

Office of the State Comptroller

At a Glance

NATALIE BRASWELL, State Comptroller

Martha Carlson, Deputy Comptroller

Established - 1786

Statutory authority - State Constitution

Central office – 165 Capitol Ave., Hartford, CT 06106-1775

Average number of full-time employees – 224

Recurring operating expenses – \$29,771,269

Mission

To provide accounting and financial services, to administer employee and retiree benefits, to develop accounting policy and exercise accounting oversight, and to prepare financial reports for state, federal and municipal governments, and the public.

Statutory Responsibility

The responsibilities of the Office of the State Comptroller (OSC) were first charged in the State Constitution in 1786 and have been expanded over the years in the Connecticut General Statutes. According to Article Fourth, Section 24 of the State Constitution, the State Comptroller "shall adjust and settle all public accounts and demands, except grants and orders of the general assembly. He shall prescribe the mode of keeping and rendering all public accounts."

In addition, state law charges the office to adjust and/or settle all demands against the state not first adjusted and settled by the General Assembly; to prepare all accounting statements relating to the financial condition of the state; to provide for the budgetary and financial reporting needs of the executive branch through the Core-CT computerized system; to pay all wages and salaries of state employees; and to administer miscellaneous appropriations including the procurement of medical, dental and pharmacy benefits. The bulk of the Comptroller's statutory requirements are detailed in Conn. General Statutes Secs. 3-111 through 3-123.

Public Service

Active & Pension Payroll Services Division

The Active & Pension Services Division administers 3 Sections: Active Payroll, Pension Payroll, and Statewide Tuition, Travel and Training Reimbursement Programs.

The Active Payroll Services section pays all state employees, coordinates all payroll deductions, maintains records on payroll taxes and deposits federal and state income tax withholding and social security contributions. The division pre-audits and issues state employee and corresponding vendor payments on a bi-weekly basis; submits deduction reports; administers wage execution records and direct deposit programs.

The Core-CT HRMS payroll module accommodates unique state payroll requirements including interfaces with central agencies, mass salary changes, collective bargaining information, complex accounting transactions and extensive management reporting. Most recently, the electronic W-2 option was implemented as an option to active state employees and will continue to be offered for each new/prospective tax year.

The division staff also produces information requests for state employees, state agencies, outside organizations, and the public, including the media.

Each active payroll bi-weekly pay period, approximately 5,006 checks and 60,261 direct deposits are issued.

The Retirement Payroll (pension) section administers state pension plans serving more than 61,900 retirees/optionees, including retirement benefits to retired members of the State Employees Retirement System, the Judges, Family Support Magistrate and Compensation Commissioners Retirement System, the Probate Judges and Employees Retirement System, the State Attorneys Retirement System, the Public Defenders Retirement System, the State Judges Retirement System as well as the Municipal Employees Retirement System. Each month, approximately 5,868 checks and 65,673 direct deposits are issued.

Statewide Tuition, Travel and Training Reimbursement processes reimbursement payments to all collectively bargained state employees for approved tuition, travel, training and conference costs, as well as union-sponsored training and conferences.

Budget and Financial Analysis Division

The Budget and Financial Analysis Division performs statewide accounting and financial reporting functions. The division posts, analyzes and reports state expenses and revenues by fund, department and account category inclusive of federal and other funding sources. The division also reports on the state's assets and liabilities.

At the State Comptroller's direction, the division prepares a monthly analysis of the state's budget condition that contains the financial statements for the latest month and projects the budget position to year's end.

The division performs all statewide cost accounting functions. It computes and reports direct and indirect costs associated with major state programs in order to obtain reimbursement of those costs from federal and other sources. The division is responsible for preparing and negotiating the Statewide Cost Allocation Plan with the U.S. Department of Health and Human Services on an annual basis. In addition, it manages the requirements of the federal Cash Management Improvement Act.

