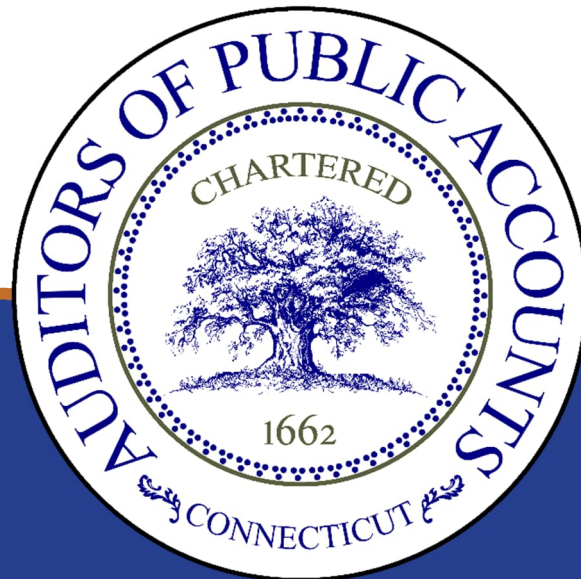


AUDITORS' REPORT

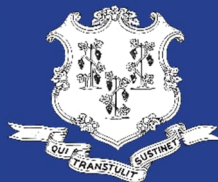
Central Connecticut State University

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

CONTENTS

INTRODUCTION.....	3
STATE AUDITORS' FINDINGS AND RECOMMENDATIONS.....	4
Lack of Adequate Receipt Documentation.....	4
Late Termination of Information System Access	5
Untimely Performance of Compensating Controls	6
Late or Missing Dual Employment Request Forms	8
Faculty Reassigned Time Control Weakness.....	9
Contract Administration Control Weaknesses	10
Unadjusted Leave in Lieu of Accrual.....	11
Holiday Time Charged to Non-Holidays.....	12
STATUS OF PRIOR AUDIT RECOMMENDATIONS	14
OBJECTIVES, SCOPE, AND METHODOLOGY	15
ABOUT THE AGENCY	17

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

STATE CAPITOL
210 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1559

CRAIG A. MINER

May 13, 2026

INTRODUCTION

We are pleased to submit this audit of Central Connecticut State University 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 Central Connecticut State University during the course of our examination.

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

Andrew Collins
Mark Fortin
David Paradie
Marva Robinson
Linnette Stark
Bo Wang

A handwritten signature in black ink that reads "Marva N. Robinson".

Marva Robinson
Principal Auditor

Approved:

A handwritten signature in black ink, appearing to be "John C. Geragosian".

John C. Geragosian
State Auditor

A handwritten signature in black ink that reads "Craig A. Miner".

Craig A Miner
State Auditor

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of Central Connecticut State University disclosed the following eight recommendations, of which one was repeated from the previous audit.

Finding 1

Lack of Adequate Receipt Documentation

Background

Although most deposits are received in the Bursar's Office, departments, student clubs, and offices outside the Bursar's Office can receive their own funds which they bring to the bursar for deposit.

Criteria

Section 4-32 of the General Statutes requires state agencies to deposit daily amounts greater than \$500 within 24 hours of receipt.

The State Accounting Manual requires state agencies to maintain a receipts log that includes information such as the dates of receipt and deposit.

Condition

We reviewed 20 receipts collected by university departments and offices outside of the Bursar's Office, totaling \$76,996. We found the university could not provide support to verify the initial receipt date for 18, totaling \$70,746.

Context

The Bursar's Office received \$3,494,572 and \$5,185,755 in non-electronic payments consisting of cash, money orders, and checks during fiscal years 2022 and 2023, respectively. We haphazardly selected 20 receipts for testing.

Effect

Without receipt dates, we could not confirm the university promptly deposited the receipts. Without adequate support, there is an increased risk of loss or theft of funds.

Cause

The university's control procedures did not ensure that departments and offices recorded the date receipts were collected outside of the Bursar's Office.

Prior Audit Finding

This finding has not been previously reported.

