



WYMANews

State of Connecticut
Office of the State Comptroller
55 Elm Street
Hartford CT 06106-1775

WYMANews

Volume 2 Issue 2

HONESTY + ACCURACY = G.A.A.P.

The state now uses two sets of books – one that uses “modified cash” accounting for budgeting and a second that employs Generally Accepted Accounting Principles (GAAP) – the standard used by almost all businesses.

My objection to modified-cash accounting is that it counts revenues before they are actually collected, but does not record expenses until months after they are made. By simply rolling the payment of bills into the next fiscal year, total state spending can be “lowered” in the current year and make the budget’s bottom line look much better than it really is.

That is no way to balance a checkbook, whether it is yours or mine or the state’s.

Under GAAP, revenues are not recorded until they are actually received, and expenses are recorded promptly when goods or services are purchased. In simple terms, GAAP takes the wiggle room and the gimmicks out of the state’s books and its budgeting process.

As the state’s chief fiscal officer, and as a taxpayer, I have fought for the state to convert to GAAP since I took office. But

implementation of a law passed in 1993 to adopt GAAP has been delayed by a vote of the legislature every two years.

This past session, however, a bill that I proposed to allow me to phase-in GAAP starting next year was approved by the legislature. This will allow the state to adopt a single accounting system that will better reflect the reality of where tax money is being spent.

Businesses use GAAP as the standard for financial reporting because they need to know which of their product lines are most profitable and which are failing to deliver the expected returns. The state should evaluate its annual budgets in the same manner.

The best way to control state spending is to redesign or eliminate those programs and services that are failing to deliver the expected results.

GAAP will provide the financial information necessary to conduct this type of performance review and allow taxpayers and policymakers to make better-informed decisions about Connecticut’s financial priorities.



Connecticut State Capitol

Inside this issue:

G.A.A.P. Accounting	1
Black History Essay	2
Contest Winners	
State Finances	3
Where’s Wyman?	3
An inside look at the Comptroller’s Office	4
Upcoming Events	4



Municipal Employees Health Insurance Program

One of my jobs as Comptroller is to purchase and administer health insurance plans for all state employees, retirees and their families. The mission of MEHIP is to provide affordable coverage from the state’s insurance carriers to Connecticut’s small businesses, municipalities, community action agencies and nonprofit organizations. I am proud to offer these quality health plans to Connecticut’s working families - the backbone of our state’s economy.

FIND OUT MORE BY VISITING

www.osc.state.ct.us/empret/mehip/index.html

E-NOTIFICATION

WYMANews and
Press Releases

Receive the quarterly
newsletter,
WYMANews, and
monthly press
releases via email.

Sign up at

www.osc.state.ct.us/public/newsletter



ANNUAL LITTLE KNOWN BLACK HISTORY FACT ESSAY CONTEST WINNERS

State Comptroller Nancy Wyman announced the results of her eighth annual Little Known Black History Fact Essay Contest.

The event is open to high school juniors and seeks to explore facts about black history that are not well known. It is sponsored by the Office of the State Comptroller with the support of New Alliance Bank, Bank of America and People's Bank. Winners receive U.S. Savings Bonds of between \$1,000 and \$100.

"The research and writing by these students is not only educational for them and for all of us, but is a tribute to a very important part of American heritage," Wyman said. "I am delighted to honor them."

This year's judges were Dorsey Kendrick, President of Gateway Community Technical College; Charles Tisdale, Exec. Dir., Action Bridgeport Community Development Agency; Henry Hartie, of the Hartford Human Relations Commission; Yvette Melendez, Chief of Staff, Connecticut University System and Karin Edwards, Three Rivers Community Technical College.

Comptroller Wyman presented the awards to the winners alongside their families, teachers, superintendents and local officials.

This year's winners are:

Shanna Allison/Waterbury Magnet Arts School, who wrote about *In Dahomey*, the first musical on Broadway written by and starring African-Americans. The 1903 production by Bert Williams and George Walker follows the story of a group of African-Americans who find a pot of gold and use their fortune to travel to Africa. The show, Shanna wrote, was a significant move "away from the degrading minstrel stereotypes and closer to actual characterizations of African-Americans."

Daniel Felizardo/Danbury High School, whose essay outlined the life of Peter Salem, a former slave who went on to become a famous soldier in the Massachusetts Minutemen for his courageous fighting in many of the crucial battles of the Revolutionary War.

Kristin Miller/Waterbury Arts Magnet School, who wrote about Patricia Bath, an eye surgeon who in 1988 became the first African-American woman to receive a patent for a medical invention; a laser device used to remove cataracts.

Paulo Oliveira/John F. Kennedy High School, Waterbury, whose essay was about Daniel Hale Williams, a surgeon who in 1893 performed the first open-chest cavity operation.

