

STATE OF CONNECTICUT

**AUDITORS' REPORT
STATE MARSHAL COMMISSION
FOR THE FISCAL YEARS ENDED
JUNE 30, 2001, 2002, 2003 AND 2004**

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

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February 9, 2006

**AUDITORS' REPORT
STATE MARSHAL COMMISSION
FOR THE FISCAL YEARS ENDED JUNE 30, 2001, 2002, 2003 AND 2004**

We have made an examination of the books, records and accounts of the State Marshal Commission (the Commission) for the fiscal years ended June 30, 2001, 2002, 2003 and 2004.

Financial statement presentation and auditing is performed annually on a Statewide Single Audit basis to include all State agencies. This audit examination has been limited to assessing the Commission's compliance with certain provisions of laws and regulations, and evaluating the internal control structure policies and procedures established to ensure such compliance. This report on that examination consists of the Comments, Recommendations, and Certification that follow.

COMMENTS

FOREWORD:

Public Act 00-99, impacted the agency previously known as the County Sheriff's Department by transferring responsibility for transporting prisoners to courthouses, the custody of prisoners at courthouses and courthouse security from the County Sheriffs to the Judicial Department and the service of process functions to the State Marshals, effective December 1, 2000. The Act created the State Marshal Commission as an autonomous body within the Judicial Department for fiscal and budgetary purposes only. This Act also created the State Marshals Advisory Board. Public Act 01-9, of the June Special Session, moved the Commission out of the Judicial Department and instead placed it within the Department of Administrative Services for administrative purposes only, effective July 1, 2001.

Auditors of Public Accounts

The State Marshal Commission (hereafter, the Commission) operates primarily under the provisions of Title 6, Sections 6-29 to 6-49a of the General Statutes.

In accordance with Section 6-38a of the General Statutes, State Marshals are identified as individuals who shall have the authority to provide legal execution and service of process in the counties of the State as an independent contractor compensated on a fee for service basis, determined, subject to any minimum rate promulgated by the State, by agreement with an attorney, court or public agency requiring execution or service of process.

The function of the Commission, in consultation with the State Marshals Advisory Board, is to adopt regulations to establish the selection requirements for filling State Marshal vacancies, as well as establish the applicable professional standards, training requirements, and minimum fees for the execution and service of process. The Commission is also responsible for the equitable assignment of service of restraining orders to State Marshals in each county and ensuring that such restraining orders are served expeditiously.

State Marshal Commission Membership:

Section 6-38b, subsection (a), provides that the State Marshal Commission is to consist of eight members appointed as follows: (1) the Chief Justice shall appoint one member who shall be a judge of the Superior Court; (2) the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the majority and minority leaders of the House of Representatives and the majority and minority leaders of the Senate shall each appoint one member; and (3) the Governor shall appoint one member who shall serve as chairperson. No member of the Commission shall be a State Marshal, except that two State Marshals appointed by the State Marshals Advisory Board in accordance with Section 6-38c of the General Statutes, shall serve as ex-officio, nonvoting members of the Commission.

As of June 30, 2004, the Commission consisted of the following members:

Appointed by Governor:

Gerald E. Farrell, Esquire (Chairperson)

Appointed by Chief Justice:

Honorable William Cremins

Appointed by Legislative Leaders:

Joseph Quinn, Jr., Esquire

Ellen Camhi

Vincent Mauro

Marie Knudsen

Russell See

William Cote, Esquire

Ex-Officio Members:

Allen DeLorenzo

Anthony D. Verrico

State Marshals Advisory Board:

Section 6-38c of the General Statutes establishes a State Marshals Advisory Board to consist of 24 State Marshals. The State Marshals in each county shall elect from amongst themselves the following number of State Marshals to serve on the board: Hartford, New Haven, and Fairfield counties, four State Marshals; New London and Litchfield counties, three State

Marshals; and Tolland, Middlesex and Windham counties, two State Marshals. The Board serves the Commission in an advisory capacity only.

RÉSUMÉ OF OPERATIONS:

The Commission's restricted and miscellaneous revenues and budgeted and restricted expenditures for the audited period are summarized below: (Since the Commission was under the Judicial Department for fiscal and budgetary purposes during the 2000-2001 fiscal year, such activity is not presented here.)

