

Auditors of Public Accounts Audits Q1 of 2026

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Issue

This report shows the audits issued by the state [Auditors of Public Accounts](#) between January 1, 2026, and March 31, 2026, by subject, with brief summaries of their findings and recommendations. It does not cover the [annual report to the General Assembly](#), the [Statewide Single Audit](#), or the [Annual Comprehensive Financial Report](#). The full report for each audit is available through the hyperlink in its audit type.

Audits

Central Connecticut State University (CCSU) — National Collegiate Athletic Association

Release Date: 1/27/26	Audit Type: Financial Statement Audit	Fiscal Years: 2024
Audited Items	Finding	
We compared each major operating revenue over 10% of the total revenues for the fiscal year ended June 30, 2024, to prior report amounts.	One variation greater than 10% was identified. We documented the explanation for the variance.	
We compared each major operating expense over 10% of total expenses for the fiscal year ended June 30, 2024, to prior report amounts.	Two variations greater than 10% were identified. We documented the explanation for the variances.	
We obtained a schedule of all athletics dedicated endowments maintained by athletics, the university, and affiliated organizations, from CCSU management.	CCSU overreported the Athletic Dedicated Endowments amount for fiscal year 2024 by \$18,312	

Central Connecticut State University (CCSU) — National Collegiate Athletic Association (continued)

Release Date: 1/27/26	Audit Type: Financial Statement Audit	Fiscal Years: 2024
Audited Items	Finding	
We compared the current year grants-in-aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission and documented an explanation for any variances greater than 4%.	We noted 10 instances in which the current year grants-in-aid revenue distribution equivalencies were greater than 4% compared to that of the prior year. We documented the explanation for the variance in each instance.	
We agreed the total number of student athletes who, during the academic year, received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated from CCSU's financial aid records, of all student-athlete Pell Grants.	CCSU overreported the total Pell Grant amount for fiscal year 2024 by \$146,567.	

Charter Oak State College Foundation, Inc.

Release Date: 1/13/26	Audit Type: Financial Statement Audit	Fiscal Years: 2025
Audited Items	Finding	
No specific findings or recommendations		

Connecticut Health Insurance Exchange

Release Date: 1/21/26	Audit Type: Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Weakness in purchasing process	Accounting Policy and Procedure Manual; the exchange's credit card policy	Strengthen internal controls to ensure compliance with established purchasing policies and procedures
Lack of compliance with reporting requirements	The exchange's investment policy	Comply with the investment policy's reporting requirements

Connecticut Innovations' Administration of the Angel Investor Tax Credit Program

Release Date: 1/8/26	Audit Type: Performance Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
Connecticut Innovations, Inc. (CI) did not ensure compliance with the statutorily required emerging technology credit cap	CGS § 12-704d(e)(3)	- Develop internal controls to ensure compliance with CGS § 12-704d(e)(3) - The CI annual report should include tracking and reporting of the percentage of credit it reserves before April 1st for investments in emerging technology businesses
Required Angel Investor Tax Credit (AITC) reports did not sufficiently present a comprehensive picture of the program's economic impact on the state	CGS § 12-704d(g) ; best practices	Consider including additional information in its current reporting
The AITC has no defined purpose, objectives, or performance measures	Best practices	Work with the legislature to consider amending CGS § 12-704d to develop a stated purpose, objectives, and performance measures for the tax credit
The AITC's incentive structure did not strategically align with location-based economic development priorities	Best practices	Propose that the legislature consider increasing the credit value for investments that align with other location-based economic development priorities, including allowing an additional percentage of AITC for investments in rural-designated zones, eligible Small Town Economic Assistance Program municipalities, opportunity zones, and distressed municipalities
CI's Website did not provide information regarding key aspects of the AITC	Best practices	- Update its website to include pertinent information such as the AITC statute, credit guidelines, frequently asked questions, and credit transfer information - Develop resources and information to assist investors that wish to sell or transfer their credit - Establish a process to gather participant feedback regarding the credit administration process
The AITC program's structure prevented CI from prioritizing credits for businesses owned by veterans, women, minorities, and individuals with disabilities	CGS § 12-704d(e)(3)	Work with the General Assembly to clarify the priority for businesses owned by veterans, women, minorities, and individuals with disabilities in CGS § 12-704d(e)(3)

Connecticut Innovations' Administration of the Angel Investor Tax Credit Program (continued)

