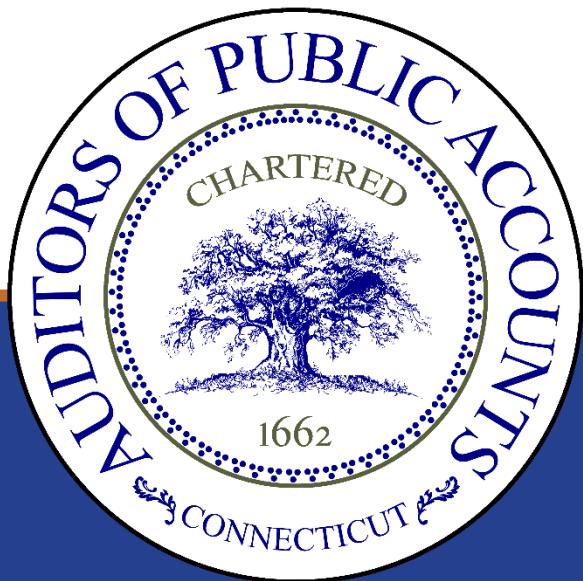


# AUDITORS' REPORT

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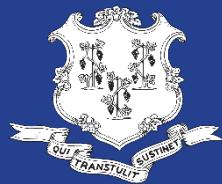
## Department of Correction

FISCAL YEARS ENDED JUNE 30, 2022 AND 2023



**STATE OF CONNECTICUT**  
Auditors of Public Accounts

**JOHN C. GERAGOSIAN**  
State Auditor



**CRAIG A. MINER**  
State Auditor

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## STATE OF CONNECTICUT



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July 29, 2025

#### INTRODUCTION

We are pleased to submit this audit of the Department of Correction (DOC) for the fiscal years ended June 30, 2022 and 2023 in accordance with the provisions of Section 2-90 of the Connecticut General Statutes. Our audit identified internal control deficiencies and instances of noncompliance with laws, regulations, or policies.

The Auditors of Public Accounts wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Department of Correction during the course of our examination.

The Auditors of Public Accounts also would like to acknowledge the auditors who contributed to this report:

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# STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of the Department of Correction disclosed the following 18 recommendations, of which 15 were repeated from the previous audit.

## Finding 1

### Improper Paid Administrative Leave

#### Criteria

Section 5-240-5a of the Regulations of Connecticut State Agencies allow an employee to request a voluntary leave of absence without pay, pending disposition of criminal charges. The agency may place an employee on a paid leave of absence for up to thirty days. For non-criminal charges, the agency may place an employee on leave of absence with pay for up to fifteen days to permit investigation of alleged serious misconduct which could constitute just cause for dismissal. In each case, the agency must provide written notice to the employee detailing the reason, effective date, and duration of the leave.

The NP-6 bargaining unit contract allows agencies to place an employee on an administrative leave of absence while deciding employee discipline if the agency determines it to be in the best interests of the state. Such leave of absence shall be with pay and shall not exceed two months. If an agency determines that there are extenuating circumstances for the administrative leave to exceed two months, the agency must obtain permission from the Office of Labor Relations.

#### Condition

Our review of ten employees on paid administrative leave during the audited period disclosed nine remained on leave beyond the limit by approximately 12 months to three years and six months. We calculated DOC paid these employees \$834,955 during the unallowed time.

#### Context

During the audited period, 128 employees received paid administrative leave, totaling 100,165 hours. We judgmentally selected the ten employees with the most hours charged.

#### Effect

DOC unnecessarily paid \$834,955 in wages to employees who could have been placed on unpaid leave, terminated, or returned to work.

**Cause** Delays in completing investigations of these employees contributed to the overpayments.

**Prior Audit Finding** This finding has not been previously reported.

**Recommendation** The Department of Correction should comply with requirements concerning employees on paid administrative leave in accordance with Section 5-240-5a of the State Regulations and bargaining unit contracts.

**Agency Response** "The agency agrees with this finding in part.

The majority of employees on Administrative Leave generally fall into one of three categories:

- Use of Force
- Felony Arrest for off-duty misconduct
- Undue Familiarity (often involving contraband being brought into the facility)

The Department is held to strict standards of conduct under our Administrative Directives 2.17 (Employee Conduct) and 2.6 (Employee Discipline). In addition to our Directives, the Police Accountability Act (PA 20-1, July 2020) added additional layers of scrutiny by the Inspector General's office into conduct and use of force incidents.

Often investigations and criminal charges are delayed as they involve entities our agency has no control over such as the Inspector General's Office, the State Police and the Judicial Court System. The agency cannot return employees to work while any charges are pending and investigations are open. To do so would be a direct threat to the safety and security of our institutions."

## Finding 2

### Inadequate Controls and Support for Overtime

#### Background

The Department of Correction uses the ATLAS system to manage and maintain time and attendance for correction officers, maintenance employees, food service staff, and counselors. The ATLAS system uses various reports to represent the manual sign-up book system in use at the facilities:

- Quarterly Overtime Report - An electronic version of the manual quarterly overtime sign-up sheet maintained in the facilities
- Sign Up Book Report - An electronic version of the facilities manual daily overtime sign-up sheets
- Post Roster - Documents the correction officers who worked an overtime shift and specifies day, shift, and post

For inmate non-management medical staff, DOC uses the Kronos system to maintain time and attendance. Kronos is a real-time time recordkeeping module that allows employees to clock in and out and request time off. It also allows supervisors to approve time. Kronos populates into Core-CT for payroll processing.

## **Criteria**

According to the NP-4 bargaining contract, correction officers who wish to work voluntary overtime must sign a quarterly overtime sheet. Overtime is then distributed using the "sign-up book system," which requires each facility to maintain a book, listing each day of the month, separated into sections representing each shift. Only employees who have signed the quarterly overtime sheet are allowed to place their names in the sign-up book. When an overtime shift becomes available, the department uses the sign-up book and contacts the employee with the least number of overtime hours for that quarter.

According to the NP-8 bargaining contract, each correctional institution shall maintain a sign-up book system by which lieutenants on the quarterly overtime sheet can indicate their availability and willingness to work overtime on specific days and shifts.

The P-1 bargaining contract details the process for voluntary and mandatory overtime. This includes recruitment of staff for voluntary overtime assignments through a sign-up sheet, prior to mandating the overtime.

The Connecticut State Library's State Agencies' Records Retention/Disposition Schedule, DOC-01-005, states that payroll information, including facility documents and employee rosters, be retained for three years, or until audited, whichever is later.

Collective bargaining unit contracts define which employees are exempt from earning overtime and provide guidance on those situations.

## **Condition**

We selected one shift of overtime earned by 16 correctional officers and supervisors (NP-4 and NP-8 employees), within four separate facilities. This included overtime earned in eight different quarters and 16 different weeks. Our review noted the following:

- Seven manual quarterly overtime sheets were not on file.
- Nine manual daily overtime sign-up sheets were not on file.
- For six shifts, we were unable to determine if DOC prioritized employees with the lowest overtime hours.
- For one employee, the overtime hours recorded in ATLAS did not agree with Core-CT. This resulted in an overpayment of eight hours, totaling \$438.

We also reviewed one shift of overtime earned by ten inmate medical unit employees and noted six instances in which the overtime sign-up sheets were not on file.

We reviewed 24 employees over the maximum eligible pay grade to earn overtime and noted DOC paid all 24 employees \$67,107 in ineligible overtime payments for 1,166 hours.

## **Context**

The department's overtime expenditures totaled \$96,619,210 and \$103,444,310 for the fiscal years ended June 30, 2022, and 2023, respectively. We judgmentally selected 26 employees and one overtime shift for each employee. This included 16 correctional officers or supervisors and ten inmate non-management medical staff.

During the fiscal years 2022 and 2023, 96 exempt employees, with pay grades not normally eligible for overtime, earned \$85,100. We selected all employees earning over \$500 in overtime for a total of 24 employees.

## **Effect**

There is an increased risk that the department may not be assigning overtime in accordance with contractual guidelines due to incomplete overtime records. As a result, employees could earn excessive overtime.