Recommendation	Central Connecticut State University should strengthen internal controls over receipts collected outside of the Bursar's Office and maintain adequate records to ensure prompt deposit of funds.
Agency Response	"We agree with this finding. While the Bursar's Office is in compliance, the University has faced challenges in achieving full compliance from all other departments regarding the use of a receipt log prior to depositing received funds. This difficulty is largely due to the University's size and the number of student clubs on campus, despite repeated reminders sent to the campus community. To address this issue, we have revised our process by incorporating the required receipt log information into the Departmental Deposit Form, which is mandatory for all deposits made at the Bursar's Office whether online or in person. This updated form has been in effect since March 2025."

Finding 2

Late Termination of Information System Access

Background	Central Connecticut State University (CCSU), uses an automated information system, Banner, to maintain its accounting and student academic records.
Criteria	The Board of Regents Information Security Policy requires an employee's access to university information systems be disabled within the same day of notification and the termination or revocation of their authenticators and credentials upon separation from employment.
Condition	The university did not promptly disable Banner information system privileges for four of 13 separated employees. Delays ranged from three to 11 business days after the employee's separation.
Context	There were 135 and 82 employees who separated from the university during fiscal years 2022 and 2023, respectively. We haphazardly selected 13 Banner user accounts for testing.
Effect	Untimely disabling of employees' Banner user access exposes the university's information system to unnecessary or inappropriate access which increases the risk of data system errors and fraud.
Cause	CCSU uses the Core-CT system for human resources and payroll processing. It uses Banner for all other processes, including account management. The dual systems require manual data entry in both,

which occasionally leads to delays in account termination processing.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

Central Connecticut State University should strengthen internal controls to ensure Banner access is promptly disabled upon an employee's separation from the university.

Agency Response

"We agree with this finding. While some delays were identified, these were minimal and often attributable to weekends or emeritus policy. The CSCU Information Security Policy (IT-004) establishes requirements for access control and personnel security, stating that CSCU must ensure that information and information systems are protected "during and after personnel actions such as terminations and transfers" and that access must be limited to authorized users only. While the policy does not prescribe a specific number of days, the intent is clear: access must be revoked once an employee is no longer authorized.

The discrepancies noted between separation dates and IT account action dates are the result of differences between Core-CT separation dates and the HR-provided IT Action Dates (communicated via email). IT acts on the IT Action Date provided by HR, which may not always align with the official Core-CT date, often due to payroll check cycles and HR policy. To address audit concerns and improve processes, the following corrective measures have been implemented and are underway. A creation of an IT Operations Group was established within the Systems department to centralize and improve account management. One of their core responsibilities is ensuring timely and accurate disabling of accounts, which has already resulted in significantly faster response times. IT operations, HR and IT ERP teams are collaborating on automating the account disablement process. This initiative leverages a daily data feed from Core-CT and Banner, which will trigger automated access revocation. Completion of this automation project is expected within the next six months."

Finding 3

Untimely Performance of Compensating Controls

Criteria

The Core-CT Human Resources Management System's segregation of duties procedures require compensating controls be in place to mitigate the risk of error or fraud when employees have multiple specialist roles in Core-CT.

Central Connecticut State University established control procedures to mitigate the risk resulting from individuals in roles that lack adequate segregation of duties. Specifically, the university generates and reviews certain Core-CT reports that identify transactions or activities performed by individuals with conflicting payroll and human resources roles.

Condition

We requested evidence of the university's compensating control procedures for employees with conflicting roles in Core-CT. The university did not complete the biweekly payroll review until 61 to 153 days after the pay period ended for the three pay periods we tested.

Context

The university was required to review all 52 pay periods during the audited period for employees with inadequate segregation of duties. We haphazardly selected three pay periods for testing.

Effect

When an employee has access to payroll and human resources functions, there is an increased risk of fraudulent transactions. Without prompt compensating controls, it is more difficult to detect and correct improper transactions.

