate personnel, payroll, affirmative action and business office functions of selected executive branch state agencies within DAS. The effective date of the Public Act was July 1, 2005. The Police Officer Standards and Training Council was selected as one such agency and most business office functions were transferred to DAS by November 2005.

### **Legislative Changes:**

Legislative action effective during the audited period that has impacted POSTC is summarized below:

Public Act 11-51 transferred the Police Officer Standards and Training Council to the Department of Emergency Services and Public Protection.

Public Act 10-165 extended the termination date of the Police Officer Standards and Training Council's operations from July 1, 2012 to July 1, 2014.

### **Members of the Council:**

During the audited period, under the provisions of Section 7-294b of the General Statutes, the Police Officer Standards and Training Council was comprised of 18 members appointed by the Governor and two ex-officio members. The appointed membership was as follows:

- a chief administrative officer of a municipality
- a chief elected official or executive officer of a municipality with a population less than 12,000
- a member of the faculty of the University of Connecticut
- eight members of the Connecticut Police Chiefs Association who are the chief or highest ranking officer of an organized municipal police department
- the Chief State's Attorney
- a sworn municipal police officer whose rank is sergeant or lower
- five public members

The Commissioner of the Department of Public Safety and the Federal Bureau of Investigation's Special Agent-in-Charge in Connecticut or their designees shall be voting ex-officio members of the council.

The terms of all appointed members are coterminous with that of the Governor or until a

successor is chosen. However, for non-public members, their terms are also based on their continued employment in those positions which have qualified them for appointment. Appointed members serve without compensation other than for the reimbursement of necessary expenses incurred in the performance of their duties.

The members of the Police Officer Standards and Training Council as of June 30, 2010 are listed as follows:

*Appointed Members:*

Chairperson: Chief Anthony J. Salvatore, Sr., Cromwell  
Chief Lisa Maruzo-Bolduc, Willimantic  
Chief Douglas L. Dortenzio, Wallingford  
Chief Louis J. Fusaro Sr., Norwich  
Chief Robert S. Hudd, UConn  
Chief Christopher J. Edson, Naugatuck  
Chief Harry W. Rilling, Norwalk  
Chief Thomas J. Sweeney, Glastonbury  
First Selectwoman Laura Francis, Durham  
Amy K. Donahue, faculty member at the University of Connecticut  
Kevin T. Kane, Chief State's Attorney  
John D. Ward, Vernon  
William C. Curwen Jr., sworn municipal police officer  
Howard L. Burling II, Bristol  
Kurt P. Cavanaugh, Glastonbury  
James N. Tallberg, Esq., Rocky Hill  
Richard P. Boccaccio, Westbrook  
Jack Moshier, Hartford

*Ex-officio Members:*

John A. Danaher III, Commissioner of the Department of Public Safety  
Kimberly K. Mertz, FBI Special Agent-in-Charge

Throughout the audited period, Thomas E. Flaherty continued to serve as Executive Director.

**RÉSUMÉ OF OPERATIONS:**

**General Fund Receipts and Expenditures:**

General Fund receipts totaled \$1,282 and \$1,305 for the fiscal years ended June 30, 2009, and 2010, respectively, as compared to \$6,762 for the fiscal year ended June 30, 2008. Receipts consisted of photocopy revenues and refunds of prior years' expenditures.

Comparative summaries of POSTC's General Fund expenditures for the audited period, as compared to expenditures for the period ended June 30, 2008, are shown below:

	<b><u>Fiscal Year Ended June 30,</u></b>		
	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>
<b>Budgeted Accounts:</b>			
Personal services	\$1,881,599	\$2,012,632	\$1,595,364
Contractual services	735,226	746,976	475,603
Commodities	168,161	69,970	93,205
Sundry charges	2,505	980	5,400
Equipment	100	0	0
Total General Fund	<b><u>\$2,787,591</u></b>	<b><u>\$2,830,558</u></b>	<b><u>\$2,169,572</u></b>

General Fund expenditures decreased by \$618,019, representing a 22 percent decrease, over the two-year audited period. Personal and contractual services expenditures accounted for the majority of budgeted account expenditures during the audited period.

Decreases in personal services costs during the audited period were the result of a decrease of four filled full-time positions from 26 to 22, representing a 15 percent decrease in filled positions.

**Special Revenue Funds:**

**Federal and Other Restricted Accounts Fund:**

Comparative summaries of POSTC's federal and other restricted receipts for the audited period, as compared to the period ended June 30, 2008, are shown below:

	<u>Fiscal Year Ended June 30,</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Federal and Other Restricted Accounts:</b>			
Federal Grants	\$244,363	\$ 0	\$17,084
Other-than-Federal Accounts	<u>14,350</u>	<u>0</u>	<u>5,695</u>
<b>Total Receipts</b>	<b><u>\$258,713</u></b>	<b><u>\$ 0</u></b>	<b><u>\$22,779</u></b>

Federal Grants and other-than-federal receipts consisted primarily of federal and state matching reimbursements for continuing police officer training and accreditation related programs. Federal and other grant receipts decreased by \$235,934 (91 percent) during the audited period primarily due to changes in federal grants funding levels. Approximately \$175,000 of the decrease was due to the elimination of federal funding for the Law Enforcement Terrorism Prevention program after the fiscal year ended June 30, 2008.

