

Auditors of Public Accounts Audits Q3 of 2026

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Issue

This report shows the audits issued by the state [Auditors of Public Accounts](#) (APA) between July 1, 2026, and September 30, 2026, by release date, with brief summaries of their findings and recommendations. The full report for each audit is available through the hyperlink in its audit type.

The audits of the Tweed-New Haven Airport Authority (released July 21, 2026) and Connecticut Health and Educational Facilities Authority (released August 13, 2026) did not have any findings and are not included below.

Audits

Charter Oak State College

Release Date: July 8, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Lack of formal procedures and documentation of telecommuting agreements	Collective bargaining agreement	Establish formal procedures for the application and approval of employee telecommuting arrangements
Lack of timely authorization for dually employed employees	CGS § 5-208a	Strengthen internal controls over dual employment procedures to ensure compliance
Untimely purchase orders	CGS § 4-98(a)	Strengthen internal controls to ensure purchase order compliance

Charter Oak State College (continued)

Release Date: July 8, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Improper asset management	Connecticut State Colleges and Universities Capital and Controllable Asset Manual; and State Property Control Manual (SPCM)	Strengthen internal controls over asset management to ensure compliance with SPCM, to ensure property records are accurate and contain all required information and to prevent the disposal of property without the necessary approvals

University of Connecticut Health Center

Release Date: July 9, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Lack of formal and full testing of disaster recovery plan	National Institute of Standards and Technology Special Publication 800-53	Routinely test the informational technology (IT) disaster recovery plan
Lack of policy establishing frequency of updates to IT security risk assessments	Best practices	Establish criteria for how often to update and perform IT security risk assessments
Lack of department head's approval or consultation in hiring temporary non-faculty employees	Best practices	Strengthen internal controls over personnel decisions for temporary, non-faculty employees to provide sufficient segregation of duties and transparency in the decision-making process
Unapproved timecards for non-faculty employees	Internal policies and procedures	Follow established timesheet review and approval procedures
Inadequate staffing and overtime management	Best practices	Increase staffing levels to meet scheduling requirements without incurring significant overtime costs
Incorrect compensatory time payouts	Maintenance & Service (NP-2) bargaining unit contract	Stop processing compensatory time payouts that do not conform with the terms of bargaining unit contracts
Lack of consistent enforcement of telecommuting policy	Internal policies and procedures	Follow telecommuting policy and prohibit remote working without an approved agreement
Failure to file dual employment forms	CGS § 5-208a	Complete and file dual employment forms and implement procedures for monitoring

University of Connecticut Health Center (continued)

Release Date: July 9, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Lack of oversight and internal control procedures for purchase cards	Office of the State Comptroller (OSC) Purchasing Card Cardholder Work Rules; and internal policies and procedures	Review and reconcile monthly purchasing card statements to ensure cards are used properly in accordance with established policies
Inaccurate property control records and lack of annual physical inspections	Internal policies and procedures	Strengthen controls over asset management, maintain accurate inventory records, and perform physical inspections
Lack of agency software asset policy	SPCM	Create a software asset policy to address records maintenance and related procedures

Department of Consumer Protection

Release Date: July 14, 2026	Audit Type: Audit	Fiscal Years: 2021-2023
Findings	Applicable Standards	Recommendations
Lack of preapproval for compensatory time and failure to retain documentation	Internal policies and procedures; and Connecticut State Library (CSL) record retention policy	Strengthen internal controls to ensure management preapproves compensatory time requests and retain supporting documentation
Lack of preapproval for overtime requests and failure to retain documentation	Internal policies and procedures; and CSL policy	Strengthen internal controls to ensure management preapproves overtime requests and retain supporting documentation
Failure to maintain database of dealers subject to lemon law payments and collect the payments	CGS § 42-190	Improve procedures to update the new vehicle dealer list and identify and follow up with dealers that have not paid the New Automobile Warranties Program surcharges
Failure to perform an annual software inventory and lack of complete and updated software inventory report	CGS § 4-36 ; and SPCM	Strengthen internal controls over software management to ensure it maintains accurate records and perform annual software inventory
Failure to submit the Funds Awaiting Distribution reports	State Accounting Manual (SAM)	Strengthen internal controls to ensure compliance with reporting requirements

