

# STATE OF CONNECTICUT



***AUDITORS' REPORT  
CHARTER OAK STATE COLLEGE FOUNDATION'S  
REPORT OF ENDOWED GIFTS***

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

# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

State Capitol  
210 Capitol Avenue  
Hartford, Connecticut 06106-1559

ROBERT M. WARD

Edward Klonoski, President  
Charter Oak State College  
55 Paul Manafort Drive  
New Britain, CT 06053-2150

February 10, 2014

Dear Mr. Klonoski:

At your request, we have performed the procedures enumerated below with respect to the Charter Oak State College Foundation's Report of Endowed Gifts documenting endowment fund eligible gifts received by the Board of Regents for Higher Education during the calendar year ended December 31, 2013. Endowment fund eligible gifts as used herein are defined in Section 10a-143a of the General Statutes.

These procedures, which were agreed to by the Charter Oak State College Foundation, Inc., were performed solely to determine compliance with the Higher Education State Matching Grant Fund Program statutory requirements. The sufficiency of the procedures is solely the responsibility of the foundation. This report is intended solely for your information and should not be used by those who did not participate in determining the procedures.

The procedures we performed are summarized as follows:

1. We obtained and read copies of the Higher Education State Matching Grant Fund Program legislation, including all amendments.
2. We obtained and read copies of Board of Regents for Higher Education resolutions designating the foundation as the administrator of the endowment fund and establishing the guidelines for gift solicitation and acceptance.
3. We obtained and read a copy of the related memorandum of understanding between the Board of Regents for Higher Education and the foundation.
4. We obtained a copy of the foundation's Report of Endowed Gifts for the calendar year ended December 31, 2013, totaling \$4,575.
5. We reviewed the documents listed above and compared the information contained therein to statutory requirements. We verified that 11 of the 11 gifts tested qualify for the 25 percent match under Section 10a-143a of the General Statutes.

6. We examined the supporting documentation for three endowment fund eligible gifts valued at \$500 or more and eight endowment fund eligible gifts from the Report of Endowed Gifts each valued at less than \$500, in order to test that the amounts listed qualify as endowment fund eligible gifts. These procedures included performing the following:

We verified that the gift was made available to the Charter Oak State College for the endowment of scholarships and/or programmatic enhancements, in conformity with Section 10a-143a of the General Statutes. Our testing included examining Endowment Pledge Confirmations and/or other documentation such as the endowment pledge card or donor correspondence.

We verified that the gift was received by the foundation in the appropriate period by noting date stamping on documentation, dating on checks and correspondence, and/or postmark cancellations on donor envelopes.

We validated the listed amounts of individual gifts to supporting documentation. For gifts of cash, we verified amounts to copies of checks and/or donor correspondence. For gifts of stock with readily determinable market values, we verified the value of the contribution to the median value of the stock on the date of donation based on quoted market prices.

For all gifts examined, we traced the cash received upon donation or sale through the foundation's cash receipts process.

## FINDINGS

- A. We obtained and read copies of statutory requirements, guidelines defining matching gifts and resolutions adopted by the Board of Regents for Higher Education, the memorandum of understanding, and the Report of Endowed Gifts.
- B. The coverage achieved from the contributions selected for testing was as follows:

	Number of Items Tested	Dollar Value	Percentage of Total
High dollar items ( $\geq$ \$500)	3	\$3,750	82%
Other items ( $<$ \$500)	<u>8</u>	<u>825</u>	<u>18%</u>
Total tested	<u>11</u>	<u>\$4,575</u>	<u>100%</u>

The results of Procedural Step B were as follows:

1. We reviewed 11 gifts to determine whether or not they qualified for the endowment of scholarships and/or programmatic enhancements, in conformity with Section 10a-143a of the General Statutes. We noted no exceptions.
2. We reviewed all endowment gifts received by the foundation during the calendar year ended December 31, 2013, as well as all year-end deposits, and deposits made shortly thereafter, to determine whether the gifts were recorded in the proper period. We noted no exceptions.
3. We determined that all individual gifts selected for testing were recorded at the appropriate amount, based upon our examination of copies of checks and donor correspondence.
4. We traced the cash received upon donation through the foundation's cash receipts process (from the support documentation, to a bank deposit slip, to the foundation's general ledger) for all items selected for testing.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the endowment fund eligible gifts noted in the Report of Endowed Gifts for the calendar year ended December 31, 2013. Had we performed additional procedures or had we performed an audit of the endowment fund eligible gifts, other matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of the Charter Oak State College Foundation, Inc., taken as a whole.

Sincerely,



John C. Geragosian  
Auditor of Public Accounts



Robert M. Ward  
Auditor of Public Accounts