General Fund Revenues:	<u>2003-2004</u>	<u>2002-2003</u>	<u>2001-2002</u>
Restricted Revenues (Non-Lapsing Account):			
Annual State Marshal Fees	\$ 57,500	\$ 60,250	\$ 64,250
Transfers of Civil Action Fees from Judicial	<u>192,500</u>	<u>189,750</u>	<u>185,750</u>
Total Restricted Revenues	250,000	250,000	250,000
Miscellaneous Revenues	<u>195</u>	<u>220</u>	<u>824</u>
Total General Fund Revenues	<u>\$ 250,195</u>	<u>\$ 250,220</u>	<u>\$ 250,824</u>
General Fund Expenditures:			
Budgeted Expenditures:			
Payroll and Fringe Benefits	\$ 221,020	\$ 167,407	\$ 167,895
Other Expenses	81,693	40,925	35,764
Equipment	<u>-</u>	<u>-</u>	<u>5,000</u>
Total Budgeted Expenditures	302,713	208,332	208,659
Restricted Expenditures (Non-Lapsing Account):			
Payroll and Fringe Benefits		122,297	36,872
Other Expenses			
Total Restricted Expenditures	<u>-</u>	<u>1,718</u>	<u>943</u>
Total General Fund Expenditures	<u>\$ 302,713</u>	<u>\$ 332,347</u>	<u>\$ 246,474</u>

Pursuant to Public Act 01-09, of the June Special Session, a separate non-lapsing State Marshal Account was created in the General Fund. Effective October 1, 2001, and annually thereafter, State Marshals are required to pay an annual \$250 fee. Also, beginning July 1, 2001, an additional five dollar fee was imposed on anyone filing a civil action (except small claims) in Superior Court. These civil action fees collected by the Judicial Department were to be deposited into the General Fund. Transfers of the fee amounts were then made from the Judicial Department to ensure that when added to the State Marshal fees, the first \$250,000 collected each year for both fees would be credited to the State Marshal account for the Commission's operating expenses.

Effective July 1, 2004, Public Act 04-02 (May Special Session) eliminated the State Marshal Account and the requirement that the first \$250,000 collected from the two fees be credited to the State Marshal account for the Commission's operating expenses. The five dollar civil action filing fee was also eliminated. However, monies collected from State Marshal annual fees must still be deposited in the General Fund.

Auditors of Public Accounts

As a result of Public Act 04-216, effective May 6, 2004, expenditures charged to the State Marshal Account during the fiscal year ended June 30, 2004 were to be charged to the General Fund, and revenues of the Account were deemed to be General Fund revenue.

CONDITION OF RECORDS

Our examination of the records of the State Marshal Commission disclosed certain areas requiring attention, which are detailed in this section of the report.

Payroll Related Issues:

Criteria:

Section 5-248i of the General Statutes indicates that any employee of a State agency may be authorized to participate in a telecommuting or work-at-home assignment with the approval of his appointing authority and with the approval of the Commissioner of Administrative Services.

Sound business practice suggests that employee timesheets should be approved by a supervisor attesting to its accuracy and that any leave charges made on such timesheet should be recorded on the employee's permanent leave record.

Section 9 of Article 17 of the Administrative Clerical collective bargaining agreement contract indicates that those employees under Grade 20, Step 10 are to receive overtime pay for any extra hours worked.

Section 4-33a of the General Statutes indicates that the Auditors of Public Accounts and the State Comptroller shall promptly be notified of any unauthorized, illegal, irregular, or unsafe handling or expenditure of State funds or breakdowns in the safekeeping of any other resources of the State.

Condition:

A former State employee was rehired to work for 120 days to assist the Commission in establishing State regulations. We noted that this employee was allowed to work from home without apparent approval from the Department of Administrative Services.

We found seven out of 20 timesheets that were not approved by the Director of Operations. We also noted that of the 20 timesheets tested, four had instances in which leave time charged on the timesheet was not recorded on permanent record by the Department of Administrative Services.

