



# STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

February 1, 2023

John C. Geragosian  
State Auditor

Clark J. Chapin  
State Auditor

State of Connecticut  
Auditors of Public Accounts  
State Capitol  
165 Capitol Avenue  
Hartford, Connecticut 06106

Dear State Auditors Geragosian and Chapin:

The purpose of this communication is to share the results of a review and assessment of municipalities' uses of CARES Act Coronavirus Relief Funds ("CRF"). The Office of Policy and Management ("OPM") elected to engage the independent auditing firm CohnReznick LLP ("CohnReznick") to provide such review.

As detailed in the attached report, CohnReznick developed an audit methodology utilizing the submission data of all 169 municipalities that ultimately identified fifteen (15) municipalities exhibiting potential expense irregularities in their use of CRF. *See* attached January 30, 2023, CohnReznick Report, pp. 3-21. Importantly, it should be noted that CohnReznick's report and analysis represented the information available at a point in time stemming from the expenditure data the municipalities uploaded to OPM's reporting portal.

After reviewing a preliminary draft report of the fifteen (15) identified municipalities with expenditures identified as not meeting CRF expenditure requirements, OPM elected to contact these municipalities to provide them with a time-limited opportunity to reassign questioned expenditures to other allowable CRF expense


categories. Thereafter, such municipalities confirmed to OPM that they had reassigned the expenditures to allowable CRF expenses.

Separate from CohnReznick's analysis and report, OPM additionally contacted *any* municipality that had an unallocated balance from that final municipal reporting period to provide these municipalities a time-limited opportunity to assign expenditures to allowable CRF categories. This enabled the impacted towns to fully utilize allocated CRF funds rather than reassign such funding to other state use or return those funds to the federal government. The municipalities with unallocated balances also confirmed to OPM that the funds were allocated to allowable CRF expenses.

This report completes CohnReznick's engagement with OPM. However, all 169 municipalities will continue to engage their own auditors to conduct regular yearly audits, including activities supported via CRF, and municipalities meeting the federal single audit threshold of \$750,000 must engage with an independent audit firm to undergo a single audit of their federal awards including CRF.

I trust that the above information is helpful. If you have any questions about the report or its findings, please feel free to contact me at [yvonne.addo@ct.gov](mailto:yvonne.addo@ct.gov).

Sincerely,



Yvonne Addo  
Chief Administrative Officer

Cc: Jeffrey R. Beckham, Secretary  
Martin Heft, Undersecretary  
Kimberly Kennison, Executive Finance Officer