Exempt employees received overtime rather than accruing compensatory time as specified in their bargaining unit contract.

## **Cause**

The department believed it could destroy the sign-up sheets sooner than allowed by records retention requirements.

The Atlas call log data is entered manually, often by multiple individuals, increasing the risk of errors.

The employees that earned overtime while over the maximum eligible grade were set up incorrectly in Core-CT.

## **Prior Audit Finding**

This finding has previously been reported in the last six audit reports covering the fiscal years 2010 through 2021.

**Recommendation**

The Department of Correction should maintain overtime records as required by bargaining contracts and automated systems should accurately reflect manual records to ensure overtime is adequately documented and monitored. Furthermore, the department should ensure it enters accurate employee job data in Core-CT.

**Agency Response**

"The Agency agrees with this finding in part. With regard to Controls and Support for Overtime: All overtime is manually inputted into the Atlas program in accordance with collective bargaining agreements per job class within the bargaining unit. Logs are manual inputted and maintained in the Atlas program for each calendar date timesheet to assure all employees are hired for overtime appropriately per bargaining agreements. The agency does agree it should be outlined where the storage of the manual logs should be maintained as there isn't such a policy in place currently. The agency will implement corrective action to achieve policy compliance through an increased focus on centralized storage and retention of such manual logs for auditing review."

**Finding 3**

## Inadequate Controls Over Compensatory Time and Accountability Logs

**Criteria**

In accordance with the Department of Administrative Services Management Personnel Policy 17-01 and Section 12 of the DOC Administrative Directive 2.8, managers must receive advance written authorization by the agency head or a designee to work extra hours as compensatory time.

DOC's Field Operations Manual provides guidelines for the Parole and Community Services Division, including policies and procedures over employee accountability and the earning of compensatory time.

Article 13, Sections 1 and 4 of the New England Health Care Employees Union (1199) bargaining unit contract, defines exempt employees as those being paid above salary group 25. Exempt employees who are required to perform extended service outside a regularly scheduled workweek shall be authorized to receive compensatory time. If the use of compensatory time would create a hardship on the agency, payment at a straight time may be granted with the advance approval of the Secretary of the Office of Policy Management.

Core-CT Job Aids provide guidance for state agencies in the setup of an employee's compensatory plan in Core-CT. Enrollment in a compensatory plan is only necessary if the employee is eligible to earn compensatory or holiday time, which is governed by bargaining unit contracts and various union stipulated agreements.

## **Condition**

We reviewed 171.25 hours of compensatory time earned by nine managerial and confidential employees and found requests and approvals were not on file to support any of the hours earned by these employees.

We also selected seven parole officers and reviewed 13 pay periods documented on accountability logs and/or compensatory time authorization forms. Our review disclosed the following:

- In six instances in which an accountability log was required; the log was not adequately approved by the employee or supervisor.
- In five of ten instances in which a compensatory time authorization form was necessary; the form was missing a supervisor signature or date.
- In one instance, the four hours recorded on the authorization form did not agree to the 7.5 on the employee's timesheet.

We reviewed 20 employees who earned both compensatory time and overtime, totaling 9,577 hours. We noted compensatory time earned for five exempt employees, totaling 891.5 hours, was incorrectly coded and paid as overtime. Additionally, thirteen employees that were not eligible to receive compensatory time earned 164 hours, instead of overtime.

We reviewed compensatory time plans in Core-CT for 20 employees and noted that plans for 15 employees were incorrect:

- Ten employees should not have been enrolled in a compensatory time plan.
- Five employees were enrolled in an incorrect compensatory time plan.

## **Context**

During the audited period, 19 employees earned 496 hours of compensatory time, which required prior approval. We judgmentally selected nine employees for review.

As of June 30, 2023, there were 113 parole officers employed at DOC. We judgmentally selected seven for review.

During the audited period, there were 201 employees who earned both compensatory time and overtime, totaling 62,075 hours. We judgmentally selected 20 employees for review.

There were 1,237 and 1,245 employees enrolled in a compensatory time plan for the fiscal years 2022 and 2023, respectively. We judgmentally selected 10 employees from each fiscal year for review.

#### **Effect**

Compensatory time was not preapproved in accordance with established state and department policies, which may have resulted in unjustified compensatory time.

Ineligible employees earned compensatory and overtime hours, which may have resulted in overpayments.

Incorrect compensatory time plans could result in time earned by ineligible employees and improperly lapsed compensatory time.

#### **Cause**

The late approval for the compensatory time earned, incorrect overtime and compensatory time earnings, and lack of employee compensatory time plan monitoring appear to be the result of inadequate managerial oversight.

#### **Prior Audit Finding**

This finding has previously been reported in the last six audit reports covering the fiscal years 2010 through 2021.

#### **Recommendation**

The Department of Correction should strengthen internal controls to ensure proper authorization is obtained prior to the earning of compensatory time, time earned is accurately coded, and compensatory time plans comply with bargaining unit contracts.

#### **Agency Response**

"The Agency agrees with this finding.

Agency payroll enters the compensatory plan according to the information provided by DAS-Human Resources.

Payroll and DAS Human Resources have reviewed this finding and have collaborated on improving the HR form and Payroll spreadsheet used to set up employees within in CORE-CT to ensure the compensatory plans for Bargaining unit or certain salary grades are set up properly.

Internal DOC Payroll and DAS Human Resources are referring both the supervisor and employee to DOC Directive 2.8 the use of CN2801 compensatory time to strengthen compensatory time approvals and ensure that they adhere to any applicable bargaining unit contracts."

## Finding 4

# Inappropriate Holiday Time Coding

### Criteria

Proper internal controls prescribe that supervisors review and approve employee timesheets at the end of each pay period to ensure accuracy and completeness.

Article 21 of The New England Health Care Employees Union District 1199 states employees can charge a maximum of eight hours for a holiday.

### Condition

Our review of the attendance records of twenty employees who charged holiday time on non-scheduled holidays disclosed fourteen instances, totaling 173 hours, in which holiday time was incorrectly recorded on a non-holiday. In addition, we noted four instances in which employees in the New England Health Care union reported twelve hours of holiday time in a day, exceeding the allowable eight hours. Two of these instances resulted in overpayments, totaling \$371.

Our analysis of all 838 New England Health Care union employees at DOC during the audited period noted an additional 88 employees charged more than eight hours of holiday time in a day, overcharging 1,517 hours.

### Context

During the audited period, 1,693 employees charged 27,814 hours of holiday time on non-scheduled holidays. We judgmentally selected 20 employees who charged 253 hours of holiday time on non-scheduled holidays.

### Effect

Inaccurate attendance records could result in employees being compensated for unearned time.

### Cause

The issue noted appears to result from inadequate supervisory review of timesheets.

### Prior Audit Finding

This finding has previously been reported in the last three audit reports covering the fiscal years 2016 through 2021.

### Recommendation

The Department of Correction should strengthen internal controls over the review and approval of timesheets to reduce the risk of errors and potential overpayments.

## Agency Response

"The Agency agrees with this finding.

The agency is working to strengthen its internal controls by utilizing a biweekly closing check off list and bargaining unit Holiday coding spreadsheets. In addition, reminder emails and staff meetings are used to reiterate proper processing.

DOC Payroll is extremely complex with the housing of three payroll systems, Kronos, Atlas, and Core.

DOC Payroll continues efforts to educate Core CT self-service and Kronos system users and approvers on the proper Holiday coding."

## Finding 5

### Inaccurate Separation Payments

#### Criteria

Section 5-247 of the General Statute requires state agencies to pay employees who retire from state service for unused sick leave at a quarter of their salary up to a maximum payment equivalent to 60 days (480 hours) of pay.

NP-4 bargaining contract states that the employee's accrued vacation and sick time should be paid to the employee at the applicable rate in effect at the time of their service separation.

#### Condition

Our review of separation payments to ten employees during the audited period noted three instances in which DOC did not correctly calculate the payments. This included one instance in which DOC overpaid an employee \$77, and two instances in which the department underpaid employees \$411 and \$2,659.