We noted that one administrative assistant for the Commission was receiving compensatory time instead of overtime. Another administrative assistant (confidential) was receiving compensatory time without evidence of written pre-approval by the Commission.

It was noted by the Department of Information Technology that an employee of the Commission was improperly using State time and resources for personal reasons. The Commission and the

Department of Administrative Services were notified. The Department of Administrative Services conducted a hearing which resulted in the resignation of the employee. However, the misuse of State resources was not reported to the Auditors of Public Accounts as required by law.

Effect: Internal controls over the preparation of time sheets are not functioning as designed. State policies regarding telecommuting and the use of compensatory time, as well as collective bargaining provisions and State laws providing for the reporting of the misuse of State resources, are not being adhered to.

Cause: These conditions appear to be caused by a lack of administrative oversight.

Recommendation: The Commission should work with the Department of Administrative Services to ensure that policies regarding timesheets, compensatory time, and telecommuting are appropriately followed. The Commission also needs to incorporate a policy for ensuring compliance with Section 4-33a of the General Statutes. (See Recommendation 1.)

Agency Response: “The Commission agrees to work with the Department of Administrative Services to ensure that policies regarding timesheets, compensatory time, and telecommuting are appropriately followed. The Director of Operations will meet with the appropriate DAS representative. The Commission also agrees to promptly notify the Auditors of Public Accounts and the Comptroller of any unauthorized, illegal, irregular or unsafe handling or expenditure of State or quasi-public agency funds or breakdowns in the safekeeping of any other resources of the State in accordance with Section 4-33a of the General Statutes.”

Adherence to Freedom of Information Laws:

Criteria: Subsection (b) of Section 1-225 of the General Statutes indicates that each public agency of the State shall file its schedule of regular meetings for the ensuing year before January 31st of each year.

Robert’s Rules of Order, adopted by the Commission in January 2001 as guidance for the conduct of its meetings, appears to indicate that meeting minutes should be signed by a designated representative once approved.

Condition: The meeting schedules for the State Marshals Advisory Board were not submitted to the Secretary of the State's Office.

Minutes of the Commission meetings are read and approved at the subsequent meeting. The Commission records all meetings by tape recorder. However, we noted that a few of the Commission's written minutes are identified as "draft" and that none of the minutes are signed by a designated representative as being the approved official minutes.

Effect: Public notice was not provided for the Advisory Board meetings as required.

There is reduced reliance that meeting minutes are approved as being complete and accurately recorded when they are marked "draft" and/or lack the signature by an authorized representative as being approved. Individuals requesting copies of minutes under the Freedom of Information laws may be compelled to listen to tapes of meetings in order to assure themselves of the accuracy of the minutes. This would appear cumbersome and imposes unnecessarily on both the Commission staff and the public.

Cause: It appears that a lack of administrative oversight was responsible for the condition.

Recommendation: As indicated in Robert's Rules of Order, procedures should be implemented to provide for a signed attestation by a designated representative that meeting minutes are approved. In addition, the Advisory Board should file meeting schedules with the Office of the Secretary of the State. (See Recommendation 2.)

Agency Response: "The Commission agrees with the recommendation to develop a procedure for a designated representative to attest that the State Marshal Commission meeting minutes have been approved.

The State Marshals Advisory Board was authorized by the General Statutes of the State of Connecticut Section 6-38c. The State Marshal Commission has no authority over this independent board and cannot compel it to adhere to Section 1-225(b) of the General Statutes of the State of Connecticut. The Commission will, however, alert the Advisory Board of its statutory obligations."

Lack of Control for Compliance with Personal Liability Insurance Requirements:

- Criteria:* Section 6-30a of the General Statutes indicates that each State Marshal shall be required to carry specific levels of personal liability insurance, including particular coverage for damages caused by reason of such Marshal's tortious acts.
- Condition:* While we acknowledge the Commission's pursuit of copies of insurance certificates from State Marshals as evidence of personal liability coverage, there does not appear to be a process in place at the Commission to determine if the actual coverage provided includes the specific coverage for tortious acts identified by statute.
- Effect:* Our review of one insurance policy used by a significant number of State Marshals did not appear to specifically identify coverage for tortious acts as defined by Section 6-30a of the General Statutes. The failure of the Commission to ensure that each State Marshal's personal liability insurance policy includes such coverage appears to increase the risk of liability to the State in the event of the commission of such acts.
- Cause:* It appears that the condition exists due to a lack of administrative oversight.
- Recommendation:* The Commission should establish a control to evaluate personal liability insurance obtained by State Marshals and ensure that such coverage specifically includes tortious acts as defined in Section 6-30a of the General Statutes. (See Recommendation 3.)
- Agency Response:* "Although Section 6-30a of the Connecticut General Statutes does not compel the State Marshal Commission to require proof that State Marshals have in fact complied with the insurance requirements of that section, the Commission agrees to establish a control to ensure that such coverage specifically includes tortious acts as defined in Section 6-30a."

Issues with Training Regulations:

- Criteria:* Section 6-38b, subsection (f), dictates that the State Marshal Commission shall adopt regulations to establish professional standards and training requirements.
- Section 6-38b-4 of the Regulations of Connecticut State Agencies indicates that the Commission shall publish and provide to all Marshals a manual providing information relevant to the duties and responsibilities of State Marshals. The Commission is also to establish a statewide training program for State Marshals. All

State Marshals shall comply with all continuing education requirements and certification or re-certification requirements as established by regulation.

Condition: While we noted that the Commission voted on training requirements and incorporated the use of a field training folder to track such, there is no formal written policy regarding training requirements for State Marshals. There also does not appear to be any continuing education requirements for State Marshals, unless such Marshals are part of the capias team. A draft of a manual intended to provide information relevant to the duties and responsibilities of State Marshals, as required by State Regulation, has not been approved for issuance by the Commission.

Effect: The risk that training requirements will not be met is greater without a formal written policy and distribution of a State Marshal's policy manual. In the absence of proper training, the safety of the public and State Marshals may be at risk in the performance of their duties and subject the State to possible litigation.

Cause: The lack of adequate administrative oversight appears to contribute to the condition.

Recommendation: The Commission should adopt regulations to specifically address the training requirements for appointment to include continuing education and the special requirements of those State Marshals on the capias team. As dictated by State Regulation, the Commission should also finalize the manual to provide information relevant to the duties and responsibilities of State Marshals. (See Recommendation 4.)

Agency Response: "The Regulations of State Agencies Section 6-38b-4 (a) requires the Commission to publish a manual with information relevant to the duties and responsibilities of State Marshals, and Section 6-38b-4 (b) states that the Commission shall establish a statewide training program for State Marshals. Training was made available to State Marshals in June and July, 2002, and training for new appointees was held in 2004. The Commission currently has a request in front of the Secretary of the Office of Policy and Management (OPM) for the expansion of the Commission's budget to address this issue as well as the statutory audit requirements. The Commission agrees that training is of paramount importance, as evidenced by its request for a budget expansion on this very issue. Once OPM responds to the Commission's request, the Commission will write and distribute a comprehensive manual that provides information relevant to the

duties and responsibilities of State Marshals, and will schedule appropriate training.”

Failure to Implement Audit Requirements:

- Criteria:* Section 6-38e of the General Statutes indicates that the Commission shall periodically review and audit the records and accounts of the State Marshals. Upon death or disability of a State Marshal, the Commission shall appoint a qualified individual to oversee and audit the records and accounts of such State Marshal and render an accounting to the Commission.
- Condition:* The Commission has not conducted any random audits of active State Marshals. We found that of the 17 State Marshals that passed away since the inception of the Commission, only three audits were completed and five other audits were initiated. There does not appear to be any written policy for distribution of State Marshal accounts when a State Marshal dies or resigns.
- Effect:* The failure to perform timely audits of State Marshal accounts and records does not fulfill statutory compliance and may diminish the public trust in the process.
- In the absence of a written policy, the distribution of State Marshal accounts may not be done equitably.
- Cause:* The condition appears to exist due to a lack of administrative oversight.
- Recommendation:* The Commission should comply with Section 6-38e of the General Statutes by performing periodic audits of Marshals’ accounts and establishing a written policy regarding the distribution of State Marshal accounts upon death or resignation. (See Recommendation 5.)
- Agency Response:* “As a result of a historic lack of staff resources, the Commission has not yet been able to satisfy its statutory obligations regarding the audits of the records of State Marshals found in section 6-38e. The Commission currently has a request in front of the Secretary of the Office of Policy and Management for the expansion of the Commission’s budget to address this issue as well as the training issue discussed above. The Commission agrees that resources should be made available to satisfy this requirement and will work within available appropriations to perform the mandated audits.”