Release Date: 1/8/26	Audit Type: Performance Audit	Fiscal Years: 2022 & 2023
Findings	Applicable Standards	Recommendations
The AITC's eligibility and incentivization structure is less competitive than other states and may discourage investment	Best practices	Collect regular feedback from investors and businesses to help evaluate the attractiveness of the credit The legislature should consider reviewing the economic competitiveness of the AITC against other states' credits and consider the degree to which the current credit structure provides benefits to investors and businesses sufficient to meet the program's objectives

Farm to School Program (Follow-Up Report)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2024-2026
Findings	Recommendations	
The State Department of Education (SDE) and the Department of Agriculture (DoAg) have not developed farm-to-school strategic or operational plans to guide their priorities and actions	Develop strategic and operational plans that indicate priorities and measurable goals for the Farm to School program (FSP) that connect or are consistent with the Farm-to-School Collaborative's broader system goals <i>(Partially Implemented)</i>	
SDE and DoAg do not sufficiently monitor and evaluate FSP activities	- Identify the key data points required to understand and report on their FSP activities and develop sustainable methods to collect, analyze, maintain, and utilize the data - Work with their farm-to-school collaborators to establish formal agreements that ensure they collect and report agreed upon important data <i>(Partially Implemented)</i>	
SDE and DoAg do not collect or have access to data that describe certain key aspects of the farm-to-school landscape in Connecticut	Identify the highest priority farm-to-school data to better understand the program's landscape and establish processes to systematically and sustainably collect data to assist in decision making; the agencies should begin their focus on a limited set of key data points and build out data collection and analysis capacity over time as they obtain more resources <i>(Partially Implemented)</i>	

Farm to School Program (Follow-Up Report) (continued)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2024-2026
Findings	Recommendations	
SDE and DoAg lack adequate contracting procedures and practices	- SDE should revise its agreements to specify what the University of Connecticut (UConn) Extension should accomplish and document completed tasks; verify that required documentation has been submitted before payment - DoAg should determine whether it is appropriate for the UConn Extension to perform certain statutory duties on its behalf; if so, DoAg should enter into a formal agreement that specifies those duties and how they should be delivered, monitored, and paid <i>(Implemented)</i>	
SDE did not consistently develop and hold events for potential purchasers and farmers to interact	Comply with CGS § 22-38d(b)(4) by collaborating with DoAg to increase the number of events that bring together potential educational purchasers and farmers and should document a plan to achieve this statutory requirement <i>(Not Implemented)</i>	
SDE did not arrange events to promote farmer and student interaction	Comply with CGS § 22-38d(b)(5) by arranging farmer and student interactions subject to public health conditions <i>(Implemented)</i>	
SDE has not amended statutory breakfast and lunch nutrition standards to facilitate purchases from local farmers	Amend regulations consistent with CGS § 10-215d(b)(2) to facilitate local and regional boards of education purchases from local farmers <i>(Not Implemented)</i>	

Farm to School Program (Follow-Up Report) (continued)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2024-2026
Findings	Recommendations	
The food service management company contracting process is undermined by a lack of specificity, which hindered the ability to support the statutory intent of CGS § 10-215j	SDE should: • Consider adding language to the food service management company bid template that would require the companies to quantify their capacity for supplying Connecticut grown products, provide additional detail in their proposals, and establish contractual farm-to-school obligations • Provide additional training on how the food service management company bid template could be used by school food authorities to increase a food service management company's contractual commitment to the Connecticut FSP, including the development of optional or suggested language • Develop training to help school food authorities provide additional specificity in their farm-to-school scoring rubrics • Provide additional training in the use of the food service management company template to maximize the purchase of Connecticut-grown products • Incorporate specific consideration of the Connecticut FSP into the food service management company monitoring reviews, including whether school food authorities are appropriately evaluating and awarding points for support for the Connecticut FSP, and providing sufficient oversight of compliance with contractual obligations to procure Connecticut-grown food or provide other Connecticut FSP supports <u>(Implemented)</u>	
DoAg's database containing information about farmers interested in selling products to local schools is inadequate	Ensure that it improves its statutorily mandated database and website currently provided by UConn Extension; the database and website should provide information about the amount of produce available within specific periods, and identify and link to farms that allow online ordering <u>(Partially Implemented)</u>	
DoAg lacks written, documented FSP policies and procedures	Develop and maintain comprehensive written FSP policies and procedures <u>(Not Implemented)</u>	