The division publishes two of the Comptroller's annual financial reports – a Generally Accepted Accounting Principle (GAAP) budgetary based report that details and analyzes state expenditures, receipts, and capital budget activities for the fiscal year on a GAAP budgetary basis; and a Comprehensive Annual Financial Report (CAFR) prepared in accordance with GAAP financial reporting standards that analyzes the state's overall fiscal position and provides audited financial statements for state and state-supported fiscal activities.

The division also coordinates closely with the OSC Information Technology Division by providing testing and support for upgrades and major configuration changes to the state's Core-CT financial system.

The Business Services Unit of the division provides policy and program direction for administrative functions of the Office of the State Comptroller, including developing and implementing the agency budget and statewide miscellaneous and fringe benefit accounts.

The Business Services Unit also administers the agency accounting, accounts payable, accounts receivable, purchasing, asset management, budgeting, financial reporting and analysis and contract administration functions. It reconciles and posts the bi-weekly state employee payroll to the appropriate miscellaneous accounts to allow payments of fringe benefits, and accounts for the proper application and reporting of state monies to various state and federal agencies on multiple statewide accounts and programs. It oversees the agency's day-to-day operation and activities with Building Facilities and administers the records retention program. This area pays refunds of disability and death benefits to state firemen and policemen; death benefits to state employees; it coordinates fringe benefit recoveries and maintains the security retainer program associated with state construction projects.

Central Accounts Payable Division

The Accounts Payable Division within the Office of the State Comptroller manages the centralized accounts payable function for the state, maintains the 200,000-plus record vendor profile database that properly identifies vendors providing goods and services to the state, initiates and monitors the pay cycle process, issues IRS forms 1099-NEC, 1099-MISC, 1099-S, 1099-I and 1099-G in accordance with federal regulations, conducts post transactional examinations of encumbrances and expenditures for compliance, conducts pre-audits of procurement requests for \$1 million or more, and

performs a variety of necessary processing activities to satisfy federal or state requirements and Freedom of Information requests.

The division also processes special payments such as tax-exempt bond funds, debt service, state legal settlements, land condemnations, human resource benefits, federal pass-through and state grants through various methods such as checks, Automated Clearing House (ACH, also known as electronic funds transfer or EFT), wire transfers, and interagency transfers.

The division enforces the statutory, regulatory and accounting provisions mandated by state and federal law; facilitates the execution of statutory grant programs for payment to municipalities and/or not-for-profit organizations; generates summary and detailed reports of payments to municipalities and provides assistance to the municipalities' independent auditors in the reconciliation of such payments; monitors financial system security to maintain segregation of duties; and maintains financial records, including garnishments/offsets through the vendor file database within the state's Core-CT administrative and financial system; manages the Statewide P-Card program, including monitoring transactions and workflow and reconciliation of the statewide account; manages e-Supplier enrollment and provides technical assistance for users; assists agencies in processing transactions and troubleshooting problems with such transactions in Core-CT; offers vendors online access to their financial information, and develops manuals and provides training to the agencies' business office staff.

Healthcare Policy & Benefit Services Division

The Healthcare Policy & Benefit Services Division administers benefits programs for all state employees, retirees, and their dependents. The largest programs are the medical, pharmacy, and dental benefit programs covering over 270,000 lives. These programs are also extended to non-state public employees through the Connecticut Partnership Plan. The division is responsible for the contract procurement, administration, and evaluation of these programs.

The division provides administrative support to the Health Care Cost Containment Committee (HCCCC).

The division implemented and now manages a statewide Health Enhancement Program (HEP) that covers more than 220,000 state and municipal employees, new retirees and their dependents. HEP is designed to encourage preventive care and better maintain chronic conditions – with the ultimate goal of reducing more costly emergency care. In addition, the division oversees the administration of a Medicare Advantage plan for 60,000 retirees over the age of 65.

The division oversees collection of contributions to the Retiree Health Fund, which provides funding for post-retirement health benefits, and is also responsible for group life, unemployment insurance and supplemental benefits.

The division supports statewide health policy goals through engagement with statewide boards and commissions as well as piloting and implementing initiatives for the state employee plan such as enhanced primary care funding, value-based reimbursement arrangements and evaluating gaps and opportunities in health equity.