#### Context

DOC distributed separation payments to 619 employees, totaling \$11,546,101, and 319 employees, totaling \$5,178,167, during fiscal years 2022 and 2023, respectively. We judgmentally selected ten employees receiving \$614,731 in separation payouts.

#### Effect

Incorrect calculations of separation payments could result in over or underpayments to employees.

#### Cause

The inaccurate payments were the result of undetected clerical errors when calculating separation payments .

#### Prior Audit Finding

This finding has not been previously reported.

**Recommendation**

The Department of Correction should strengthen internal controls to ensure the accuracy of payments to separating employees. The department should rectify past incorrect payments.

**Agency Response**

"The Agency agrees with the findings in part.

All terminated employees require accrual audits, against the employee's assigned schedule. Errors found at audit would not necessarily coincide with the Core CT balances. In the sample, two separate payout worksheets are based on bargaining unit accruals days or hours. Proper audit and termination payout was completed for 3 employees and one employee was inadvertently overpaid \$9.87.

The Agency will ensure that Payroll staff are trained to conduct separation payments accurately."

**Auditors' Concluding Comments**

Our calculations used the true leave balances available to the employee upon separation. We computed the payout based on these balances and language in the employee's bargaining unit contract and compared it to actual payouts. The department did not provide any documentation that would change our conclusions.

## Finding 6

### Inadequate Controls Over Union Leave Time

**Background**

Union leadership and representatives use the following types of leave and codes:

- Union Contract Negotiations (LUBCN)
- Union Steward Employee Agency (LUBEA)
- Union Steward Employee Outside (LUBEO)
- Union Business Leave Paid (LUBLP) - Office of Labor Relations (OLR) approval required
- Union Steward with Management Representative (LUBMR)
- Union Business Paid - (RUBLP) OLR approval required

**Criteria**

Department guidelines require employees to complete a Union Release Form to be released from duty to attend union-related matters. This includes union release time coded to LUBEA, LUBEO,

LUBMR, and LUBCN. The form must be signed by the supervisor and retained. For LUBLP leave, the March 2023 revised Union Release Form also required it to be approved in advance. The guidelines also provide direction on the various types of union leave and DOC expectations regarding the duration of leave.

The correctional staff collective bargaining agreements require union stewards to notify their supervisor when they need to leave their work assignments to carry out their duties. Requests by stewards to meet with employees must state the name of the employee involved, their work location, and the expected time that will be needed. Stewards are expected to report back to their supervisors on completion of such duties and return to their jobs.

The General Notice 2014-14 issued by the Office of Policy and Management, Labor Relations, provides guidelines for various types of union leave and Core-CT coding for union leave. OLR must preapprove union leave coded to Union Business Leave Paid (LUBLP) and Union Business Release (RUBLP).

#### **Condition**

We reviewed 2,380 hours of union leave charged by ten employees and noted the following:

- Union Release Forms to support 1,521 union leave hours were not on file.
- Union Release Forms to support 250 union leave hours were not approved by a supervisor.
- OLR approval for 185 hours of LUBLP hours was not on file.
- Five employees did not use the appropriate union leave code on their timesheet. These coding errors totaled 145 hours.

#### **Context**

During the fiscal years 2022 and 2023, 307 employees charged 65,385 hours of union leave, totaling \$2,649,349. We judgmentally selected 10 employees with the most union leave charged during the audited period.

#### **Effect**

A lack of support or approval for union leave time increases the risk that employees improperly charge union time when not conducting union business.

#### **Cause**

It appears that management did not adequately administer or monitor employee union leave.

#### **Prior Audit Finding**

This finding has previously been reported in the last four audit reports covering the fiscal years 2014 through 2021.

**Recommendation**

The Department of Correction should improve internal controls related to union leave to ensure time is properly approved and documented in accordance with department and union guidelines.

**Agency Response**

"The Agency agrees with this finding.

With respect to Union Business Leave (UBL): The Office of Labor Relations (OLR) representative who supports the Department of Correction will ensure that the Union Business Leave (UBL) approvals received by OLR Central are sent to the appropriate facility/division in a timely manner accompanied by the appropriate documentation. It is the expectation that the facility/division will review the UBL request and determine the ability for the employee to take such leave and that appropriate documentation is kept on file.

With respect to Union Release (UR): Although the Office of Labor Relations (OLR) does not manage the approval process for Union Release (UR) but rather advises the Department of Correction leadership to continue to ensure that employees are requesting union release time on the appropriate request form and ensure that all required areas are filled out for supervisor/managerial review and approval for such request."

## Finding 7

### Lack of Employee Training

**Criteria**

The DOC Administrative Directive 2.7, Training and Staff Development, requires employees with direct contact with inmates to receive at least 40 hours of annual in-service training. Employees with non-direct contact are required to complete at least 16 hours of annual in-service training.

**Condition**

Our review of 20 employees disclosed that 19 did not meet the minimum training requirements for their positions. Fifteen employees (11 direct contact and 4 non-direct) did not meet the minimum requirements for both fiscal years and four employees (direct contact) did not meet the minimum requirements for one of the fiscal years. Two of these employees (non-direct) did not receive any training hours for the audited period.

**Context**

There were 5,722 employees and 5,926 employees as of June 30, 2022, and June 30, 2023, respectively. We judgmentally selected 20 employees for review.

<b>Effect</b>	Employees may not receive adequate training required for direct or indirect contact with inmates. This may delay their responsiveness to various situations.
<b>Cause</b>	The lack of training appears to be the result of inadequate management oversight.
<b>Prior Audit Finding</b>	This finding has previously been reported in audit reports covering the fiscal years 2010 through 2013, and 2016 through 2021.
<b>Recommendation</b>	The Department of Correction should improve internal controls to ensure adequate monitoring and tracking of employee training and compliance with department requirements.
<b>Agency Response</b>	<p>"The Agency agrees with the findings.</p> <p>For FY22 and FY23, the Maloney Center for Training and Staff Development aided in the coordination of training by providing our modules through the Learning Management System and 8 hours of in-person training, with the remaining 32 hours of the curriculum being taught at the facility. In FY21-22, we experienced the highest COVID-related staffing issues, making it difficult to disseminate training effectively.</p> <p>For FY23, MCTSD increased in-person training to 24 hours with the remaining 16 being taught at the facility to deliver training more reliably.</p> <p>Legislation passed in 2022 prohibits facilities from interrupting operations for more than 8 hours a month for training. In FY24, MCTSD deployed training staff to each region of Connecticut while increasing in-person training to 32 hours to provide more consistent training without a burden on facility operations."</p>

## Finding 8

### Lack of Documentation for Hiring and Promotions

<b>Criteria</b>	The DOC Administrative Directive 2.3, Employee Selection, Transfer and Promotion, requires that information on recruitment activities be logged on an application flow sheet. The department shall also maintain a candidate's packet, which documents information used in the recruitment and selection process.
	The Department of Administrative Services (DAS) General Letter 226 provides guidance to state agencies concerning the documentation

that is required when requesting a promotion by reclassification, as well as instructions for entering approvals in Core-CT.

Section 18-811 of the General Statutes requires that each applicant for a position with direct inmate contact submit to state and national criminal history records checks.

#### **Condition**

We reviewed 20 new hires and promotions noted the following:

- Required documentation was missing for ten new hires. Missing documentation included affirmative action packages, applications for employment, employment verifications, and other candidate background information reports. In four instances, DOC could not provide any of the required documentation.
- For all four new hires with direct inmate contact, DOC did not provide evidence they were fingerprinted.
- DOC did not provide supporting documentation for seven promotions. Supporting documentation should include evidence that the candidate met the experience and training requirements and justification of the promotion.
- DOC did not provide evidence to support three promotions by reclassification. Additionally, DOC did not provide performance evaluations for these three promotions.

#### **Context**

During the audited period, there were 961 new hires and 861 promotions. We judgmentally selected ten new hires and judgmentally selected ten promotions during the audited period.