Cause

The labor-intensive nature of the biweekly review, staff shortages, and significant turnover affected the university's ability to promptly complete the reviews after each pay period.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

Central Connecticut State University should strengthen internal controls to ensure it promptly completes biweekly payroll reviews.

Agency Response

"We agree with this finding. The University has significantly reduced the number of HR and Payroll employees with conflicting roles to the minimum of 6 employees to still allow everyone to perform their job functions effectively and efficiently. The conflicting roles are necessary for HR staff processing student workers as well as for time and attendance related to accrual adjustments and timesheet entries when staff are on medical leave and unable to submit their time. These functions are only available as part of the Payroll system in CORE-CT. Due to the labor-intensive nature of the previously implemented compensating control procedure to review payrolls outside of HR, the University has begun the process of revising the procedure to be more efficient and reflective of only the employees with the conflicting roles."

Finding 4

Late or Missing Dual Employment Request Forms

Criteria	Section 5-208a of the General Statutes restricts state employees from simultaneous employment at multiple state agencies unless the appointing authority of each agency certifies that the employees' work schedules do not conflict. Department of Administrative Services (DAS) General Letter No. 204 requires that a hiring agency complete a Dual Employment Request Form (CT-HR-25) when hiring an individual who is employed by another state agency. The agency head and employee must sign the form before dual employment begins to ensure that the employee's schedule and job responsibilities do not conflict. The agency head or designee of the secondary agency and the employee must sign the form before dual employment begins.
Condition	Our review of ten dual employment arrangements found that one form was missing, and three others were approved 21, 30, and 65 days after the start of the secondary employment.
Context	There were 110 and 103 dually employed individuals during fiscal years 2022 and 2023, respectively. We haphazardly selected ten employees.
Effect	There is increased risk that dually employed individuals could have conflicting schedules or job responsibilities.
Cause	The university's internal controls did not ensure the prompt review and approval of dual employment agreements.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	Central Connecticut State University should strengthen internal controls to ensure dual employment forms are completed prior to the commencement of work to avoid potential conflicts.
Agency Response	"We agree with this finding. Due to the labor-intensive nature of reviewing dual-employment forms within a compressed period along with staff shortages and turnover in Human Resources affected their ability in part to ensure timely submission and review of the forms. While the deadline to submit lecturer appointment forms is several months prior to the start of a semester, at times lecturer appointments are made at the last minute due to additional sections to classes needed or last-minute resignations, illnesses, and

the like. This creates such situations where the dual employment forms are received at the start date and must then be processed and signed off on by both employing agencies. We continue to try to improve upon this by tracking these appointments, including reminders when requesting appointment forms for lecturers, working with Academic Affairs and following up with other agencies for the completed forms to be as proactive as possible.”

Finding 5

Faculty Reassigned Time Control Weakness

Background

Members of the American Association of University Professors (AAUP) can be granted reassigned time for temporary work outside of normal instructional duties. This work can be for curriculum development, faculty development and instructional enhancement, department administration, administrative and quasi-administrative duties, research, supported research, and grants with outside agencies.

Criteria

University controls require a member requesting reassigned time to complete a planning form which must be approved by the end of the first week of each semester. An outcome form is also required and should be completed and approved by the end of the semester.

Condition

Our review of ten reassigned time requests noted one instance in which the university did not have the reassignment form on file. In another instance, the university did not document its approval.

Context

There were 599 and 607 faculty load releases for reassigned times during fiscal year 2022 and 2023, respectively. We haphazardly selected ten faculty load releases consisting of five from each fiscal year.

Effect

There is decreased assurance that the university properly accounted for faculty reassigned time.

Cause

Controls over reassigned time were relatively new and still being refined. Additionally, the university experienced changes in leadership personnel during this period.

Prior Audit Finding

This finding has been previously reported in part in the last audit report covering the fiscal years 2020 through 2021.

