

STATE OF CONNECTICUT



*AUDITORS' REPORT
STATE EMPLOYEE CAMPAIGN
FOR THE 2003 AND 2004 CAMPAIGNS*

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

**INDEPENDENT AUDITORS' REPORT ON THE
APPLICATION OF AGREED-UPON PROCEDURES
TO THE RECORDS OF THE STATE EMPLOYEE CAMPAIGN
FOR THE 2003 and 2004 CAMPAIGNS**

James M. Thomas, Chairperson
State Employees' Campaign:

Pursuant to Section 5-262 of the General Statutes we have applied certain agreed-upon procedures, as discussed below, to the accounting records of the State Employee Campaign for the 2003 and 2004 campaigns. We present the Summary of Collections Distributable to Federations and Net Distributions After Expenses, and the related Schedule of Details of Net Distributions After Expenses for informational purposes only. Our procedures and findings are as follows:

**Summary of Collections Distributable to Federations and Net Distributions After Expenses –
Agreed-Upon Substantive Procedures:**

Calculation of Collections and Distributions

1. We obtained the Summary of Collections Distributed to Federations and Net Distributions After Expenses. We recalculated the addition of the amounts on the statement, and traced the amounts to the supporting receipt and distribution ledgers and reports.

Cash Receipts

2. We obtained the employees payroll deductions information from transmittals generated by the State Comptroller's Office and traced the amounts to the United Way of Connecticut accounting records, which is the Principal Combined Fund Organization (PCFO). We performed this review to ensure that contributions were properly reflected in the financial statements. We also reviewed the PCFO documents for employee cash contributions and interest information supporting the total receipts reported. We noted no reportable variances.

Cash Disbursements

3. Using the information on the Distribution Schedules, we recalculated the Gross Distribution percentage of a small sample of Federations for agreement to the distribution percentage reported by the PCFO. We also traced the payments to the check registers, the bank statements and the cancelled checks to confirm that payments were actually made and that the proper payee endorsed the cancelled checks. We noted no reportable exceptions.

Details of Net Distributions After Expenses – Agreed-Upon Procedures:

Allocation of Pledged Dollars and Expenses

4. We obtained the Details of Net Distributions after Expenses for the Campaign years 2003 and 2004 and the supporting cash distribution schedules. Variances between the percentages of pledged dollars and the percentages of actual distribution to the respective charities were compared. We also recalculated the percentages used to allocate expenses and distribute collections. Our calculation disclosed no inaccuracies, and the variance between the pledged dollars percentage to the actual distribution percentage was insignificant.

Review of Compliance Requirements:

Timeliness of Distribution to Federations

5. We prepared a Combined Receipt and Distribution Schedule by utilizing data obtained regarding receipts & distributions. Using the Schedule and the check register, we compared the receipt dates with the distribution dates to determine if the distributions were made within 30 days of receipt. We noted a total of 5 instances (2 in Campaign year 2003 and 3 in Campaign Year 2004) in which the distributions were not made within the required time. The number of days late ranged from 1 to 8.
6. We obtained the Final Expenditure Reports and the Approved Budget amounts for the 2003 and 2004 Campaign years and reviewed them for reasonableness and compliance with statutory requirements. We also reviewed the detail of one major expense category for reasonableness. We noted no unusual or unexplained variances. Administrative expenses did not exceed 110 percent of the budgeted amounts, as required by Section 5-262, subsection (f), of the General Statutes.

Committee Meetings and Minutes

7. We have obtained and reviewed the appointment letters for the members of the Committee, as well as the minutes of the Committee meetings to determine compliance with statutory requirements. We noted that appointments appeared to be made in compliance with Section 5-262 of the General Statutes and meeting minutes were properly kept in accordance with the Freedom of Information Act.

Reporting Requirements

8. We reviewed for compliance with reporting requirements and noted that reports were submitted to the appropriate agencies in accordance with State statutes. We also noted that minutes were available for all meetings held during the audited period.

Because the above procedures do not constitute an audit made in accordance with generally acceptable auditing standards, we do not express an opinion on any of the accounts or items referred to above. Had we performed additional procedures, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and do not extend to the financial statements of the State Employee Campaign taken as a whole.