#### **Effect**

Without required documentation on file, it is difficult to determine whether the department selected the most qualified candidate for hire or promotion. The lack of complete background checks increases the health and safety risk to inmates and correctional staff.

#### **Cause**

The lack of documentation to support the hiring and promotion process appears to be the result of inadequate management oversight.

#### **Prior Audit Finding**

This finding has previously been reported in the last two audit reports covering the fiscal years 2018 through 2021.

#### **Recommendation**

The Department of Correction should strengthen internal controls to ensure the hiring and promotion process is adequately supported in accordance with DOC and Department of Administrative Services procedures.

## Agency Response

"The agency agrees with this finding.

The Agency will work with DAS Human Resources to strengthen internal controls to ensure the hiring and promotion process is adequately supported in accordance with DOC and Department of Administrative Services procedures.

The Agency will work with DAS Human Resources to review and update its directives, policies and procedures so that standards and procedures are current and reflect the existing work environment and industry standards and practices. The Agency will work to make sure that all staff that participate in the hiring and promotional processes are properly trained in those processes.

All hires and promotions are documented as well as vetted with, and approved by the DOC hiring manager, DAS Human Resources and DOC Affirmative Action. This is illustrated through the fact that the agency's Affirmative Action plan was approved during this audit period with no deficiencies identified.

The agency does currently have a backlog of filing both in new employee files and recruitment files and is working with DAS Human Resources to address this issue."

## Finding 9

### Controls Over Annual Evaluations

#### Criteria

According to Section 5-237-1 of the State Regulations and DOC Administrative Directive 2.5, annual ratings for permanent employees are to be filed in the office of the appointing authority at least three months prior to the employee's annual increase date.

#### Condition

Our review of annual evaluations for 20 employees disclosed the following:

- DOC did not provide annual evaluations for seven employees who received an annual increase.
- DOC did not promptly complete annual evaluations for five employees. DOC supervisors signed these evaluations 37 to 107 days late.
- Two annual evaluations lacked an employee signature and date.

<b>Context</b>	DOC employed 5,722 and 5,943 employees as of June 30, 2022, and 2023, respectively. We judgmentally selected 20 employees for review.
<b>Effect</b>	DOC did not complete annual evaluations in accordance with state regulations and department directives, which increases the risk of employees receiving unsubstantiated salary increases and promotions.
<b>Cause</b>	There was a lack of managerial oversight regarding completion of annual employee service ratings.
<b>Prior Audit Finding</b>	This finding has previously been reported in the last four audit reports covering the fiscal years 2014 through 2021.
<b>Recommendation</b>	The Department of Correction should strengthen internal controls to ensure that annual evaluations are promptly completed and documented in accordance with state regulations and department directives.
<b>Agency Response</b>	<p>"The Agency agrees with this finding. The Agency will work with DAS Human Resources to strengthen internal controls to ensure that Annual Evaluations are completed timely and in accordance with DOC and Department of Administrative Services procedures.</p> <p>The Agency will work with DAS Human Resources to review and update its directives, policies and procedures regarding Annual Evaluations and work to make sure that all staff responsible for preparing, conduction and processing Annual Evaluations are properly trained in those processes. The Agency and DAS Human Resources will document any deviations from policy that preclude the timely issuance of an Annual Evaluation for an employee, such as an employee absence from the workplace, i.e. FMLA, Worker's Compensation, and Military Leave.</p> <p>The accountability for the completion of performance evaluations lies with the employee's supervisor. The role of DAS Human Resources with regard to Annual Performance Evaluations is to provide process guidance, training and reminders to staff, filing completed evaluations when they are provided to DAS Human Resources and notifying DOC management when Annual Evaluations have and have not been completed."</p>

## Finding 10

# Lack of Monitoring of Leave in Lieu of Accrual

### Criteria

Core-CT allows use of the Leave in Lieu of Accrual (LILA) time reporting code for the period between the first of the month, when employees earn accruals, and when employee accruals are posted to employee leave balances. LILA coding is intended to be temporary and leave balances should be promptly adjusted.

### Condition

We reviewed LILA coding for ten employees, totaling 374 hours, and noted that DOC did not promptly adjust time charged for four employees, totaling 115 hours. DOC adjusted the coding and leave accruals between ten and 33 months after the pay period.

### Context

During the audited period, there were 78 employees that charged 829 hours to the LILA time reporting code. We judgmentally selected ten employees who charged 374 hours to LILA.

### Effect

Lack of monitoring of the use of the LILA time reporting code could result in employees using more leave time than they earned.

### Cause

This appears to be a lack of management oversight in the monitoring of the LILA time reporting code.

### Prior Audit Finding

This finding has been previously reported in the last two audit reports covering the fiscal years 2018 through 2021.

### Recommendation

The Department of Correction should strengthen internal controls to ensure that the use of the Leave in Lieu of Accrual time reporting code is monitored and promptly adjusted in accordance with Core-CT procedures.

### Agency Response

"The agency agrees with this finding. LILA codes are utilized to pay employees when their accruals are not current in the Core CT system. This occurs in January with PL, when individuals on FMLA use donated time, when individuals are in Temporary Service Higher Class, and when staff have completed their Working Test period. LILA codes are used temporarily due to the delay with Core CT pay-cycle and the limbo of Core CT balances being applied.

Payroll continues to strengthen internal controls with the use of email reminders, biweekly check off list, monthly staff meetings, and the use of the Core CT LILA report by supervisors to audit LILA use and verify balances."

## Finding 11

# Improper Use of Purchasing Cards

### Criteria

The State of Connecticut Credit Card Use Policy and the DOC Procurement Card Manual outline the requirements for state purchasing cards. Those requirements include limiting the use of the card to the person whose name appears on the card, maintaining adequate support for purchases, and initiating purchase orders prior to making a purchase.

### Condition

We reviewed 218 purchases totaling \$59,010 made by five purchasing card users and identified the following:

- Twelve purchases, totaling \$6,848, were not supported by a receipt or invoice
- Eight purchases, totaling \$7,109, were incurred prior to the initiation of an approved purchase order. Delays ranged from one to 28 days.
- Six purchases, totaling \$7,435, were made by someone other than the cardholder.

### Context

Purchasing card expenditures totaled \$2,236,736 and \$2,042,661 during the fiscal years 2022 and 2023, respectively. We judgmentally selected two months of activity for five randomly selected cardholders.

### Effect

Lack of adherence to state and department policies and procedures increases the risk of improper purchases and abuse.

### Cause

Controls and monitoring over the use of purchasing cards do not appear to be in accordance with state and DOC policies.

### Prior Audit Finding

This finding has previously been reported in the last two audit reports covering the fiscal years 2018 through 2021.

### Recommendation

The Department of Correction should strengthen its internal controls over the use of purchasing cards to ensure compliance with state and department policies and procedures.

### Agency Response

"The Agency agrees with this finding. The Agency has implemented various changes including an internal review of p-card packets to ensure all required documents are included. Also, the Agency will begin tracking any p-card policy violations so that the appropriate

follow up can occur with the supervisors of staff that may have incurred an issue. Reminders have also been sent to p-card holders so they continue to be aware of the requirements associated using a p-card. Appropriate action will be taken for repeated violations that may include cancellation of the p-card."

## Finding 12

# Asset Management Deficiencies

### Criteria

Section 4-36 of the General Statutes requires each state agency to establish and maintain inventory records in the form prescribed by the State Comptroller.

The State Property Control Manual prescribes the inventory procedures that agencies should follow. These policies and procedures include:

- The CO-59 property control report should accurately reflect all capitalized real and personal property as of June 30th. Agencies preparing the report must use specific queries to gather the applicable information in the Core-CT Asset Management System Module.
- Every agency must conduct an annual physical inventory to accurately track and account for assets as of June 30<sup>th</sup>.