Recommendation	Central Connecticut State University should improve internal controls over faculty reassignments to ensure that it keeps required forms on file and documents approvals.
Agency Response	"We agree with this finding. We acknowledge that this finding has been previously reported. The University has made significant progress in this area as pointed out by the auditor during this review. We have moved to a new electronic system designed to improve internal controls, which we have diligently worked at to refine. This new system was originally launched in Fall 2022 and fully implemented in Fall 2023. This new system requires several steps which are coordinated by the Associate Vice President (AVP) in the Provosts Office: 1) faculty submit their request for reassigned time, 2) dean's office reviews and approves request, 3) approvals are returned to AVP for review. 4) AVP submits approved requests to the Registrar's office for entry into the faculty load database (Banner), which then appears on the faculty load sheet. 5) faculty review and sign their load sheets. Upon completion of the semester, faculty with approved reassigned time submit an accountability report, detailing activities and outcomes for the semester for which they were granted reassigned time. During the period for this audit, we have experienced turnover in our dean's offices as well as a change in the AVP which at times hampered the process. In addition, as this was a newer process and our third change in the process, there was a little bit of a learning curve for our faculty and staff. We are confident that we have refined our process and effectively communicated the process and expectations to faculty and staff to maximize our internal controls going forward."

Finding 6

Contract Administration Control Weaknesses

Criteria	Good business practice dictates that expenditures and contracting information should be maintained in the same system to ensure proper management of procurement and contracting activities. A written procurement policy is necessary to ensure the consistent processing of expenditures.
Condition	Our review of Central Connecticut State University's contracting procedures found that the university maintains contract records outside of the Banner accounting system. The university uses a spreadsheet to record and manage contracts for goods and services. When a purchase is made against a contract, the information is added as a note to the purchase orders generated in Banner.

The university also lacks a formal policy governing the use of contract extensions.

Context

The Banner system is used at all four state universities.

Effect

When the university maintains contracts outside of Banner, it limits the ability to filter and reconcile contracts with procurement records.

Without a formal contract extension policy, there is increased risk that the university will inconsistently and improperly apply extensions which may not be in the best interest of the state.

Cause

The university informed us that the Banner accounting system does not have the ability to create, manage, or store contracts. Contract information is instead maintained in a master spreadsheet.

Prior Audit Finding

This finding has not been previously reported.

Recommendation

The Board of Regents for Higher Education should develop and implement an integrated system to ensure contracting and procurement activities are properly reconciled and monitored. The board of regents should also establish a written contract extension policy to ensure consistent application across the Connecticut State Colleges and University system.

Agency Response

"The Board of Regents agrees with this finding. The CSCU Procurement Manual is the governing document for all CSCU procurements. The manual gives some conditions for not rebidding a contract by using a "Sole Acceptable Brand or Model". However, we will add further clarity on other conditions to our manual on the usage of contract extensions. We will explore how to integrate Banner with the contract amendment process and then update the manual to reflect this guidance."

Finding 7

Unadjusted Leave in Lieu of Accrual

Criteria

Core-CT allows agencies to temporarily use the leave in lieu of accrual (LILA) time reporting code until monthly leave accruals are posted to an employee's leave time balance. Core-CT Job Aid procedures require state agencies to review monthly usage of LILA time reporting codes and adjust these hours to the appropriate leave accrual balances.

Condition	We reviewed LILA entries for four employees, totaling 164.75 hours, and found the university did not adjust the entries and reduce employee leave balances.
Context	During the audited period, four employees charged 164.75 hours of LILA. We selected the entire population for testing.
Effect	Unadjusted LILA entries increase the risk that employees could use more leave time than they have accrued.
Cause	The university cited staff oversight for the unadjusted LILA entries.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	Central Connecticut State University should strengthen internal controls to ensure prompt adjustment of the leave in lieu of accrual time reporting code.
Agency Response	"We agree with this finding. This was an oversight error and appropriate measures will be implemented to prevent this from happening in the future. All the appropriate adjustments have been made to each leave balance on January 30, 2026, in pay period ending February 5, 2026 in Core-CT."