Farm to School Program (Follow-Up Report) (continued)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2024-2026
Findings	Recommendations	
There is a lack of verification that agricultural products sold to school districts are Connecticut or locally grown	- SDE should advise school food authorities of the importance of ascertaining the validity of any Connecticut-grown claims and check that the school food authorities have a process to ensure that food distributors claiming to sell Connecticut- or locally-grown products can prove their Connecticut origin in accordance with the definition in CGS § 22-38 (<i>Partially Implemented</i>) - DoAg should collaborate with SDE to educate school districts about the importance of checking the veracity of claims made about Connecticut- and locally-grown products and follow up on any alleged fraudulent claims reported by school food authorities (<i>Partially Implemented</i>) - DoAg should update the embedded farm-to-school document on its website to reflect the 2018 amendment to CGS § 22-38d(a)(3) (<i>Implemented</i>)	
Strengthening Connecticut's promising farm-to-school policies and practices in key stakeholder areas would efficiently leverage the state's strategic assets to fully realize the statutory intent of the program	- SDE should provide specific information and training to school food directors on how to create and integrate values-based procurement procedures, including the development of goals and commitments to increase local purchases (<i>Partially Implemented</i>) - SDE should (1) review educational and school gardening best practices and identify barriers to expanding school gardens in Connecticut and (2) propose methods to address those barriers to the legislative committees that have cognizance over agriculture and education (<i>Not Implemented</i>) - DoAg should (1) in consultation with SDE, research and assess various incentive programs to better understand how to sustain and encourage farm-to-school participation and support Connecticut producers and (2) report its findings and recommendations to the Education and Environment committees; the assessment should include an analysis of the benefits to farmers and local school districts and the costs of different approaches (<i>Partially Implemented</i>)	

Farm to School Program (Follow-Up Report) (continued)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2024-2026
Findings	Recommendations	
Connecticut-grown food markets, processing, and distribution are insufficient for some school food authorities to fulfill their local product needs	- DoAg should (1) in collaboration with its Food Policy Council, research and assess how to implement a food system policy to increase key food production and infrastructural capabilities like processing and aggregation capacity for Farm-to-School Program needs and (2) report the results of its findings and recommendations to the Education and Environment committees <i>(Implemented)</i> - DoAg should develop and implement a plan to facilitate relationships between schools and food hubs so school districts can overcome the challenges of finding local product, processing, and transportation <i>(Partially Implemented)</i>	

Governor's Council for Agricultural Development (Follow-Up Report)

Release Date: 2/4/26	Audit Type: Follow-Up Performance Audit	Applicable Years: 2023-2026
Findings*	Recommendations	
The council had no mechanism to track and report on its progress toward achieving its goals	Work with DoAg to develop a system to monitor the council's progress toward achieving its goals; DoAg should collect information and utilize measures that quantifiably ascertain the council's progress toward achieving its goals Work with DoAg to regularly report to the legislature and the public on its goals and accomplishments <i>(Not Implemented)</i>	
The council did not update its strategic recommendations to promote and further develop Connecticut agriculture	Work with DoAg and its councils and boards to develop a holistic, strategic, written agricultural plan for Connecticut that considers all sectors of the state's diverse agricultural industry <i>(Not Implemented)</i>	

*According to the report, the council did not have a quorum to meet and conduct business and therefore did not implement the recommendations

Judicial Branch

Release Date: 3/24/26	Audit Type: Audit	Fiscal Years: 2023 & 2024
Findings	Applicable Standards	Recommendations
Lack of controls over asset management	CGS § 4-36 ; Judicial Branch Court Support Services Division (CSSD) Policy and Procedures Manual	Strengthen internal controls over asset accountability to safeguard restricted items and ensure compliance with the requirements of the State Property Control Manual (SPCM) and CSSD Policy and Procedures Manual
Miscoding of grant expenditures	State comptroller account coding system	Strengthen internal controls to ensure that it charges expenditures to the appropriate account codes to maintain accurate financial records
Untimely filing of statutorily required reports	CGS §§ 4-68y, 46b-133k(d), and 54-56n	Strengthen internal controls to ensure that it promptly submits all statutorily required reports or pursue legislation to repeal reporting requirements that are no longer necessary
Insufficient disaster recovery plan	Best practices	Develop a more comprehensive disaster recovery plan and update and annually test it
System access not deactivated promptly for separated employees	Judicial branch's Administrative Policies and Procedures Manual	Strengthen internal controls to ensure that it deactivates system access immediately upon a user's separation
Internal audit lacks organizational independence	CGS § 51-1b	The branch's internal audit unit should report directly to the chief court administrator
Lack of attendance certification approvals	Judicial Branch Administrative Policies 502 and 516	Ensure compliance with its internal control policies and procedures for awarding overtime and compensatory time