Office of State Ethics

Release Date: July 22, 2026	Audit Type: Audit	Fiscal Years: 2024 & 2025
Findings	Applicable Standards	Recommendations
Failure to develop written procedures for physical inventory and lack of certain information in property control record data fields	SPCM	Establish and submit written procedures for conducting a physical inventory and maintain complete property control records for each asset

Capital Region Development Authority (CRDA)

Release Date: July 28, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Lack of bidding and contracting oversight and compliance documentation missing in facilities management agreement	CGS § 9-612 ; CGS § 4-252 ; CGS § 4a-60 ; and CRDA-Oak View Group contract	Improve monitoring of its facilities manager to ensure compliance with contract requirements

Department of Economic and Community Development (DECD)

Release Date: July 29, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Failure to promptly report certain inappropriate activity related to state funds	CGS § 4-33a	Promptly notify the APA and OSC of any actual or contemplated unauthorized, illegal, irregular, or unsafe handling or expenditure of state funds
Inadequate monitoring of a grant recipient	Best practices	Strengthen internal controls to ensure adequate monitoring of grant recipients, including obtaining required reports and budgets
Omission of required administrative information for Community Investment Fund (CIF) project expenditures and lack of oversight	CGS § 32-285a ; and internal policies and procedures	Implement internal controls to provide accountability for CIF
Inadequate controls over grants	Grant agreements	Strengthen internal controls to ensure a complete review of all grant projects
Inadequate controls over loans	Internal policies and procedures	Strengthen internal controls to ensure a complete review of all loan projects
Inadequate safeguarding of state funds	CGS § 4-33a	Attempt to recover the missing funds from the third-party administrator, and if not possible, refer the matter to the attorney general

Department of Economic and Community Development (DECD)
(continued)

Release Date: July 29, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Inadequate estimate in reported balances of uncollectible receivables	SAM	Strengthen internal controls to ensure that the amount of loans receivable reported to the OSC includes estimated uncollectible receivables
Lack of monitoring of lending partners	CGS § 32-9yy ; and CGS § 32-7g	Implement procedures to monitor the activities of lending partners that administer, service, and oversee financial assistance provided under the Small Business Assistance Account and Small Business Express program
Failure to obtain a service organization controls report or similar information	Best practices	Monitor service organizations to ensure that they are processing data accurately and reliably and properly safeguarding data
Inadequate data classification assessment	CGS § 4d-8a ; and Office of Policy and Management (OPM) data classification policy	Perform a comprehensive data classification assessment in accordance with OPM policy
Inadequate controls over time and attendance	CGS § 5-245 ; collective bargaining agreements; Department of Administrative Services management personnel policy 17-01; DECD policies; and Core-CT	Strengthen internal controls to ensure compliance with time and attendance requirements
Failure to submit accurate, on time required reporting	Legislation; OSC policy; and SAM	Strengthen internal controls to ensure all required reports are complete, accurate, and submitted on time
Inadequate director review of Qualified Data Centers Incentives program	Internal policies and procedures	Comply with established procedures for program administration
Ineligible enterprise zone tax exemptions and lack of documentation	Internal policies and procedures	Implement a formal review and monitoring process and update Enterprise Zone Program Guide to reflect current practices
Unauthorized historic structures rehabilitation tax credit	CGS § 10-416c(i) ; and internal policies and procedures	Strengthen internal controls to comply with program requirements, and invoice program participants for uncollected fees and initiate steps to recover unauthorized tax credits

Department of Economic and Community Development (DECD)
(continued)