Need for Increased Controls over Revenues:

Criteria: Procedures promulgated by the State Comptroller's State Accounting Manual call for the preparation of accountability reports for major revenue sources and the maintenance of a receipts journal to record cash receipts.

Section 4-32 of the General Statutes requires that State agencies shall account for and, if the total of the sums received amounts to five hundred dollars or more, deposit the same in the name of the State within 24 hours of receipt.

Condition: We noted that a receipts journal is not maintained by the State Marshal Commission. Accountability reports reconciling the amount of dues received to the number of Marshals recorded as having paid were not prepared.

State Marshal annual fees are collected by the State Marshal Commission and then sent over via U.S. mail to the Department of Administrative Services for recording and ultimate deposit.

Effect: In the absence of a receipts journal and revenue accountability reports, misappropriation may occur and not be detected.

The current process of fee collection appears to result in a built-in delay of an additional day before recording and depositing takes place. The extra step of transferring the monies to another department also appears to increase the risk of loss.

Cause: A lack of administrative oversight appears attributable to the condition.

Recommendation: The Commission should ensure compliance with Section 4-32 of the General Statutes by arranging for the State Marshals' annual fees to be submitted directly to the Department of Administrative Services for recording and deposit. Additionally, a reconciliation should be performed between the Commission and the Department of Administrative Services to ensure the receipt and deposit of all expected State Marshal annual dues. (See Recommendation 6.)

Agency Response: "The Commission agrees to work with the Department of Administrative Services to ensure coordination and compliance with Sections 4-32 and 6-38m of the Connecticut General Statutes. Additionally, the Commission and the Department of Administrative Services will continue to communicate and ensure that each agency's records reconcile with one another."

Lack of Adequate Oversight for State Marshal Complaints:

Criteria: Section 6-38b-7 of the Regulations of Connecticut State Agencies indicates that when the Commission receives a written complaint concerning a State Marshal, the Commission shall notify the State Marshal that a complaint has been received and initiate and conduct any investigation that it deems necessary within the Commission's jurisdiction. The Commission may appoint an investigator who shall review the allegations against a State Marshal and determine the course of the investigation. The investigator shall prepare a report and present such findings to the Commission's Oversight Committee for the purposes of determining the appropriate action to be taken in the matter.

Monitoring of the frequency and nature of reported complaints should help to promulgate policies and procedures designed to alleviate future complaints

Condition: We noted that there were 30 pending complaints as of September 2005 that have been received but have not yet been addressed or remain unresolved due to the lack of an investigator within the Commission's staff.

We saw no evidence of any periodic reporting of the nature and the status of complaints against State Marshals to the Commission's Oversight Committee.

There does not appear to be a policy regarding the referral of complaints to the Commission's Oversight Committee by the administrative unit. Referral to the Oversight Committee usually only took place when the complainant pursued the matter further.

Out of 20 complaints that were examined by us, there was no formal report prepared for any of those complaints.

We additionally found that the complaint procedures exercised by the Commission do not allow for anonymous complaints, while the State Regulations appear to.

Effect: The lack of timely and thorough review and investigation of complaints presents the risk that inappropriate activity may continue.

The lack of a policy for anonymous complaints and the lack of reports on complaints may keep certain serious matters from the Commission's attention.

Cause: It appears that a lack of administrative oversight has contributed to

the condition.

Recommendation: The Commission should consider establishing more detailed procedures regarding the review and investigation of State Marshal complaints to include the investigation of anonymous complaints and when referral to the Commission's Oversight Committee is required. Also, the Commission should address the outstanding complaints which have not been addressed or resolved since the loss of the Commission's Investigator and ensure that reports are issued for investigated complaints as dictated in Section 6-38b-7 of the State Regulations. (See Recommendation 7.)