Information Technology Division

The Information Technology Division is an inter-agency team that maintains Core-CT, the statewide financial, human resource, and payroll system. Core-CT performs the state's accounting, accounts payable, accounts receivable, purchasing, billing, project management, human resource, time and attendance, payroll, benefits and pension administration functions and is used by over 40,000 state employees. In total there are approximately 65 employees of the Office of the State Comptroller who work full time on supporting the system's operation.

The division is responsible for the maintenance and upgrade of Core-CT and provides analysis for the Comptroller regarding strategic information technology issues impacting the state.

The division's Technology Support Unit develops and maintains the Comptroller's Microsoft desktop infrastructure and is responsible for web development and maintenance for the Comptroller's Intranet and Internet web sites.

Retirement Services Division

The Retirement Services Division administers state pension plans serving more than 97,500 active and retired members, providing a comprehensive package of services including retirement counseling and administrative support to the Connecticut State Employees Retirement Commission.

The division manages computer, accounting, investigatory, payroll, training, record-keeping, and compliance activities related to the state's complex retirement programs.

The Retirement Services Division analyzes and implements statutory, collectively bargained, and federally mandated revisions to the pension plans within its jurisdiction. It plans, researches and develops new products based on retirement conditions and trends.

The division has implemented several sections of a new pension module within Core-CT, which will provide updated technology, and self-service benefits for the members of all retirement systems within the purview of the office.

Improvements and Achievements 2021-2022

- **New Private Sector Retirement Program:** Launched MyCTSAVINGS, a new retirement savings program for private sector workers who currently don't have a plan through their employer. Connecticut is the sixth state to launch such a program, which is expected to serve up 600,000 workers.
- **Essential Worker Relief Programs:** Launched and administered two relief programs for Connecticut's essential workers. The "Premium Pay" program provides financial assistance to certain frontline workers who were unable to work from home. The COVID-19 Relief Fund helps workers who contracted COVID with lost wages, unpaid medical expenses or burial expenses for the families of workers who died.
- **New Medicare Advantage Contract:** Negotiated a new contract for retiree health coverage in the state's Medicare Advantage program. The contract will generate significant savings, estimated at \$400 million over the next three years, and reducing unfunded Other Post-Employment Benefits (OPEB) liability by approximately \$7.5 billion.
- **Navigated Unprecedented Surge in Retirements:** The agency collaborated across all divisions, and developed key software and programming, to seamlessly handle processing of over 4,000 employee retirements, more than double a typical year.
- **Completed Role in COVID-19 Testing:** Contracts negotiated at the onset of the COVID-19 pandemic were completed. Over 1.4 million total tests for frontline workers and at-risk community members were performed under agreements held by the comptroller's office. Summary information and copies of all contracts were posted on a public web page.
- **Primary Care Initiative:** Developed to implement the statutory state health care cost growth benchmark goals and increase primary care investment
- **Cloud Modernization Project:** Began a project to move Core-CT infrastructure to a cloud-based provider. This project will improve functionality, allow the agency to implement new features and increase reporting capabilities.

- **Analyzed Pay Equity and Representation:** Authored a report in partnership with the UConn School of Public Policy analyzing racial and gender equity in state employment while offering recommendations for improvement.
- **Health Equity Analysis:** Began the first-ever self-examination of the state employee health plan to determine areas of racial, economic and gender disparities in health coverage and access.
- **Providers of Distinction Expansion & Recognition:** Additional doctors, hospitals and provider groups joined the agency’s “Providers of Distinction” program, which incentivizes plan members to use high-performing providers. The Centers for Medicare and Medicaid Services (CMS) approved the program as an Other Payer Advanced Alternative Payment Model (APM).
- **CHAI Used in Critical Analysis:** The interactive Connecticut Healthcare Affordability Index (CHAI) tool, developed by the comptroller’s office and the Office of Health Strategy, was used in critical research to analyze health care policies and legislation.