Finding 8

Holiday Time Charged to Non-Holidays

Criteria	Proper internal controls dictate that supervisors review and approve employee timesheets at the end of each pay period to ensure accuracy and completeness. Employees and supervisors should promptly correct any timekeeping errors. The Connecticut State Colleges and Universities (CSCU) Human Resources Policies for Management & Confidential Professional Personnel and various collective bargaining agreements outline the dates which qualify for holiday pay.
Condition	Our review of 15 employees who charged holiday time on a non-university holiday disclosed seven instances, totaling 39 hours, in which time was incorrectly recorded.
Context	During the audited period, 66 university employees charged 583.50 hours of holiday time on non-university holidays. We randomly

selected 15 employees for review; seven from fiscal year 2022 and eight from fiscal year 2023.

Effect	Incorrect timesheet coding and inadequate supervisory review of timesheets increases the risk of inaccurate leave balances and improper accrual payouts to employees.
Cause	The timesheet coding errors noted were the result of insufficient supervisory timesheet review.
Prior Audit Finding	This finding has not been previously reported.
Recommendation	Central Connecticut State University should strengthen internal controls in the review of employee timesheets to ensure adequate supervisory review and prompt correction of errors.
Agency Response	"We agree with this finding. The errors resulted from oversight, and we will implement appropriate internal controls to prevent recurrence."

STATUS OF PRIOR AUDIT RECOMMENDATIONS

Our [prior audit report](#) on Central Connecticut State University contained five recommendations. Four have been implemented or otherwise resolved and one has been repeated or restated with modifications during the current audit.

Prior Recommendation	Current Status
Central Connecticut State University should improve internal controls to ensure that it maintains adequate documentation for payroll and personnel transactions.	RESOLVED
Central Connecticut State University should implement a system to log and track hostile work environment complaints.	RESOLVED
Central Connecticut State University should improve internal controls over faculty reassignments to ensure that required forms are promptly completed and approved.	REPEATED Modified Form Recommendation 5
Central Connecticut State University should improve its internal controls over procurement by documenting reviews of price comparisons, where applicable. The university also should ensure that all purchases are properly preapproved.	RESOLVED
Central Connecticut State University should establish policies and procedures to evaluate university employees' work for its foundation to determine whether a reimbursement is required per Section 4-37f of the General Statutes.	RESOLVED

OBJECTIVES, SCOPE, AND METHODOLOGY

We have audited certain operations of Central Connecticut State University 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. University's internal controls over significant management and financial functions;
2. University's compliance with policies and procedures internal to the university 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 to users. The areas addressed by the audit included payroll and personnel, revenue and cash receipts, trustee accounts, purchasing and expenditures, asset management, and information technology. We also determined the status of the findings and recommendations in our prior audit report.

The Connecticut State University System Office administers certain activities centrally for the state universities, including system-wide information systems, telecommunications, and capital projects planning and support. The Board of Regents for Higher Education serves as the governing body for the four state universities, Connecticut State Community College, and Charter Oak State College. Our audit reviewed these functions, based on assessments of risk and significance, as they relate to Central Connecticut State University. Our review did not include reviewing other aspects of the Connecticut State University System Office or Board of Regents for Higher Education's operations.

Our methodology included reviewing written policies and procedures, financial records, meeting minutes, and other pertinent documents. We interviewed various personnel of the university 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 university's management and state information systems. It was not subject to our audit procedures. For the areas audited, we identified

1. Deficiencies in internal controls;
2. Apparent noncompliance with laws, regulations, contracts and grant agreements, policies, or procedures; and
3. 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 Central Connecticut State University.

ABOUT THE AGENCY

Overview

[Central Connecticut State University](#) in New Britain is one of the four higher education institutions that collectively make up the Connecticut State University component of the Connecticut State Colleges and Universities (CSCU) System. The other three are Eastern Connecticut State University in Willimantic, Western Connecticut State University in Danbury, and Southern Connecticut State University in New Haven. The State of Connecticut's system of public higher education operates principally under the provisions contained in Sections 10a-87 through 10a-101 of the General Statutes.