Motor Vehicles, Department of (DMV)

Release Date: 3/31/26	Audit Type: Audit	Fiscal Years: 2021 & 2022
Findings	Applicable Standards	Recommendations
Failure to capitalize software	CGS § 4-36 ; best practices	Establish policies to ensure compliance with the capitalization requirements for intangible assets in the SPCM in accordance with CGS § 4-36
Performance Assessment and Recognition System (PARS)	Department of Administrative Services' (DAS) PARS	Coordinate with the DAS Human Resources Division to ensure that all managers are evaluated each year using PARS
Revenues and receipts – check processing	Best practices; State Accounting Manual (SAM); CGS § 4-32	Strengthen internal controls over revenue and receipts to ensure compliance with the SAM
Deficiencies in the procurement process	CGS § 4-98	Strengthen internal controls to ensure it issues purchase orders in accordance with CGS § 4-98

Motor Vehicles, Department of (DMV) (continued)

Release Date: 3/31/26	Audit Type: Audit	Fiscal Years: 2021 & 2022
Findings	Applicable Standards	Recommendations
IT disaster recovery plan deficiencies	National Institute of Standards and Technology Special Publication 800-53	Finalize and implement a disaster recovery plan to ensure prompt response and minimal interruptions to its information technology systems following a disaster
Connecticut Integrated Vehicle and Licensing System (CIVLS) - access	Best practices	Strengthen internal controls to ensure it promptly deactivates suspended dealer CIVLS accounts
Dealer online registration system deficiencies	Conn. Agencies Regs., 14-63-32 ; CGS § 14-15d ; DMV Dealer On-Line Manual; best practices	• Develop a tracking mechanism for the submission and receipt of online registration system transaction supporting documentation to ensure compliance with statutes and regulations • Ensure that it updates its regulations to reflect statutory changes, enforces plate reconciliations, and promptly addresses and closes suspended cases
State vehicle usage internal control weakness	DAS General Letter No. 115, Policy for Use of Motor Vehicles to Conduct State Business; best practices	• Develop procedures to track complaints and investigations and promptly report the results to the Director of DAS Fleet Operations • Ensure that state vehicle assignments are preapproved by the Director of DAS Fleet Operations and the Agency Transportation Administrator
Administrative per se hearings	CGS § 4-180 ; best practices	• Monitor the duration of administrative per se hearing cases by periodically reviewing reports generated from its administrative case management system • Promptly enter final decisions into the system
Asset management – reporting deficiencies	CGS § 4-36 ; SPCM	Strengthen internal controls to ensure it accurately accounts for and reports its inventory in accordance with the SPCM
Property control deficiencies	SPCM; best practices	Ensure that property records are accurate, and that it promptly reports surplus equipment to the DAS State and Federal Property Distribution Center

Motor Vehicles, Department of (DMV) (continued)

Release Date: 3/31/26	Audit Type: Audit	Fiscal Years: 2021 & 2022
Findings	Applicable Standards	Recommendations
Overtime and compensatory time	CGS § 5-245 ; Management Personnel Policy # 17-01; collective bargaining agreements and agency policies	• Implement internal controls to ensure employees are enrolled in the correct compensatory time plan • Properly approve and sufficiently document overtime and compensatory time
Lack of medical certificates for sick leave	Conn. Agencies Regs., § 5-247-11	Coordinate with DAS to ensure that employees provide medical certificates when required by state regulations and policy
Extended paid administrative leave	Conn. Agencies Regs., § 5-240-5a	DMV, the Office of Policy and Management, and DAS should comply with requirements concerning employees placed on paid leave as provided in Conn. Agencies Regs., § 5-240-5a ; if the 15-day limit is not practically achievable, the departments should seek changes to the regulation to reflect actual conditions
Emissions late fee administration and reporting	CGS §§ 14-164c(K)(1) & 14-146c(N) ; the SAM; DMV agreement with contractor	Strengthen internal controls to improve its collection rate of emission late fees

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