### Condition

We performed various inventory tests, which identified the following conditions:

#### CO-59 Reporting:

We noted variances between Core-CT and the CO-59 report, totaling \$3,360,698 and \$7,993,170, for fiscal year 2022 and 2023, respectively. Some factors contributed to these variances including:

- DOC did not report \$6,424,688 in site improvements on its fiscal year 2022 or 2023 CO-59 reports.
- DOC reported additions of \$435,887 and \$435,784 to leased buildings in fiscal years 2022 and 2023, respectively. DOC did not report these amounts in Core-CT.
- DOC closed the Bergin building in fiscal year 2021 and retired land valued at \$500,000. DOC accurately reported this deletion on its CO-59 report, but did not update it in Core-CT.

- DOC reported \$2,489,451 in leased equipment on its fiscal year 2022 CO-59 report, but not in Core-CT. The department properly added this balance to Core-CT in fiscal year 2023.
- DOC reported no additions and \$2,255,649 in deletions to the building category on its fiscal year 2023 CO-59 report. However, Core-CT reported \$1,340,511 in additions and \$1,184,139 in deletions.
- DOC overstated the equipment balance by \$468,000 on its fiscal years 2022 and 2023 CO-59 reports by erroneously including capital equipment which had been transferred to another state agency.
- DOC reported \$100,069 in additions to leased property improvements on its fiscal year 2022 and 2023 CO-59 reports. The department did not report this amount in Core-CT.
- We identified three asset categories in which the beginning balance on the fiscal year 2023 CO-59 report did not agree to the ending balance on the fiscal year 2022 CO-59 report.

**New Asset Purchases:**

We reviewed 35 capital or controllable asset purchases during the audited period and noted the following:

- We could not locate four assets, totaling \$27,770, during our physical inspection.
- DOC did not properly tag twelve assets, totaling \$65,243, with an identification number.

We also performed an analysis of all asset purchases during the audited period and noted 43 transactions were recorded to a capital or controllable account in error.

**Annual Inventory:**

We reviewed the physical inventories for the fiscal years 2022 and 2023 and noted the following:

- DOC did not record inventory dates in Core-CT for 1,515 items, totaling \$696,722,054. In addition, we noted 374 items, totaling \$74,480,066, with inventory dates ranging from May 2006 through January 2021.
- Our review of assets received, but not placed in service as of May 2024, disclosed 59 assets with acquisition dates ranging from May 2019 through June 2023. In addition,

DOC indicated it disposed of eight of these assets, but the department did not remove the item from its inventory list.

#### **Context**

DOC reported \$794,676,941 and \$794,179,843 in real and personal property on its CO-59 report as of June 30, 2022 and 2023, respectively. We reviewed all balances reported on each form.

As of March 2024, DOC had 12,137 capital and controllable assets totaling \$51,943,209. DOC charged \$2,109,918 and \$1,823,555 to asset accounts during the fiscal years 2022 and 2023, respectively. We judgmentally selected 35 assets purchased during the audited period, totaling \$232,803.

#### **Effect**

Deficiencies in the internal controls over asset management decrease the department's ability to properly safeguard assets and accurately report inventory. DOC did not comply with the requirements of the State Property Control Manual.

#### **Cause**

The issues noted appear to be a result of a lack of management oversight and inadequate internal controls over the recording and reporting of assets.

#### **Prior Audit Finding**

This finding has previously been reported in the last two audit reports covering the fiscal years 2018 through 2021.

#### **Recommendation**

The Department of Correction should strengthen internal controls over asset management to safeguard assets and ensure compliance with requirements of the State Property Control Manual.

#### **Agency Response**

"The Agency agrees with this finding. A new Physical Inventory process has been implemented to ensure all assets are found during the inventories to minimize the losses for the fiscal year. Property control procedures have also been updated and provided to staff so they are clear on the process for coding and identifying assets that need to be tracked, as well as receiving. An Internal control procedure has also been developed for CO59 processing."

## **Finding 13**

### **Inadequate Controls Over Loss Reporting**

#### **Criteria**

The State Property Control Manual requires state agencies to remove items reported as lost from the inventory system.

Section 4-33a of the General Statutes requires state agencies to promptly notify the Auditors of Public Accounts and the State Comptroller of any unauthorized, illegal, irregular, or unsafe handling of state funds, or breakdowns in the safekeeping of any state resources.

**Condition**

We reviewed 344 loss reports submitted to our office during the audited period with assets totaling \$770,277. We noted that DOC did not properly remove 69 assets, totaling \$113,275, from its inventory listing.

During our review of disposals, we also noted DOC did not submit three loss reports to our office, with assets totaling \$5,813.

**Context**

DOC submitted 344 loss reports, with assets totaling \$770,277, to our office during the audited period. We reviewed all 344.

DOC disposed of 1,270 assets, totaling \$2,931,071, during the audited period. We judgmentally selected 20 disposals, totaling \$41,364, for review.

**Effect**

The inventory listing is inaccurate when the department does not promptly remove assets no longer in its custody.

Failure to report lost items to the appropriate parties could result in the inability to properly investigate irregular or unsafe handling of assets.

**Cause**

DOC submitted a large volume of loss reports during the audited period, many of which were assets DOC could not locate during its annual inventory. Due to the large volume, the department made some clerical errors when processing these assets for removal from the inventory list.

**Prior Audit Finding**

This finding has not been previously reported.

**Recommendation**

The Department of Correction should improve internal controls to ensure that assets identified in loss reports are promptly removed from the inventory records. The department should also ensure that it files all loss reports with the Auditors of Public Accounts and Comptroller in accordance with Section 4-33a of the General Statutes.

**Agency Response**

"The Agency agrees with this finding. A new Physical Inventory process has been implemented to ensure all assets are found during the inventories to minimize the losses for the fiscal year."

## Finding 14

# Inadequate Software Inventory

### Criteria

In accordance with Chapters 3 and 5 of the State Property Control Manual, an agency's software library should contain a centralized listing of all registered or leased software and include all software installed on agency or leased devices. Agency software libraries should contain certain data elements, including cost and acquisition type.

### Condition

DOC's software library is incomplete. It does not contain all required data elements prescribed by the Property Control Manual.

### Context

DOC reported \$21,998,210 for capitalized and licensed software on its CO-59 annual property report as of fiscal year ended June 30, 2023.

### Effect

An incomplete software library reduces the department's ability to adequately monitor, control, and track software use and ownership.

### Cause

The lack of a complete software library appears to be the result of inadequate management oversight. The department has not assigned a software librarian to be responsible for developing a software asset policy and maintaining the library.

### Prior Audit Finding

This finding has previously been reported in the last four audit reports covering the fiscal years 2014 through 2021.

### Recommendation

The Department of Correction should strengthen internal controls to ensure it maintains and reports software inventory records in accordance with the State Property Control Manual.

### Agency Response

"The Agency agrees with the finding. Efforts have been made to establish a software inventory using the latest tools available and while it contains many of the criteria needed, it is not complete. The Agency Software Librarian will be designated by DAS BITS and will work with DAS and BITS to establish a software policy. This project is an ongoing effort, it will continue as agency priorities allow and if there is adequate staffing to handle day-to-day operations."

## Finding 15

# Noncompliance with Reporting Requirements

### Criteria

The Department of Correction must comply with numerous reporting requirements set forth in various sections of the General Statutes and the department's administrative directives.

### Condition

Our review of 55 legislatively required reports covering the audited period disclosed that DOC did not submit ten reports and submitted 22 reports between one and 845 days late. We also could not determine the submission date for 12 reports. Required reports cover various topics, including affirmative action plans, physical restraint and seclusion, inmates in special circumstances, and inmate capacity and population by facility.

### Context

During the audited period, we judgmentally selected 23 of 52 reporting requirements for review.

### Effect

Intended report recipients may not have current information to make informed decisions regarding the department and its operations.

### Cause

The lack of compliance appears to be the result of management oversight.

### Prior Audit Finding

This finding has been previously reported in the last three audit reports covering the fiscal years 2016 through 2021.

### Recommendation

The Department of Correction should strengthen internal controls to ensure compliance with its statutory reporting requirements.