Release Date: July 29, 2026	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Unauthorized historic homes rehabilitation tax credit and lack of documentation	CGS § 10-416(e) & (j) ; and Conn. Agencies Reg. § 10-320j-4(6)	Strengthen internal controls over the program, recover the unauthorized tax credits, and review practice of including a 10% contingency in tax credit reserves
Lack of recordkeeping and accountability over complaints	Best practices	Strengthen internal controls, develop and implement complaint processing procedures, and use a centralized system to track complaints and document resolutions
Reporting deficiencies in the Office of Workforce Strategy	PA 23-97 , § 8; and CGS § 4-124w	Comply with statutory reporting requirements
Misappropriation of state funds from the Social Equity Council (SEC)	Requirement to use grant funds for authorized purposes	SEC should freeze future funding when a recipient has misspent funds, pending an investigation and resolution of the matter
Inadequate documentation and oversight over the SEC Community Reinvestment Grant Program	Grant agreements	SEC should provide adequate oversight over the Community Reinvestment Grant Program and ensure effective internal control procedures
Lack of oversight by SEC	OSC report ; CGS Chapter 420h ; and internal policies and procedures	SEC should establish and enhance programmatic and financial internal controls in accordance with OSC recommendations
Violation of state procurement standards by SEC	OPM Procurement Standards for Personal Service Agreements and Purchase of Service Contracts; and CGS Chapter 55a Part II	Comply with state procurement standards when contracting for professional services

Office of the State Comptroller — State Retirement Benefits and Funds

Release Date: August 4, 2026	Audit Type: Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Improper judge retirement benefit payments and inaccurate employment information in Core-CT	CGS § 51-49f ; and CGS § 51-47	Strengthen internal controls to ensure that retirement benefit payments for judges and employment data are accurate

Office of the State Comptroller — State Retirement Benefits and Funds (continued)

Release Date: August 4, 2026	Audit Type: Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Untimely state and municipal employee retirement benefit finalizations and insufficient review of benefit payments	CGS § 5-156e ; and internal policies and procedures	Strengthen internal controls to ensure that retirement benefit payments are promptly finalized and reviewed; and ensure retirement benefit payments agree with amounts in the final calculation, including correct interest
Inaccurate retirement tier assignments and employment data in Core-CT	State Employees Bargaining Agent Coalition (SEBAC) agreement; and internal policies and procedures	Implement internal controls to ensure employees are placed in the correct retirement tier and use accurate employment data in Core-CT

Freedom of Information Commission

Release Date: August 5, 2026	Audit Type: Audit	Fiscal Years: 2024 & 2025
Findings	Applicable Standards	Recommendations
Inaccurate property control report and failure to develop or submit procedures for conducting physical inventory	SPCM	Strengthen internal controls to accurately account for software inventory and report written physical inventory procedures to OSC

DECD's Media Tax Credit

Release Date: August 11, 2026	Audit Type: Performance Audit Follow-Up	Fiscal Years: 2019-2022
Findings	Recommendations	
Lack of segregation of duties of media credit administration	Separate key duties, and if not possible, develop a formalized management review process <i>(Implemented)</i>	
Lack of written media credit administration policies and procedures	Develop written policies and procedures to administer media credits, including internal controls for statutory and regulatory compliance <i>(Partially Implemented)</i>	
Failure to reconcile claimed and issued transfer vouchers	Enter into an agreement with the Department of Revenue Services to obtain necessary data for reconciliation of individual credit vouchers with state tax credits and develop a prompt and accurate reconciliation procedure <i>(Not Implemented)</i>	
Lack of reliable data over control activities	Obtain necessary information to improve control activities and revise processes to ensure reliable data generation <i>(Partially Implemented)</i>	

DECD's Media Tax Credit (continued)