Comparative summaries of POSTC's federal and other restricted expenditures for the audited period, as compared to expenditures for the period ended June 30, 2008, are shown below:

	<u>Fiscal Year Ended June 30,</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Federal and Other Restricted Accounts:</b>			
Federal Grants	\$206,675	\$37,511	\$18,949
Other-than-Federal Accounts	<u>10,542</u>	<u>3,708</u>	<u>5,695</u>
<b>Total Expenditures</b>	<b><u>\$217,217</u></b>	<b><u>\$41,219</u></b>	<b><u>\$24,644</u></b>

Expenditures in the Federal and Other Restricted Accounts primarily consisted of personal services, related fringe benefits, educational expenses for police officer training courses, and miscellaneous costs for various federal and state programs, including Drug Enforcement Training, Law Enforcement Terrorism Prevention, and State Accreditation Standards for Local Police Agency Programs. Expenditures decreased from the prior period primarily due to the elimination of federal funding for the Law Enforcement Terrorism Prevention program as noted above.

**Capital Equipment Purchase Fund:**

Capital Equipment Purchase Fund expenditures totaled \$88,805, \$2,070 and \$0 during the fiscal years ended June 30, 2008, 2009 and 2010, respectively.

## CONDITION OF RECORDS

Our audit of the Police Officer Standards and Training Council records disclosed the following areas requiring improvement or comment.

### **Property Control and Reporting:**

*Criteria:* Section 4-36 of the General Statutes requires each state agency to establish and maintain an inventory record as prescribed by the State Comptroller. The State Property Control Manual establishes the standards and sets reporting requirements for maintaining an inventory system to provide for complete accountability and safeguarding of assets.

An Annual Fixed Assets/Property Inventory Report (CO-59), which lists all capitalized real and personal property must be submitted to the Office of the State Comptroller in the prescribed format. Additions and deletions to the CO-59 report should be accurate and properly documented.

The Department of Administrative Services (DAS) is responsible for conducting annual physical inventories for POSTC and preparing its annual CO-59 report. An memorandum of understanding dated June 2001 required POSTC to tag newly acquired items in accordance with procedures established by DAS and periodically provide DAS with a listing of its new purchases, and its building and vehicle inventories.

*Condition:* Our review of the equipment inventory records and the annual inventory report (Form CO-59) showed the following deficiencies:

- 1) Our review of the annual inventory reports for the audited fiscal years disclosed exceptions including inadequate support for additions to equipment on the CO-59 that were overstated by \$8,010. The inaccurate calculation contributed to incorrect inventory balances that were carried forward on the CO-59.
- 2) Four of 20 equipment items tested (20 percent) were not found at the location listed on the inventory report.

*Effect:* Insufficient controls can lead to increased risk of loss and inaccurate accountability.

*Cause:* Staff shortages at the Department of Administrative Services appear to have contributed to the inventory exceptions. Additionally, communications among POSTC and DAS personnel appear to be lacking concerning the responsibilities that each agency has relating to equipment and inventory controls and reporting requirements.

*Recommendation:* The Police Officer Standards and Training Council should, in conjunction



with the Department of Administrative Services, improve controls for fixed assets/inventory procedures and the annual reporting of such assets. (See Recommendation 1.)

**Agency Responses:** “I partially agree with this recommendation and partially disagree. There is no doubt that there is weakness in the Inventory and Property Control Reporting. Since the audit conducted in December 3, 2007, our former Office Assistant has been meticulous about placing inventory tags on new purchase items and faxes the data to the Property Management Unit. This Agency makes no entries into the Core-CT Asset Management Module. Entry is the exclusive responsibility of the Property Management Unit.

I forwarded this issue to the, Director of Fiscal and Administrative Service of the Department of Administrative Services and she has responded as the *Agency Response*: “The \$8,010 was an adjustment made in 2010 for an omission that occurred in the POST Library assets in 2009. The balances are now correct. The correction was not in Core-CT because the Library is not in Core-CT.” As a footnote, our Library is now closed due to elimination of the Librarian’s position as a result of the overall fiscal situation. The inventory will remain intact until such time as we can come up with an alternative plan to resume use of the Library and its resources.”

**Purchase Orders:**

*Criteria:* Section 4-98, subsection (a), of the General Statutes states that no budgeted agency may incur any obligation except by the issuance of a purchase order transmitted to the State Comptroller to commit the agency’s appropriations to ensure that funds are available for the payment of such obligations.