Justin Wright/Hillhouse High School, New Haven, who wrote about E. Curtissa R. Cofield, who in 1991 became the first black woman appointed as a Connecticut Superior Court judge.



Emma MacDonald
Bulkeley High School, Hartford



Daniel Felizardo
Danbury High School



Shanna Allison and Kristin Miller
Waterbury Magnet Arts School

Paulo Oliveira
John F. Kennedy High School,
Waterbury



Judge Cofield and Justin Wright
Hillhouse High School, New Haven



Latest State Surplus Projection

State Comptroller Nancy Wyman stated that the state's budget deficit has shrunk to \$42.9 million, mainly due to legislative action to cover agency spending deficiencies as the 2008 fiscal year comes to a close.

The deficit stood at \$67.8 million on June 1. On June 11, the General Assembly voted to rescind nearly \$43 million of appropriations made in the 2008 budget, which reduced the deficit by eliminating \$30.7 million of agency deficiencies.

Those deficiencies included \$18.5 million in the Department of Correction, \$10.9 million in the University of Connecticut Health Center and \$1.3 million in Workers' Compensation Claims.

While the legislature's action cut the overall deficit, Wyman said, the state's main source of revenue - the income tax - remains in decline. The income tax continues a slide that began in February, and is now expected to bring in about \$150 million below original estimates.



"The drop in the income tax is directly linked to the drop in job growth we saw in the first four months of the calendar year," Wyman said. "I am hopeful that the upswing we saw in the job market in May is a step toward reversing that trend."

About 2,900 new jobs were created in May, many of them at the new Foxwoods Resort Casino's MGM Grand. Of the state's ten major industry sectors, seven showed gains in May and three showed losses. The manufacturing sector lost 400 jobs - its ninth straight month of decline.

For the fiscal year that ended June 30, the state added a net total of 1,900 jobs. At the same point in the previous fiscal year, the state had added 17,600 jobs.

Where has Wyman been lately ...



American Legion Auxiliary Laurel Girls State, Eastern CT State University



Jim Calhoun Cancer Ride Performing Arts Center, Simsbury



Central Connecticut Women's Forum Plainville



Connecticut State Police 119th Trooper Graduation, UCONN, Storrs



Easter Seals 2nd Annual Women's Luncheon, Glastonbury



Latino AIDS Walk Bushnell Park, Hartford

MISSION

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



VISIT US AT
www.osc.state.ct.us

Fiscal Policy Division

The Fiscal Policy Division is responsible for several diverse yet distinctive areas. The Statewide Programs Unit provides overall policy and program direction to the Office of the State Comptroller and its subsidiary programs. In addition the unit administers the statewide tuition reimbursement, travel and training programs by reviewing the programs to ensure conformance to contractual, regulatory and statutory obligations. It is responsible for the management of the state's real and personal property for insurance and accounting purposes, as well as maintaining the state's casualty loss records. The statewide purchasing card program is administered in this unit which includes auditing the daily transactions of over 2,000 cardholders and conducting compliance reviews with current policies and procedures.

The Division is also responsible for various areas of technology including the web development, design and maintenance of the Comptroller's Intranet and Internet web sites, providing support services for the Core-CT Financial and HRMS Systems, managing the laser printing of all negotiable documents and reports, the OSC local area network and system support. These are just a few of the responsibilities that are managed within the Division.



American Red Cross Paint the Town Red Gala in Branford

Attorney General Richard Blumenthal, US Army Sgt. Luis Caraballo, Chapter CEO Charles Frey and Comptroller Wyman



AFSCME Council 15 Police Annual Convention, New London
Mayor Kevin Cavanagh, Chip Segar, Comptroller Wyman and James Howell, Executive Director

UPCOMING CALENDAR OF EVENTS

JULY

- 4—Independence Day
State Offices Closed
- 11—American Legion 90th
Annual Department
Convention, Rocky Hill
- 12—Old Homes Day
East Hampton
- 19—American Legion
Riders Annual BBQ
Post 14, Rockville
- 25—State Bond
Commission Meeting
- 26—Nutmeg Games
Danbury

AUGUST

- 12—Primary Day
- 
- 15—Department of
Corrections Employee
Awards Ceremony
Cheshire
- 22—Chester Fair
Weekend
- 25—Annual Statewide
Senior Outing, Cheshire
- 29—State Bond
Commission Meeting

SEPTEMBER

- 1—Labor Day State
Offices Closed
- 12—CT Stand Down
Veterans Home
Rocky Hill
- 17—CT AIDS Bike Tour
Hartford
- 26—State Bond
Commission Meeting
- 27—VFW Salute to
Connecticut Veterans
Brainard Airport, Hartford