### Agency Response

"The agency agrees with this finding. The review period for many of the audited reports were outside of the timeframe of newly implemented departmental procedures and practices to improve the submission of reports. The agency did, however, show a 22% improvement from the last audit period. Timeliness of reports will continue to be a challenge due to the availability of information based on due dates and governmental oversight prior to submission."

## Finding 16

# Inmate Trust Fund Unclaimed Accounts

### Criteria

In accordance with Administrative Directive 9.3, thirty days prior to discharge, correctional staff submit a Request for Account Balance Form (RFAB) to the Inmate Trust Fund Office to release an inmate's account balance. The RFAB indicates how and where the inmate's funds should be returned. Per Administrative Directive 3.7, upon receipt of the completed RFAB form, fiscal services processes the close-out of the account and issues a check or debit card.

If an inmate's account is not closed out upon discharge, Administrative Directive 3.7 requires the department to make a good faith effort to contact the discharged inmate. The department's process involves posting a listing on its website. The unclaimed account list is supposed to be updated the first of each month to add new unclaimed accounts or remove inmates who have been on the list for more than one year.

### Condition

Our review of 15 inactive inmate accounts with balances totaling \$3,463 noted eight accounts, totaling \$214, did not have an RFAB form on file.

DOC did not promptly update and post the unclaimed inmate account list on its website. Our review in September 2024 noted the posted list was dated October 2023. Following our inquiry, the department posted an updated list.

### Context

As of August 15, 2024, there were 7,813 inactive inmate accounts totaling \$438,089. We judgmentally selected 15 inactive inmate accounts totaling \$3,463 for review.

### Effect

Discharged inmates may not receive their funds.

When DOC does not promptly post the account list, former inmates may not know they have unclaimed funds.

### Cause

It appears that correctional staff do not always notify Fiscal Services of a discharge so that funds can be returned.

It appears staff turnover resulted in the late posting of the unclaimed account list.

### Prior Audit Finding

This finding has previously been reported in the last three audit reports covering the fiscal years 2016 through 2021.

**Recommendation**

The Department of Correction should strengthen internal controls over the accounts of discharged inmates to ensure compliance with the department's administrative directives.

**Agency Response**

"The Agency agrees with this finding. The Agency was unable to fully process unclaimed funds in timely manner due to recent staffing changes and the transition to new team members. In FY24, the Unclaimed Accounts Process was updated allowing for faster turnaround times and the backlog has been eliminated. Additionally, Inmate Accounts has strengthened its review process related to Request for Account Balance forms that are submitted. FY 25, a memo was placed on inmate tablets informing them of the Unclaimed Funds report and location on DOC's website."

## Finding 17

### Lack of Documentation for Inmate Payroll

**Background**

The Department of Correction pays inmates a \$1 to \$3 a day for assigned work based on their skill level.. DOC maintains attendance reports at each facility and generates and reconciles batch reports prior to submitting to payroll for processing.

**Criteria**

DOC Administrative Directive 10.1, Inmate Assignment and Pay Plan, requires the unit administrator to establish adequate payroll procedures that address daily attendance records and inmate job classification pay rates.

The State Agencies' Records Retention Schedule for Inmate Payroll Records, DOC-01-016, requires inmate payroll records be kept for three years from the fiscal year end or until audited, whichever is later.

**Condition**

We reviewed 21 inmate compensation records, totaling \$758, and noted the following exceptions:

- Thirteen inmate compensation records were missing or incomplete.
- Supervising correctional officers did not sign the timesheet for six inmates.
- DOC did not keep six payroll batch reports on file.

<b>Context</b>	During the fiscal years 2022 and 2023, inmate payroll costs totaled \$1,559,021 and \$1,620,685. We judgmentally selected 21 inmate compensation records from June of 2022 and June of 2023.
<b>Effect</b>	The lack of supporting documentation increases the risk that inmate wages could be fraudulent or erroneous.
<b>Cause</b>	The missing documentation appears to be the result of a lack of proper documentation retention and management oversight.
<b>Prior Audit Finding</b>	This finding has previously been reported in the last two audit reports covering the fiscal years 2018 through 2021.
<b>Recommendation</b>	The Department of Correction should strengthen internal controls over the maintenance of inmate payroll records and the approval of inmate timesheets.
<b>Agency Response</b>	"The Agency agrees with this finding. During FY23, Inmate Payroll implemented a new payroll process by creating a standardized payroll form to which all facilities are required to use when processing the inmates' pay. Each form has to be signed and verified by facility payroll personnel. This form is used for new hires, reassigned, and requests for back or retroactive pay for inmates. All incomplete forms or forms submitted with incorrect information are returned to the facility for review. Inmate Accounts will continue to collaborate with each facility to require attendance documentation for all requests for inmate pay that cannot be verified in Syscon/TAG12 database, Offender Assignments or in Mocha RT."

## Finding 18

### Untimely Administration of Inmate Medications

<b>Criteria</b>	The Department of Correction Health Services Unit (HSU) Policy D 2.19 - Medication Administration/Distribution, requires scheduled medications to be administered within one hour before or after the facility scheduled distribution times. HSU Policy D 2.19 C - Medication Variances, states that nursing staff shall administer medication in a timely manner, in accordance with the prescribing practitioner. The policy also defines the types of medication variances that can occur, including the wrong-time variance which is defined as "administration of a dose of drug greater than one hour before or after the facility med-line time/scheduled administration time." The facilities are required to manage medication variances. The nurse who makes or discovers the variance must report it to the prescriber and the nursing supervisor immediately. The reporting
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nurse must complete a Medication Variance Report (Form HR 714). The supervising nurse must review the form, and email it to the Health Services Medication Reports inbox, where it is recorded on a variance log and sent to the director of nursing for review.

Effective January 4, 2022, DOC modified these policies to temporarily revise the medication administration window from one to two hours. This temporary policy remained in effect throughout our audited period.

#### **Condition**

Our review of 685 administrations of medication for ten inmates during May 2023 disclosed that:

- DOC administered 79 medications between one minute and seven hours and 30 minutes late. There were no medication variance reports on file for any of these instances.
- There was no justification on file for seven medications that DOC did not administer.

#### **Context**

There were 7,565 inmates who had medication scheduled during May 2023. We randomly selected ten inmates and reviewed every scheduled medication during the month.

#### **Effect**

The department cannot adequately monitor compliance with policy when variances in medication administration are not properly reported.

#### **Cause**

DOC informed us that late administration of medication was mainly due to critically low staffing levels which continued to be impacted by the pandemic.

#### **Prior Audit Finding**

This finding has previously been reported in the last two audit reports covering the fiscal years 2018 through 2021.

#### **Recommendation**

The Department of Correction should strengthen internal controls to ensure medication is administered and monitored in accordance with agency policies.

#### **Agency Response**

"The agency agrees with the findings. The Health Services Unit (HSU) dispensed over 5.4 million doses of medications in 2023. In late 2023, the two-hour medication administration window was codified into policy consistent with pharmaceutical safety best practices. The Health Services Unit's Informatics section is exploring, with our electronic health record vendor, the creation of a hard-stop or pop-up alert for the requirement of a justification of medications not administered. The Health Services Unit instituted a medication exception order within the medication variance system in late 2024—

a reporting mechanism that captures system-related exigent circumstances of untimely administration of medications (e.g., lockdowns, last-minute cell-side medication pass orders). Nursing services, operations, and quality improvement will develop and run routine reports for each facility on medication administration and documentation compliance for monitoring.

The Health Services Unit is enhancing the self-policing with a special focus on justification of delayed administration and justification for non-administered medications."

# STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on the Department of Correction contained 21 recommendations. Five have been implemented or otherwise resolved and 16 have been repeated or restated with modifications during the current audit.