Organizational Structure

The Board of Regents for Higher Education, which serves as the administrative office for CSCU, oversees the university. The board of regents has 15 voting members appointed as follows:

- Nine members appointed by the Governor
- Four members appointed by legislative leadership, of whom one is a specialist in K-12 education and three are alumni of the Connecticut Community Colleges, Connecticut State Universities, and/or Charter Oak State College
- Two student members chosen by their peers (chair and vice-chair of the Student Advisory Committee)

In addition, the board of regents has eight non-voting, ex-officio members.

Dr. Zulma R. Toro served as university president during the audited period and continues to serve in that capacity.

Significant Legislative Changes

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

- **Public Act 21-81**, effective July 1, 2021, made various changes to laws dealing with sexual misconduct at higher education institutions. It established a 20-member Council on Sexual Misconduct Climate Assessments and required higher education institutions to conduct biennial sexual misconduct climate assessments and report the results to the Higher Education and Employment Advancement Committee of the General Assembly.
- **Public Act 21-132**, effective July 1, 2021, made numerous changes to higher education laws. It required each higher education institution to review and update its policies on awarding college credit for a student's military training. It also required each higher education institution to (1) establish a mental health coalition to assess the institution's mental health services and programs; (2) maintain a memorandum of understanding with at least one community-based mental health care provider for institutions that lack campus resources; and (3) adopt a student mental health policy. Additionally, it prohibited the Board of Regents from assessing or charging a graduation fee to students enrolled at public higher education institutions and allowed students to earn

compensation through an endorsement contract or employment in an activity unrelated to an intercollegiate athletic program.

- **Public Act 21-184**, effective July 1, 2021, required the reporting of accidents that resulted in serious physical injuries or death at institutions of higher education.
- **Public Act 22-101 (Sections 1, 4 through 7)**, effective July 1, 2022, made various changes including entitling certain veterans and dependents of armed forces members living in Connecticut to receive in-state tuition rates, and imposing various requirements to assess and address student food insecurity at the state's public colleges and universities.

Financial Information

During the audited period, the university's operations were primarily supported by appropriations from the state's General Fund and tuition and fees credited to the university's operating fund. The university also received COVID-19 federal emergency grant funds and capital projects funds.

The university did not directly receive General Fund appropriations. Rather, General Fund appropriations for the entire CSCU were distributed to the CSCU System Office, which periodically calculated and transferred funds to the university's operating fund, primarily for personal services and related fringe benefits.

Operating fund receipts consisted primarily of student tuition payments. Under the provisions of Section 10a-99(a) of the General Statutes, tuition charges are set by the Board of Regents for Higher Education. The following presents annual tuition charges for full-time students during the audited fiscal years:

Student Status	2021-2022			2022-2023		
	In-State	Out-of-State	Regional	In-State	Out-of-State	Regional
Undergraduate	\$ 6,162	\$ 18,436	\$ 9,244	\$ 6,470	\$ 19,358	\$ 9,706
Graduate	\$ 7,674	\$ 19,768	\$ 11,512	\$ 8,058	\$ 20,756	\$ 12,088

Tuition for all in-state and out-of-state students remained the same in fiscal years 2021 and 2022. Tuition for all in-state and out-of-state student increased 5.0% from fiscal year 2022 to 2023.

Besides tuition, the university charged students other fees during the audited years, including a general fee, state university fee, and a student activity fee. Undergraduates were also charged a media fee. The following presents these fees, on an annual basis, during the audited fiscal years:

Fee	2021-2022			2022-2023		
	In-State	Out-of-State	Regional	In-State	Out-of-State	Regional
General	\$ 4,154	\$ 4,154	\$ 4,154	\$ 4,362	\$ 4,362	\$ 4,362
State University	\$ 946	\$ 2,076	\$ 946	\$ 994	\$ 994	\$ 994
Student Activity - undergraduate	\$ 172	\$ 172	\$ 172	\$ 172	\$ 172	\$ 172
Student Activity - graduate	\$ 74	\$ 74	\$ 74	\$ 74	\$ 74	\$ 74
Media Fee-undergraduate	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28