In addition, good internal controls for purchasing require that commitment documents be properly authorized prior to the receipt of goods or services.

The Department of Administrative Services is responsible for the processing and issuing of purchase orders.

*Condition:* In our review of 12 purchase orders for committing funds for payments of goods and services, we noted that two purchase orders (17 percent) were issued after the vendor invoices had been received by the DAS financial unit.

*Effect:* Expenditures were incurred for goods and services prior to funds being committed in violation of Section 4-98 of the General Statutes.

*Cause:* It appears that inadequate communications between the DAS financial unit and agency staff for the purchasing of goods and services contributed to the deficiency. At times, the Department of Administrative Services financial unit was not informed of the purchase of goods received or services rendered

until after the vendor invoice was received by agency staff.

*Recommendation:* The Police Officer Standards and Training Council should, in conjunction with the Department of Administrative Services, improve purchasing procedures to ensure compliance with Section 4-98 of the General Statutes. (See Recommendation 2.)

*Agency Response:* “I also partially agree and disagree on this issue. We have been a Small Agency Resource Team Agency since the inception of that concept. I forwarded this issue to, Director of Fiscal and Administrative Service as well. She has responded as the *Agency Response*: “In 2009 and 2010, as it is right now, all agency budgets are so tight that we do not have the luxury of committing all of the funds needed when the purchase order is generated. In many cases, we have had to commit the funds when the actual invoice came in by de-committing from other purchase orders awaiting invoices. This is not recommended practice but unfortunately it has been the only way that we have been able to keep invoices paid as they come in.”

*Auditor’s Concluding  
Comment:*

The Auditors of Public Accounts do not consider properly committing funds a luxury but an obligation of Section 4-98, subsection (a). The Department of Administrative Services should ensure that funds are available for payment of all commitments made by the agency for goods and services.

**Medical Certificates:**

*Criteria:* Section 5-247-11 of the State Regulations requires a medical certificate to be on file for employees who are out on sick leave for more than five consecutive workdays

*Condition:* We noted two out of four cases during the audited period in which the Council had no medical certificates on file supporting employee use of more than five consecutive sick leave days.

*Effect:* The Council did not fully comply with the regulations.

*Cause:* The Council did not obtain or retain medical certificates for all employees who used in excess of five consecutive sick-leave days.

*Recommendation:* The Council should enforce the requirement that employees who are out on sick leave for more than five consecutive workdays submit medical certificates. (See Recommendation 3.)

*Agency Response:* “I partially agree with this issue; however I am unable to provide a complete factual account of how this happened. I have spoken with the Director of Basic Training who supervises the two employees whose Medical Certificates

were not located. Neither employee turned their certificates in upon their respective return to work. The Director of Basic Training is fully aware of the requirement that Medical Certificates be filed and this will prevent a re-occurrence. This Agency has been a Small Agency Resource Team Agency (SmART) since the inception of that concept. Consequently, payroll has been handled by the SmART Unit in the past. All of the absences were duly noted on the bi-weekly time sheets that were forwarded to SmART. All of our Human Resource functions were also managed by the SmART Unit and we received no notification from that section that the Medical Certificates had not been turned in by the employees. In closing, this Agency has now been consolidated into the Department of Emergency Services and Public Protection (DESSP) and the SmART Unit no longer provides business office services to the Police Officer Standards and Training Council effective July 1, 2011.

I also referred this issue to Director of Fiscal and Administrative Service of the Department of Administrative Services for their response. I received an e-mail from the Fiscal Director on September 27, 2011 advising me that she sent this issue to Human Resources for their response on the Medical Certificates.”

The Auditors of Public Accounts received the following response from the Department of Administrative Services on October 24, 2011 “We DAS - SmART/HR unit have acknowledged a breakdown in our process of tracking medical certificates for some POST employees. The SmART/HR unit therefore agrees with the auditors findings and has put tighter controls in place to monitor the submission of acceptable medical certificates from staff when required. It should be noted, however, that the HR and payroll functions for POST were transferred to DESSP upon the July 1, 2011 merger.”

## RECOMMENDATIONS

Our prior report on the Council contained two recommendations. The two recommendations have been repeated or restated to reflect the current conditions.

### *Prior Audit Recommendations:*

- *Internal controls need to be strengthened over fixed assets/inventory procedure and the annual reporting of such assets.* Some improvements were noted, while deficiencies in this area still exist. As a result, this recommendation will be repeated in modified form. (See Recommendation 1.)
- *Purchasing procedures should be improved to ensure compliance with Section 4-98 of the General Statutes.* We continued to note instances where purchases were made before an approved purchase requisition and/or a purchase order was in place. As a result, this recommendation is being repeated. (See Recommendation 2.)