Release Date: August 11, 2026	Audit Type: Performance Audit Follow-Up	Fiscal Years: 2019-2022
Findings	Recommendations	
Failure to update media credit regulations	Update media credit regulations and establish a process for prompt regulation updates <i>(Not Implemented)</i>	
Lack of accurate and quality public information for applicants and stakeholders	Update website, forms, and policies to reflect statutory, regulatory, and other media credit changes and establish a process to promptly update public information <i>(Partially Implemented)</i>	
Failure to collect accurate media credit application fees	Develop internal controls to consistently and correctly collect media credit fees and document a clear record of applications and receipts <i>(Partially Implemented)</i>	
Noncompliance with statutory requirement for spending revenue from media credits	Expend all application fee revenue to review applications or seek legislation to allow fees to be used for other operational costs <i>(Not Implemented)</i>	
Incomplete external audit reports	Develop internal controls to ensure all applicant audits include required information and update instructions if necessary <i>(Partially Implemented)</i>	
Failure to collect all required media credit application information	Establish controls to ensure all required information is collected during the media credit application process; revise forms to provide fields for necessary information; and amend regulations if necessary <i>(Partially Implemented)</i>	
Issuance of credits to projects that did not meet statutory production thresholds	Seek legislation to amend statute to include interactive website productions <i>(Implemented)</i>	
Failure to hold voucher applicants to the 90-day statutory and regulatory deadline	Hold applicants to the deadline or seek legislation to allow applicants more time to submit voucher applications <i>(Implemented)</i>	
Improper use of audit expense to establish 90-day voucher application window	Comply with statute so that audit costs are not considered a production expense for establishing the 90-day application window <i>(Implemented)</i>	

Office of the State Comptroller — State Employee and Retiree Healthcare and Other Benefits

Release Date: September 2, 2026	Audit Type: Audit	Fiscal Years: 2022-2024
Findings	Applicable Standards	Recommendations
Lack of process for reconciling overpayment credits and adjustment to supporting documentation; failure to verify total monthly credits	Best practices	Implement internal controls to ensure correct credits for overpayments
Lack of supporting information to verify contractor administrative fees	Best practices	Adopt written procedures and document reconciliations of payments to healthcare contractors to ensure proper payment
Lack of journal entry reviews and documentation for financial statements	Internal policies and procedures	Review the accuracy of journal entries and ensure annual updates to the group life insurance fund balance

Office of the State Comptroller

Release Date: September 8, 2026	Audit Type: Audit	Fiscal Years: 2023-2025
Findings	Applicable Standards	Recommendations
Outdated accounting and internal control guidance provided to state agencies	CGS § 3-112	Update the Internal Control Guide, Internal Control Questionnaire, and SAM to conform with current internal control frameworks and accounting standards
Agencies' failure to perform physical inventories and provide inventory documentation	CGS § 4-36 ; and SPCM	Strengthen oversight of the physical inventory process by implementing procedures to monitor state agency compliance with annual inventory requirements and submission of written inventory procedures
Lack of software inventory records and documentation	SPCM	Strengthen internal controls to ensure compliance with the SPCM software inventory requirements

Department of Revenue Services

Release Date: September 30, 2026	Audit Type: Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Failure to comply with reporting requirements	PA 19-117 , § 331; PA 22-117 , § 36; PA 22-81 , § 22; and CGS § 4-60	Comply with statutory reporting requirements

Department of Revenue Services (continued)

Release Date: September 30, 2026	Audit Type: Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Failure to comply with freedom of information requirements related to meetings	CGS § 12-3a ; and CGS § 1-225	Comply with statutory requirements
Lack of documentation for employee performance evaluations under the Performance Assessment and Recognition Systems (PARS)	PARS	Ensure that all managers are evaluated on an annual basis using PARS
Outdated agency regulations	CGS § 4-168 ; and best practices	Update regulations to reflect current organizational structure
Insufficient property inventory management	CGS § 4-36 ; and SPCM	Improve internal controls over property inventory to comply with SPCM
Lack of reconciled accounts and documentation	CGS § 3-112 ; and SAM	Consult with OSC to investigate, identify, promptly reconcile, and report the Funds Awaiting Distribution Fund account balance

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