Prior Recommendation	Current Status
The Department of Correction should strengthen internal controls over lump-sum payments to ensure employees are paid accurately and should recoup the overpayments.	<b>RESOLVED</b>
The Department of Correction should strengthen internal controls to ensure proper authorization is obtained prior to the earning of compensatory time, time earned is accurately coded, and compensatory time plans comply with bargaining unit contracts.	<b>REPEATED</b> <b>Modified Form</b> Recommendation 3
The Department of Correction should strengthen internal controls over workers' compensation claims processing to ensure information is accurately recorded and payments are reconciled and correct.	<b>RESOLVED</b>
The Department of Correction should strengthen internal controls to ensure that medical leave is administered in accordance with state personnel regulations and Family and Medical Leave Act guidelines.	<b>RESOLVED</b>
The Department of Correction should develop and implement a process to ensure compliance with the dual employment provisions of Section 5-208a of the General Statutes and DAS procedures.	<b>RESOLVED</b>
The Department of Correction should strengthen internal controls over the review and approval of timesheets to reduce the risk of errors and potential overpayments.	<b>REPEATED</b> <b>Modified Form</b> Recommendation 4
The Department of Correction should maintain overtime records as required by the bargaining contract, and automated systems should accurately reflect manual records to ensure overtime is adequately documented and monitored. Furthermore, the department should ensure employee job data in Core-CT is correct for new hires and employees that have transferred.	<b>REPEATED</b> Recommendation 2

<b>Prior Recommendation</b>	<b>Current Status</b>
<p>The Department of Correction should strengthen internal controls to ensure that use of the Leave in Lieu of Accrual time reporting code is monitored and promptly adjusted in accordance with Core-CT procedures.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 10</p>
<p>The Department of Correction should strengthen internal controls to ensure that annual service ratings are completed timely in accordance with state regulations and department directives.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 9</p>
<p>The Department of Correction should improve internal controls related to union leave to ensure time is necessary, properly approved, and documented in accordance with department and union guidelines.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 6</p>
<p>The Department of Correction should improve internal controls to ensure adequate monitoring and tracking of employee training and compliance with department requirements.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 7</p>
<p>The Department of Correction should strengthen internal controls to ensure the hiring and promotion process is adequately supported in accordance with DOC and Department of Administrative Services procedures.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 8</p>
<p>The Department of Correction should strengthen its internal controls over the use of purchasing cards to ensure compliance with state and department policies and procedures.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 11</p>
<p>The Department of Correction should strengthen internal controls over asset management to safeguard assets and to ensure compliance with requirements of the State Property Control Manual.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 12</p>
<p>The Department of Correction should strengthen internal controls to ensure it maintains and reports software inventory records in accordance with the State Property Control Manual.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b> <b>Modified Form</b></div> <p>Recommendation 14</p>
<p>The Department of Correction should strengthen internal controls to ensure compliance with its statutory reporting requirements.</p>	<div style="background-color: red; color: white; padding: 5px; text-align: center;"><b>REPEATED</b></div> <p>Recommendation 15</p>

Prior Recommendation	Current Status
The Department of Correction should strengthen internal controls to ensure compliance with state statutes and telecommunication procedures for monitoring and verifying cell phone charges.	RESOLVED
The Department of Correction should strengthen internal controls over the accounts of discharged inmates to ensure compliance with the department's administrative directives and Section 4-57a of the General Statutes.	REPEATED Modified Form Recommendation 16
The Department of Correction should strengthen internal controls over the maintenance of inmate payroll records and the approval of inmate timesheets.	REPEATED Recommendation 17
The Department of Correction should strengthen internal controls over employee accountability logs and parole officer compensatory time to ensure the proper use of state time and resources.	REPEATED Modified Form Recommendation 3
The Department of Correction should strengthen internal controls to ensure medications are administered and monitored in accordance with agency policies.	REPEATED Recommendation 18

# OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of the Department of Correction in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2022 and 2023. The objectives of our audit were to evaluate the:

1. Department's internal controls over significant management and financial functions;
2. Department's compliance with policies and procedures internal to the department or promulgated by other state agencies, as well as certain legal provisions; and
3. Effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

In planning and conducting our audit, we focused on areas of operations based on assessments of risk and significance. We considered the significant internal controls, compliance requirements, or management practices that in our professional judgment would be important to report users. The areas addressed by the audit included payroll and personnel, purchasing and expenditures, asset management, reporting systems, information technology, petty cash and fiduciary funds, and other matters. We also determined the status of the findings and recommendations in our prior audit report.

Our methodology included reviewing written policies and procedures, financial records, meeting minutes, and other pertinent documents. We interviewed various personnel of the department and certain external parties. We also tested selected transactions. This testing was not designed to project to a population unless specifically stated. We obtained an understanding of internal controls that we deemed significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The accompanying financial information is presented for informational purposes. We obtained this information from various available sources including the department's management and state information systems. It was not subject to our audit procedures. For the areas audited, we:

1. Identified deficiencies in internal controls;
2. Identified apparent noncompliance with laws, regulations, contracts and grant agreements, policies, or procedures; and

3. Did not identify a need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations section of this report presents findings arising from our audit of the Department of Correction.

# ABOUT THE AGENCY

## Overview

The [Department of Correction](#) (DOC) operates under Title 18, Sections 18-7 through 18-107 of the General Statutes. Its mission is protecting the public; protecting staff; and providing safe, secure, and humane supervision of offenders with opportunities that support successful community reintegration.

## Organizational Structure

The department is headed by a commissioner who is responsible for the administration, coordination, and control of department operations, including the overall supervision and direction of all institutions, facilities, and activities of the department. Angel Quiros was appointed commissioner, effective February 24, 2021, and continues to serve in that capacity.

Agency business operations are located within its administrative offices in Wethersfield. The department operates the following 12 correctional facilities, which include correctional institutions (CI) and correctional centers (CC):

Bridgeport CC, Bridgeport	Manson Youth Institution, Cheshire
Brooklyn CI, Brooklyn	New Haven CC, New Haven
Cheshire CI, Cheshire	Osborn CI, Somers
Garner CI, Newtown	Robinson CI, Enfield
Hartford CC, Hartford	Willard-Cybulski CI, Somers
MacDougall-Walker CI, Suffield	York CI, Niantic

Correctional centers serve primarily as jails, acting as intake facilities for pre-sentenced males and for the confinement of males with shorter sentences. The Manson Youth Institution is used for confining male inmates between the ages of 14 and 21. The York Correctional Institution is used for sentenced and pre-sentenced female prisoners. The Cybulski Reintegration Center is located within the Willard-Cybulski Correctional Institution and provides counseling and programming services to assist offenders in preparing for their release back into the community.

Each facility is established at one of four levels of security ranging from level 2 (low security) to level 5 (high security). Level 1 is for inmates who have been released into the community but are still in custody of the department.

As of July 1, 2023, the department confined 10,139 inmates. In addition, there were 2,587 level 1 inmates.

## Board of Pardons and Paroles

The [Board of Pardons and Paroles](#) operates under the provisions of Section 54-124a of the General Statutes. The board is an autonomous body, which is within the Department of Correction for administrative purposes only. The board was established to provide independence over pardon and parole decisions. The board consists of 10 to 15 members, with 10 members serving full-time. The members are appointed by the Governor with the advice and consent of both houses of the General

Assembly. Jennifer Medina Zaccagnini was appointed chairperson in April 2023 and continues to serve in that role.