### *Current Audit Recommendations:*

- 1. The Police Officer Standards and Training Council should, in conjunction with the Department of Administrative Services, improve its controls over fixed assets/inventory procedures and the annual reporting of such assets.**

Comment:

Our examination noted continuing of deficiencies over property control including equipment items listed in different locations from those recorded on the master inventory and inaccurate annual inventory reports.

- 2. The Police Officer Standards and Training Council should, in conjunction with the Department of Administrative Services, improve purchasing procedures to ensure compliance with Section 4-98 of the General Statutes.**

Comment:

Purchase orders for goods and services were not always prepared in a timely manner to properly commit funds prior to goods being received or services being rendered. The exceptions noted in our testing were not “clerical” errors. They resulted from Department of Administrative Services’ accounting practices that were not in adherence to statutory requirements for purchasing of goods or services.

- 3. The Police Officer Standards and Training Council should, in conjunction with the Department of Administrative Services, improve its controls over medical certifications to ensure compliance with Section 5-247-11 of the State Regulations.**

Comment:

We noted two instances where the Council did not obtain the required medical certificates from employees who used more than five consecutive sick leave days.

## INDEPENDENT AUDITORS' CERTIFICATION

As required by Section 2-90 of the General Statutes, we have audited the books and accounts of the Police Officer Standards and Training Council for the fiscal years ended June 30, 2009 and 2010. This audit was primarily limited to performing tests of the Council's compliance with certain provisions of laws, regulations, contracts and grant agreements and to understanding and evaluating the effectiveness of the Council's internal control policies and procedures for ensuring that (1) the provisions of certain laws, regulations, contracts and grant agreements applicable to the Council are complied with, (2) the financial transactions of the Council are properly initiated, authorized, recorded, processed, and reported on consistent with management's direction, and (3) the assets of the Council are safeguarded against loss or unauthorized use. The financial statement audits of the Police Officers Standards and Training Council for the fiscal years ended June 30, 2009 and 2010, 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 Police Officers Standards and Training Council complied in all material or significant respects with the provisions of certain laws, regulations, contracts and grant agreements, and to obtain a sufficient understanding of the internal controls to plan the audit and determine the nature, timing and extent of tests to be performed during the conduct of the audit.

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

Management of the Police Officer Standards and Training Council is responsible for establishing and maintaining effective internal control over financial operations, safeguarding of assets, and compliance with the requirements of laws, regulations, contracts, and grants. In planning and performing our audit, we considered the Police Officer Standards and Training Council's internal control over its financial operations, safeguarding of assets, and compliance with requirements as a basis for designing our auditing procedures for the purpose of evaluating the Council's financial operations, safeguarding of assets, and compliance with certain provisions of laws, regulations, contracts and grant agreements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over those control objectives. Accordingly, we do not express an opinion on the effectiveness of Police Officer Standards and Training Council's internal control over those control objectives.

Our consideration of internal control over financial operations, safeguarding of assets, and compliance with requirements was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial operations, safeguarding of assets, and compliance with requirements that might be significant deficiencies or material weaknesses. However, as described in the accompanying Condition of Records and Recommendations sections of this report we identified deficiencies in internal control over financial operations, safeguarding of assets, and compliance with requirements that we consider to be a

material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct on a timely basis unauthorized, illegal or irregular transactions, or breakdowns in the safekeeping of any asset or resource. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that noncompliance which could result in significant unauthorized, illegal, irregular or unsafe transactions and/or material noncompliance with certain provisions of laws, regulations, contracts, and grant agreements that would be material in relation to the Council's financial operations will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency, described in detail in the accompanying Condition of Records and Recommendations sections of this report, to be a material weakness: Recommendation 2 – Expenditures were incurred for goods and services prior to funds being committed in violation of Connecticut General Statutes, section 4-98.

### **Compliance and Other Matters:**

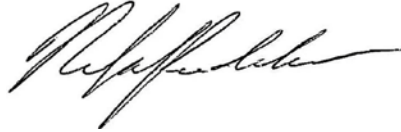
As part of obtaining reasonable assurance about whether the Police Officer Standards and Training Council complied with laws, regulations, contracts and grant agreements, noncompliance with which could result in significant unauthorized, illegal, irregular or unsafe transactions or could have a direct and material effect on the results of the Council's financial operations, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. However, providing an opinion on compliance with those 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of Police Officer Standards and Training Council management, 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**

In conclusion, we wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Police Officer Standards and Training Council, and by the personnel of the Department of Administrative Services during the course of this examination.

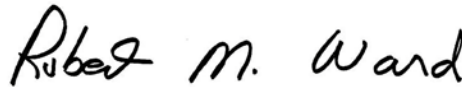


Nikolaos Perdikakis  
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Approved:



John C. Geragosian  
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Robert M. Ward  
Auditor of Public Accounts