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts

November 2, 2007
State Capitol
Hartford, Connecticut

Statement 1

**STATE EMPLOYEE CAMPAIGN
SUMMARY OF COLLECTIONS DISTRIBUTABLE TO FEDERATIONS
AND NET DISTRIBUTIONS AFTER EXPENSES
FOR THE 2003 and 2004 CAMPAIGNS**

	2004	<u>Campaign</u>	2003
Receipts:			
Cash contributions	\$ 258,822		\$ 231,999
State payroll deductions	1,407,701		1,299,005
Interest	4,879		1,175
Total Receipts	<u>1,671,402</u>		<u>1,532,179</u>
 Collections distributable to Federations, per Schedule 1	 1,671,402		 1,532,179
 Expenses, per Schedule 1	 <u>250,140</u>		 <u>247,594</u>
 Net Distributions after Expenses, per Schedule 1	 <u>\$ 1,421,262</u>		 <u>\$ 1,284,585</u>

**STATE EMPLOYEE CAMPAIGN
DETAILS OF NET DISTRIBUTIONS AFTER EXPENSES
FOR THE 2003 and 2004 CAMPAIGNS**

<u>Federations</u>	<u>2004 Campaign</u>			<u>2003 Campaign</u>		
	<u>Collections Distributable To Federations</u>	<u>Administrative Expense</u>	<u>Net Distributions after Expenses</u>	<u>Collections Distributable To Federations</u>	<u>Administrative Expense</u>	<u>Net Distributions After Expenses</u>
America's Charities	\$ 131,305	\$ 19,651	\$ 111,654	\$ 135,598	\$ 21,912	\$ 113,686
Community Health Charities of CT	217,199	32,506	184,693	211,747	34,218	177,529
Community Works of CT	54,220	8,115	46,105	44,280	7,156	37,124
Earth Share	70,400	10,536	59,864	69,868	11,290	58,578
Greater Harford Arts Council	20,324	3,042	17,282	15,781	2,550	13,231
Independent Charities of America	215,645	32,273	183,372	222,626	35,975	186,651
Global Impact	135,618	20,296	115,322	103,422	16,713	86,709
Neighbor to Nation	97,610	14,608	83,002	70,174	11,340	58,834
Health Way, Inc	4,178	625	3,553	1,991	322	1,669
United Way:						
Ansonia	12,987	1,944	11,043	11,031	1,783	9,248
Branford	1,571	235	1,336	1,379	223	1,156
Bridgeport	15,310	2,291	13,019	18,845	3,045	15,800
Bristol	20,826	3,117	17,709	20,378	3,293	17,085
Danbury	12,202	1,826	10,376	10,113	1,634	8,479
Darien	50	7	43	-	-	-
Gales Ferry	64,650	9,675	54,975	54,852	8,864	45,988
Greenwich	2,540	380	2,160	1,073	173	900
Meriden	16,363	2,449	13,914	15,015	2,427	12,588
Middletown	35,300	5,283	30,017	36,313	5,868	30,445
Hartford	301,554	45,130	256,424	264,760	42,784	221,976
New Britain	27,879	4,172	23,707	25,434	4,110	21,324
Willimantic	70,366	10,531	59,835	55,311	8,938	46,373
Milford	6,919	1,035	5,884	5,516	891	4,625
New Haven	44,493	6,659	37,834	49,030	7,923	41,107
Naugatuck	2,357	353	2,004	1,685	272	1,413
New Milford	1,454	218	1,236	2,605	421	2,184
Norwalk	2,122	318	1,804	2,300	371	1,929
Southington	9,176	1,373	7,803	8,887	1,436	7,451
Stamford	3,861	578	3,283	5,516	891	4,625
Torrington	21,360	3,197	18,163	19,458	3,145	16,313
Waterbury	51,563	7,717	43,846	47,191	7,626	39,565
Totals	\$ 1,671,402	\$ 250,140	\$ 1,421,262	\$ 1,532,179	\$ 247,594	\$ 1,284,585