



Administrative Policies and Procedures Manual

1204 REPORTING IRREGULARITIES IN THE HANDLING OF STATE FUNDS

POLICY

In accordance with Connecticut General Statutes, Section 4-33a, any unauthorized, illegal, irregular or unsafe handling or expenditure of state funds, or breakdowns in the safekeeping of any resources of the State or contemplated action to do the same must be promptly reported.

GENERAL INFORMATION

REPORTING REQUIREMENTS

Employees who become aware of unauthorized, illegal, irregular or unsafe handling or expenditure of state funds or the breakdown of systems designed to safeguard the resources of the State must report such matter immediately to their supervisor. The supervisor, in turn, must notify the Division Director.

An Executive Director must notify, in writing, the Executive Director of Administrative Services and Director of Internal Audit when they have knowledge of any circumstances which fall within the scope of this policy. See also Policy 1203, Internal Audit.

Notification as required by this policy should state the nature of the irregularity, where it is occurring, the dollar amount of money, negotiables or other state resources lost or threatened, and the steps taken or assistance required to prevent a breakdown or a recurrence.

ADDITIONAL REPORTING REQUIREMENTS – THEFT OF FUNDS

The following additional steps must be taken in the event of theft of cash or checks or both:

1. The court or office must make an attempt to secure replacement checks from issuers. At a minimum, a letter should be sent to the issuer, explaining the need for a stop payment and a new check.
2. If any issuer requests that Judicial pay stop payment charges, have the issuer pay the original amount to the state. When the issuer presents appropriate evidence of the charges, process a CO-17 to refund stop payment charges.
3. When preparing the list of cash and checks to be presented to the insurance carrier, be sure to include any refunds of stop payment charges as lost revenue.

Thefts by employees are fully covered by the insurance carrier. Thefts by unknown individuals have a \$2,500 deductible. In instances where the Judicial Branch is acting in a trustee capacity (for example, bond account, support payment) this \$2,500 will have to be charged to the General Fund appropriation. A CO-17 will have to be prepared for this purpose and submitted to the Director of Fiscal Administration along with the Report of Property Loss or Damage (CO-853).

Questions on this policy:  InternalAudit.JBAPPM@jud.ct.gov  (860) 548-2773