In addition, the Housing and Food Service fees required of resident students represent a significant portion of the operating revenues category titled Auxiliary Revenues. The following presents the annual Housing (double occupancy) and Food Service fees during the audited period:

Fiscal Year Ended June 30,			
Fee Description	2022		2023
Housing	\$	7,130	\$ 7,270
Food Service	\$	5,000	\$ 5,150

Enrollment Statistics

The university provided the following enrollment statistics for full and part-time students during the audited period:

Enrollment	Fall 2021	Spring 2022	Fall 2022	Spring 2023
Full-time undergraduate	6,071	5,443	6,080	5,448
Full-time graduate	484	452	470	433
Total full-time	6,555	5,895	6,550	5,881
Part-time undergraduate	1,677	1,611	1,585	1,675
Part-time graduate	1,421	1,392	1,333	1,335
Total part-time	3,098	3,003	2,918	3,010
Total Enrollment	9,653	8,898	9,468	8,891

The average enrollment was 9,276 and 9,180 during fiscal years 2022 and 2023, respectively, compared to 10,141 during fiscal year 2021. Average student enrollment declined 865 (8.5%) from fiscal year 2021 to fiscal year 2022 and 96 (1.0%) from fiscal year 2022 to fiscal year 2023.

Operating Revenues

Operating revenues are derived from the sale or exchange of goods and services related to the university's educational and public service activities. Major sources of operating revenue include tuition and fees, federal grants, state grants, and auxiliary services.

Operating revenues, as presented in the university's audited financial statements for the audited period and previous fiscal year, follow:

Fiscal Year Ended June 30,			
Operating Revenue Description	2021	2022	2023
Tuition and Fees (net of scholarship allowances)	\$ 101,390,953	\$ 91,021,907	\$ 91,231,408
Federal Grants and Contracts	4,400,151	5,246,729	7,258,232
State and Local Grants and Contracts	3,981,976	4,045,937	3,572,503
Non-governmental Grants and Contracts	1,804,229	1,679,058	1,801,739
Indirect Cost Recoveries	298,902	281,230	330,677
Auxiliary Revenues	13,349,032	23,127,532	27,240,739
Other Operating Revenues	985,506	2,460,967	2,225,704
Total Operating Revenues	\$ 126,210,749	\$ 127,863,360	\$ 133,661,002

Total operating revenues increased by \$1,652,611 (1.3%) in fiscal year 2022. This was primarily due to an increase of \$9,778,500 in auxiliary revenues (consists of room and board fees) which grew after the campus reopened after the COVID-19 pandemic. A \$10,369,046 decrease in tuition and fees was due to reduced enrollment caused by the COVID-19 pandemic but was offset by an increase in tuition and fees.

Total operating revenues grew by \$5,797,642 (4.5%) in fiscal year 2023 primarily due to a \$4,113,207 increase in auxiliary revenues as more students returned to campus following the peak of the COVID-19 pandemic. Federal grants and contracts also increased by \$2,011,503 which contributed to the growth in operating revenues.

Operating Expenses

Operating expenses generally result from payments made for goods and services to achieve the university's mission of instruction and public service. Operating expenses include employee compensation and benefits, professional services, supplies, and depreciation.

Operating expenses, as presented in the university's audited financial statements for the audited period and previous fiscal year, follow:

Fiscal Year Ended June 30,			
Operating Expenses Description	2021	2022	2023
Personal Services and Fringe Benefits	\$ 174,983,218	\$ 178,323,895	\$ 173,806,263
Professional Services and Fees	4,660,238	5,271,537	5,373,129
Educational Services and Support	40,711,537	46,895,333	38,746,646
Travel Expenses	551,963	1,614,817	2,201,824
Operation of Facilities	21,673,397	25,859,326	22,305,314
Other Operating Supplies and Expenses	7,852,105	8,308,917	9,281,806
Depreciation Expense	15,874,706	17,567,459	18,283,842
Amortization Expense	-	85,301	1,223,458
Total Operating Expenses	\$ 266,307,164	\$ 283,926,585	\$ 271,222,282

Total operating expenses increased by \$17,619,421 (6.6%) during fiscal year 2022. This was mainly due to growth of \$3,340,677 in personal services and fringe benefits which was the result of pay increases and retroactive payments and an increase of \$6,183,796 in educational services and support due to technology updates. Operation of facilities contributed \$4,185,929 of the operating expenses increase.