Agency Response: "The Commission is in the process of hiring an Administrative Hearings Attorney to, in part, address this condition. The Commission agrees that this condition exists and will consider establishing more detailed procedures regarding the review and investigation of State Marshal complaints. The matter of anonymous complaints will be considered by the Commission as well, however, the inherent issue with these types of complaints is that investigation is difficult at best as there is no party to verify or respond to a Marshal's position. Marshals rarely, if ever, deliver good news to the citizens of Connecticut and as a result the possibility of an issue arising between the public and a Marshal exists with each and every service."

Lack of Service for Capias:

Criteria: Section 6-32 of the General Statutes indicates that each process directed to a State Marshal shall be received when tendered and executed promptly with true return made thereof. If any State Marshal does not duly and promptly execute and return any such process or makes a false or illegal return thereof, such State Marshal shall be liable to pay double the amount of all damages to the party aggrieved.

Condition: We noted memoranda from the Commission indicating that over a thousand capias warrants that were issued to State Marshals remain outstanding.

Effect: The high number of outstanding warrants may cause the public to question the efficiency and professionalism of the State Marshal Commission.

Cause: The Commission's Director of Operations indicated that the lack of current information as to the whereabouts of the arrestee from the Judicial Department's Support Enforcement Services Division and the small fee to the State Marshal attributable to such service

reduces its priority to State Marshals and thus contributes to the high number of outstanding warrants.

Recommendation: The Commission should consider taking actions to reduce the high number of outstanding capias warrants and determine if State Marshals, due to inactivity, are responsible for such under Section 6-32 of the General Statutes. (See Recommendation 8.)

Agency Response: “The Commission is taking action to reduce the number of outstanding capias warrants. Since August 1, 2005, meetings have been held with officials from the Judicial Department and with Marshals to address the various factors that contribute to the high number of outstanding capias warrants, including the lack of adequate information on the whereabouts of the individual to be taken into custody and the fee for service which the Marshal receives as well as the timely payment of that fee. Additionally, in the near future, meetings will be held with other agencies that can assist in the resolution of this issue, such as the Departments of Motor Vehicles and Public Safety, which may be able to help provide more accurate information regarding wanted individuals. The Commission is also considering the appointment of a new class of Marshal recruits to assist, in part, in this area.”

Lack of Compliance with Record Retention Statute:

Criteria: Subsection (b) of Section 11-8a of the General Statutes provides that the State Librarian may require each State agency to inventory all books, records, papers and documents under its jurisdiction and to submit for approval retention schedules for all such. Each agency head shall notify the State Librarian of any changes in the administrative requirements for the retention of any book, record, paper or document subsequent to the approval of retention schedules by the State Librarian.

Subsection (f) of Section 11-8a of the General Statutes indicates that each State agency shall designate an agency employee to serve as the records management liaison officer.

Condition: We were informed by Commission staff that no records retention schedules were on file with the State Library and no one has been designated to serve as records management liaison officer.

Effect: The lack of an established record retention schedule may hinder the protection of Commission records and documents.

Cause: A lack of administrative oversight appears contributable to the condition.

Recommendation: The Commission should take steps to ensure its compliance with the record retention requirements of Section 11-8a of the General Statutes. (See Recommendation 9.)

Agency Response: “The Commission agrees with the Condition and further agrees to follow the recommendation to file a plan in compliance with the record retention requirements of the State Librarian pursuant to Section 11-8a of the General Statutes and to appoint a records management liaison officer.”

Disaster Recovery/Business Continuity Plans:

Criteria: General data processing guidelines usually contain provisions for the retention of data in the form of back-ups. Adequate back-up procedures for data should be in place to ensure offsite storage and thus minimize loss of data in the event of a disaster. State agencies should have an established disaster recovery plan on file with the State Library. The Department of Information Technology is assigned the responsibility of overseeing most agencies’ data processing and disaster recovery procedures.