## Significant Legislative Changes

Notable legislative changes that took effect during the audited period are presented below:

- **Public Act 21-54 (Sections 1 & 2)**, effective June 16, 2021, required the DOC commissioner and the executive director of the judicial branch's Court Support Services Division to provide free communication services to inmates in correctional facilities and child detainees in juvenile detention facilities, and the people they communicate with. The act prohibited the state from receiving revenue for providing communication services to inmates and detainees.
- **Public Act 21-85 Section 2**, effective July 1, 2021, established a reentry employment advisory committee to advise the DOC commissioner on aligning the department's education and job training programs with the needs of community employers. Section 7, effective January 1, 2022, required DOC to provide inmates, upon their release, with debit cards instead of checks for any compensation they earned performing certain jobs.
- **Public Act 22-10**, effective October 1, 2022, required DOC and the Department of Motor Vehicles (DMV) to take certain actions to make the commercial driver's license (CDL) knowledge test available to incarcerated people who are (1) reentering the community within six months and (2) not subject to "disqualification" from driving a commercial vehicle or a driving privilege suspension, revocation, or cancellation in any state. The DOC commissioner must make available, as necessary, suitable space and technology for (1) CDL test preparation provided by or in conjunction with a regional workforce development board and (2) test administration by January 1, 2023.
- **Public Act 22-18 Section 1**, effective May 10, 2022, and **Sections 2 & 3**, effective July 1, 2022, established the Correction Advisory Committee to, among other things, submit a list of correction ombuds candidates to the Governor and meet quarterly with the ombuds. The act also transferred the correction ombuds program from DOC to the Office of Governmental Accountability (OGA) and adds the ombuds or their designee to the Governmental Accountability Commission. Finally, the act required DOC's report to the Criminal Justice Policy and Planning Division about inmates on restrictive housing and administrative segregation status, which contains aggregated and anonymized data, to instead require similar, disaggregated data on those in isolated confinement.
- **Public Act 22-118 (Sections 457 & 458)**, effective May 7, 2022, exempted up to \$50,000 of an inmate's other assets from property subject to state claim as part of the cost of incarceration. However, this exemption does not apply to inmates incarcerated for certain capital felonies.
- **Public Act 22-133**, effective May 27, 2022, required the DOC commissioner, by January 1, 2023, to develop a plan for providing health care services to inmates at DOC correctional institutions, including mental health, substance use disorder, and dental care services. Under the act, by February 1, 2023, the commissioner must report to the Public Health and Judiciary committees on the plan along with recommendations for any implementation legislation and timeline.

# Financial Information

## General Fund Receipts

A summary of General Fund receipts during the audited period as compared to the preceding fiscal year follows:

	<b>Fiscal Year Ended June 30,</b>		
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Recoveries - Inmate Cost of Incarceration	\$ 5,718,748	\$ 5,787,868	\$ 3,045,422
Refunds of Expenditures in Prior Years	271,801	457,652	39,227,293
Child Nutrition Program	409,840	625,485	758,953
All Other	583,237	699,758	683,783
<b>Total</b>	<b>\$ 6,983,626</b>	<b>\$ 7,570,763</b>	<b>\$ 43,715,451</b>

General Fund receipts in fiscal year 2022 consisted primarily of recoveries of the cost of incarceration collected by the Office of the Attorney General and the Department of Administrative Services Collection Services. The decline in these recoveries in fiscal 2023 resulted from the passage of Public Act 22-118, which exempted a portion of inmate assets from the state's recoveries. The fiscal year 2023 increase in refunds of expenditures in prior years was due to the federal reimbursement for COVID-related costs incurred in previous years.

## General Fund Expenditures

A summary of General Fund expenditures during the audited period as compared to the preceding fiscal year follows:

	<b>Fiscal Year Ended June 30,</b>		
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Salaries and Wages	\$ 361,762,159	\$ 284,404,642	\$ 409,744,830
Overtime	91,643,854	94,307,527	106,509,551
Meal Allowances	8,171,775	7,681,115	10,479,995
Workers' Compensation Awards	31,439,004	676,910	-
Other Personal Services Costs	25,575,388	22,551,790	16,690,639
Contractual Services - Medical Fees	4,498,019	5,790,044	6,460,833
Premises and Property Expenses	34,986,087	33,499,068	42,118,624
Client Services	33,034,364	41,440,297	46,007,305
Commodities - Drugs and Pharmaceuticals	27,997,206	26,768,053	29,200,790
Commodities - Food	12,857,857	13,870,830	16,750,803
Commodities - Other	8,215,176	8,457,298	10,763,156
Other Purchases and Contracted Services	25,952,292	24,617,228	27,975,161
<b>Total</b>	<b>\$ 666,133,181</b>	<b>\$ 564,064,802</b>	<b>\$ 722,701,687</b>

General Fund expenditures at DOC are primarily related to personnel services. The decline from fiscal 2021 to 2022 was primarily due to an adjustment of approximately \$73 million to reclassify salaries and wages from the General Fund to the Covid Relief Fund. Furthermore, workers' compensation was no longer funded by the agency due to the state's human resource centralization. The growth from fiscal

year 2022 to 2023 was primarily the result of increases in wages increases and overtime due to staff vacancies.

### **Federal and Other Restricted Accounts Fund Receipts**

Federal and Other Restricted Accounts Fund receipts totaled \$172,090,078 and \$71,890,002 for the fiscal years 2022 and 2023, respectively. The largest federal source was from the Coronavirus Relief Fund, which totaled \$100,625,370 in fiscal year 2022, compared to \$3,862,261 in fiscal year 2023. The funds received in fiscal year 2022 were reimbursements for Covid-19 expenditures occurring in previous years.

### **Federal and Other Restricted Accounts Fund Expenditures**

A summary of General Fund expenditures during the audited period as compared to the preceding fiscal year follows:

	<b>Fiscal Year Ended June 30,</b>		
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Salaries and Wages	\$ 8,435,627	\$ 83,638,272	\$ 39,757,352
Employee Benefits	321,813	345,125	611,597
Other Personal Service Costs	6,537,489	56,330	84,531
Information Technology	356,115	289,833	283,465
Commodities	180,706,972	2,046,897	1,429,988
Capital Equipment	153,697	5,314	295,257
Premises and Property Expenses	1,845,027	292,135	201,613
Other Purchases and Contracted Services	16,575,735	29,603,034	19,446,301
<b>Total</b>	<b>\$ 214,932,475</b>	<b>\$ 116,276,940</b>	<b>\$ 62,110,104</b>

The department purchased over \$178 million in medical supplies (commodities) in fiscal year 2021 to combat the Covid-19 pandemic. The decrease in fiscal year 2022 was due to these expenditures returning to normal levels, which was slightly offset by the increase in salaries and wages reclassified from the General Fund. The decrease from fiscal year 2022 to 2023 was primarily due to less Covid-related expenditures necessary for operations.

### **Other Special Revenue Funds**

Other special revenue fund expenditures, charged to the Capital Equipment Purchase Fund, totaled \$1,736,719 and \$1,566,404 for the fiscal years 2022 and 2023, respectively.

### **Correctional Industries Fund**

The Correctional Industries Fund accounts for the operations of Correctional Enterprises of Connecticut (CEC) and inmate commissaries. Using inmate labor, CEC produces goods and services that are sold primarily to other state agencies. CEC also may sell items to other governmental agencies and private nonprofit entities. The inmate commissaries sell various personal supplies and food items to inmates. When inmates purchase commissary items, monies are transferred from their fund accounts to the Correctional Industries Fund. A summary of cash receipts and disbursements for the fund during the audited period follows:

	<b>CEC</b>	<b>Commissary</b>	<b>Total</b>
Cash Balance, July 1, 2021	\$ 5,951,208	\$ 4,091,200	\$ 10,042,408
Receipts	7,217,921	17,173,671	24,391,592
Disbursements	(8,894,056)	(16,635,617)	(25,529,674)
Transfers	(9,580)	(194,739)	(204,318)
<b>Cash Balance, June 30, 2022</b>	<b>4,265,493</b>	<b>4,434,515</b>	<b>8,700,008</b>
Receipts	11,127,962	19,648,318	30,776,280
Disbursements	(8,689,004)	(17,117,840)	(25,806,844)
Transfers	12,670	157,930	170,600
<b>Cash Balance, June 30, 2023</b>	<b>6,717,121</b>	<b>7,122,923</b>	<b>13,840,044</b>

### **Fiduciary Funds**

The department maintains two fiduciary funds, a Special Projects Activity Fund, and an Inmate Trust Fund. Activity funds operate under the provisions of Sections 4-52 through 4-57a of the General Statutes. The Special Projects Activity Fund accounts for various minor inmate events. Inmate trust funds are custodial accounts for inmates' personal funds. According to department financial statements, cash and cash equivalents as of June 30, 2022, and 2023, totaled \$99,456 and \$104,595 for the Special Projects Activity Fund, respectively, and \$5,249,652 and \$4,357,483 for the Inmate Trust Fund, respectively.