Total operating expenses decreased by \$12,704,303 (4.5%) during fiscal year 2023. This was mainly due to a decrease of \$4,517,632 in personal services and fringe benefits which was the result of the state making significant contributions to pension and OPEB plans and a decrease of \$8,148,687 in educational services and support due to nonrecurring technology update payments in fiscal year 2022. Operation of facilities contributed \$3,554,012 of the operating expenses decrease.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses are from other than the sale or exchange of goods or services that relate to the university's primary functions of instruction, academic support, and student services. Nonoperating revenues and expenses include items such as the state's General Fund appropriation, private gifts and donations, investment income, state-financed plant facilities revenues, and interest expense.

Nonoperating revenues and expenses, as presented in the university's audited financial statements for the audited period and previous fiscal year, follow:

Nonoperating Revenues/ Expenses Description	Fiscal Year Ended June 30,		
	2021	2022	2023
State Appropriations	\$ 93,952,185	\$ 114,182,265	\$ 110,261,366
Pell Grant Revenue	13,519,411	12,533,000	12,887,796
Federal Emergency Grant Revenue	30,127,053	29,663,377	29,069,083
Gifts	2,835,406	3,816,585	3,818,847
Investment Income	84,069	323,034	4,761,357
Interest Expense	-	(7,970)	(147,200)
Capital Projects Financed by System Office	11,130,659	8,679,589	8,089,840
Other Nonoperating Revenues	238,757	205,059	249,729
Total Nonoperating Revenues (Expenses)	\$ 151,887,540	\$ 169,394,939	\$ 168,990,818

Net nonoperating revenues grew by \$17,507,399 (11.5%) during fiscal year 2022 primarily due to an increase of \$20,230,080 in state appropriations which the university mainly used to fund salaries and fringe benefits. This increase was offset by \$2,451,070 decrease in capital projects financed by the system office.

Net nonoperating revenues decreased by \$404,121 (0.2%) during fiscal year 2023 primarily due to a decrease of \$3,920,899 in state appropriations offset by an increase of \$4,438,323 in investment income.

In addition to the operating and nonoperating revenues and expenses presented above, the university's financial statements presented revenues classified as state appropriations restricted for capital purposes totaling \$22,816,381 and \$5,453,256, for the fiscal years ended June 30, 2022, and 2023, respectively.

Central Connecticut State University Foundation, Inc.

The Central Connecticut State University Foundation, Inc. is a private, nonprofit corporation established to raise funds to support the activities of the university.

Sections 4-37e through 4-37k of the General Statutes define and set requirements for such organizations that support state agencies. The requirements address the annual filing of an updated list of board members with the state agency for which the foundation supports, financial recordkeeping and reporting in accordance with generally accepted accounting principles, financial statement and audit report criteria, written agreements concerning the use of facilities and resources, compensation of state officers or employees, and the state agency's responsibilities with respect to affiliated foundations.

An independent certified public accounting firm audited the books and accounts of the foundation for the fiscal years ended June 30, 2022 and 2023 in accordance with Section 4-37f (8) of the General Statutes. The auditors expressed unqualified opinions on the foundation's financial statements for both fiscal years. In addition, the foundation's auditors reported, in an examination, that the foundation complied, in all material respects, with Sections 4-37e through 4-37k of the General Statutes.

The foundation's financial statements reported revenues totaling \$(3,121,539) and \$11,468,101 during the fiscal years ended June 30, 2022, and 2023, respectively. Net assets totaled \$89,551,759 and \$93,901,944 as of June 30, 2022, and 2023, respectively. Net assets decreased by \$9,891,090 in fiscal year 2022 and increased by \$4,350,185 in fiscal year 2023 due to fluctuations in the market value of the foundation's investments.