Condition: We were informed that a disaster recovery plan is not in place at the Commission and that the State Marshal database, which contains all pertinent information pertaining to State Marshals, as well as the minutes to Commission meetings, had not been backed up for months. A provision for off-site storage of the most recent back-up had not been made.

Effect: The ability of the State Marshal Commission to function in the event of a calamity is greatly hampered.

Cause: Staff employed by the Commission have apparently not seen the need for formal disaster recovery provisions.

Recommendation: The Commission should consult with the Departments of Administrative Services and Information Technology to establish a disaster recovery plan, including provisions for routine back-up of data files with offsite storage. (See Recommendation 10.)

Agency Response: “The Commission agrees with the Condition and further agrees to follow the recommendation to consult with the Departments of Administrative Services and Information Technology to establish a disaster recovery plan, including provisions for routine back-up of data files with offsite storage.”

RECOMMENDATIONS

Since this is the first engagement of this agency, there are no prior audit recommendations.

Current Audit Recommendations:

- 1. The Commission should work with the Department of Administrative Services to ensure that policies regarding timesheets, compensatory time, and telecommuting are appropriately followed. The Commission also needs to incorporate a policy for ensuring compliance with Section 4-33a of the General Statutes.**

Comment:

We noted that employee timesheets lacked supervisory approval; compensatory time did not appear authorized for the individuals earning and using such; and an employee was allowed to work-at-home without approval from the Department of Administrative Services. We additionally noted an incident regarding inappropriate use of State resources by an employee which was not reported by the Commission in accordance with Section 4-33a of the General Statutes.

- 2. As indicated in Robert's Rules of Order, procedures should be implemented to provide for a signed attestation by a designated representative that meeting minutes are approved. In addition, the Advisory Board should file meeting schedules with the Office of the Secretary of the State.**

Comment:

We noted that meeting minutes were not signed by designated representative as being approved. The State Marshal Advisory Board does not file its meeting schedules in accordance with State law.

- 3. The Commission should establish a control to evaluate personal liability insurance obtained by State Marshals and ensure that such coverage specifically includes tortious acts as defined in Section 6-30a of the General Statutes.**

Comment:

We found that the Commission does not review the personal liability insurance obtained by State Marshals for specific compliance to State law regarding coverage of tortuous acts.

- 4. The Commission should adopt regulations to specifically address the training requirements for appointment to include continuing education and the special requirements of those State Marshals on the capias team. As dictated by State Regulation, the Commission should also finalize the manual to provide information relevant to the duties and responsibilities of State Marshals.**

Comment:

The Commission did not appear to have specific written policies in place regarding training requirements and continuing education requirements for newly appointed

State Marshals and those serving on capias teams. We additionally noted that a manual providing information relevant to the duties and responsibilities of State Marshals was not completed.

- 5. The Commission should comply with Section 6-38e of the General Statutes by performing periodic audits of Marshals' accounts and establishing a written policy regarding the distribution of State Marshal accounts upon death or resignation.**

Comment:

It appears that the Commission was not performing periodic audits of State Marshals' accounts and records nor was it performing audits on the accounts and records of all deceased State Marshals.

- 6. The Commission should ensure compliance with Section 4-32 of the General Statutes by arranging for the State Marshals' annual fees to be submitted directly to the Department of Administrative Services for recording and deposit. Additionally, a reconciliation should be performed between the Commission and the Department of Administrative Services to ensure the receipt and deposit of all expected State Marshal annual dues.**

Comment:

We found that the Commission's current receipt practice was not conducive to timely recording and depositing of State Marshals' annual fees in accordance with Section 4-32 of the General Statutes. We also noted that a revenue accountability process is not established to determine that what the Commission receives and considers due from State Marshals is ultimately deposited and recorded on CORE-CT by the Department of Administrative Services.

- 7. The Commission should consider establishing more detailed procedures regarding the review and investigation of State Marshal complaints to include the investigation of anonymous complaints and when referral to the Commission's Oversight Committee is required. Also, the Commission should address the outstanding complaints which have not been addressed or resolved since the loss of the Commission's Investigator and ensure that reports are issued for investigated complaints as dictated in Section 6-38b-7 of the State Regulations.**

Comment:

We noted that there were delays in the review and investigation of State Marshal complaints. While there were case files with correspondence, there was a lack of reports issued for investigated complaints. The Commission does not investigate anonymous complaints. Commission procedures did not appear to be specific enough to indicate when a complaint should be raised to the Commission's Oversight Committee level for involvement.

- 8. The Commission should consider taking actions to reduce the high number of outstanding capias warrants and determine if State Marshals, due to inactivity, are responsible for such under Section 6-32 of the General Statutes.**

Comment:

We noted via memoranda from the Commission that a great number of capias warrants were outstanding with State Marshals.

- 9. The Commission should take steps to ensure its compliance with the record retention requirements of Section 11-8a of the General Statutes.**

Comment:

We were informed by the Director of Operations that no records retention schedule was on file with the State Librarian nor has there been a records management liaison officer assigned.

- 10. The Commission should consult with the Departments of Administrative Services and Information Technology to establish a disaster recovery plan, including provisions for routine back-up of data files with offsite storage.**

Comment:

We noted that a disaster recovery plan to include back-up and offsite storage procedures of Commission data was not in place.

INDEPENDENT AUDITORS' CERTIFICATION

As required by Section 2-90 of the General Statutes we have audited the books and accounts of the State Marshal Commission for the fiscal years ended June 30, 2001, 2002, 2003 and 2004. This audit was primarily limited to performing tests of the Commission's compliance with certain provisions of laws, regulations, contracts and grants and to understanding and evaluating the effectiveness of the Commission's internal control policies and procedures for ensuring that (1) the provisions of certain laws, regulations, contracts and grants applicable to the Commission are complied with, (2) the financial transactions of the Commission are properly recorded, processed, summarized and reported on consistent with management's authorization, and (3) the assets of the Commission are safeguarded against loss or unauthorized use. The financial statement audits of the State Marshal Commission, for the fiscal years ended June 30, 2001, 2002, 2003 and 2004, 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 State Marshal Commission complied in all material or significant respects with the provisions of certain laws, regulations, contracts and grants and to obtain a sufficient understanding of the internal control to plan the audit and determine the nature, timing and extent of tests to be performed during the conduct of the audit.

Compliance:

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

As part of obtaining reasonable assurance about whether the Commission complied with laws, regulations and contracts, 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 Commission's financial operations for the fiscal years ended June 30, 2001, 2002, 2003 and 2004, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants. However, providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

The management of the State Marshal Commission is responsible for establishing and maintaining effective internal control over its financial operations, safeguarding of assets, and compliance with the requirements of laws, regulations, contracts and grants applicable to the Commission. In planning and performing our audit, we considered the Commission's internal

control over its financial operations, safeguarding of assets, and compliance with requirements that could have a material or significant effect on the Commission's financial operations in order to determine our auditing procedures for the purpose of evaluating the State Marshal Commission's financial operations, safeguarding of assets, and compliance with certain provisions of laws, regulations and contracts, and not to provide assurance on the internal control over those control objectives.

However, we noted certain matters involving the internal control over the Commission's financial operations, safeguarding of assets, and/or compliance that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control over the Commission's financial operations, safeguarding of assets, and/or compliance that, in our judgment, could adversely affect the Commission's ability to properly record, process, summarize and report financial data consistent with management's authorization, safeguard assets, and/or comply with certain provisions of laws, regulations, contracts and grants. We believe the following findings represent reportable conditions: lack of audits of State Marshal accounts and lack of records and timely investigation of State Marshal complaints.

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

We also noted other matters involving internal control over the Commission's financial operations and over compliance, which are described in the accompanying "Condition of Records" and "Recommendations" sections of this report.

This report is intended for the information of the Governor, the State Comptroller, the Appropriations Committee of the General Assembly and the Legislative Committee on Program Review and Investigations. However, this report is a matter of public record and its distribution is not limited.

CONCLUSION

In conclusion, we wish to express appreciation for the courtesy and cooperation extended to our representatives by the personnel of the State Marshal Commission during the course of this examination.

Dennis Collins
Associate Auditor

Approved:

Robert G. Jaekle
Auditor of Public Accounts

Kevin P. Johnston
Auditor of Public Accounts