

SEAN SCANLON
STATE COMPTROLLER



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STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

MEMORANDUM NO. 2024-14

June 24, 2024

TO THE HEADS OF ALL STATE AGENCIES

Attention: Agency Heads, Chief Administrative and Fiscal Officers, Business Managers

Subject: Revised Procedures and CO-853 Forms – Adjustments to State Owned Assets

I. PURPOSE

To inform agencies of changes made to the reporting of adjustments to state-owned assets and the newly developed CO-853 forms. The new process and use of these newly developed forms is effective July 1, 2024.

II. AUTHORITY

- a. [CT General Statutes Sec. 3-112](#) - **Powers and Duties.** The Comptroller shall: [...] (4) prescribe the mode of keeping and rendering all public accounts of departments or agencies of the state and of institutions supported by the state or receiving state aid by appropriation from the General Assembly; (5) prepare and issue effective accounting and payroll manuals for use by the various agencies of the state;
- b. [CT General Statutes Sec. 4-33a](#) - **Illegal, irregular or unsafe handling of state or quasi-public agency funds breakdown in safekeeping of agency resources. breach of security. notification.** All boards of trustees of state institutions, state department heads, boards, commissions, other state agencies responsible for state property and funds and quasi-public agencies, [...] shall promptly notify the auditors of public accounts and the comptroller of any (1) unauthorized, illegal, irregular or unsafe handling or expenditure of state or quasi-public agency funds, (2) breakdowns in the safekeeping of any other resources of the state or quasi-public agencies, (3) breach of security, as defined in section 36a-701b, or (4) contemplated action to commit one of the acts listed in subdivisions (1) to (3), inclusive, of this section within their knowledge.
- c. [Property Control Manual](#) - **Chapter 7 - Adjustments to Real and Personal Property.** Establishes procedures for the notification and reporting of all adjustments to State property as required by the Office of the State Comptroller (OSC), Auditors of Public Accounts (APA) and the Department of Administrative Services State Insurance and Risk Management Board (SIRMB).

III. CO-853 REPORTING PROCESS

This process shall be effective from July 1, 2024. Upon discovery of the adjustment/loss to the state, agencies are required to promptly report the adjustment/loss of the state's asset(s) to the

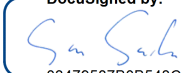
Office of the State Comptroller (OSC) OSC.CO-853@ct.gov, Auditors of Public Accounts (APA) CO-853@ctauditors.gov and the Department of Administrative Services State Insurance and Risk Management Board (SIRMB) Melissa.Frank@ct.gov and Sherry-Ann.Chance@ct.gov.

- a. **CO-853(a) – Initial Notification Form** - This form must be filled out and submitted to the above listed emails at the time of discovery. This form provides the initial notification of an adjustment that must be made to state-owned real and personal property. It must be signed by the Unit Supervisor as well as the Agency Property Control Manager. Once received by OSC, a SAM REFERENCE number will be issued and provided to the agency. The agency will place this SAM REFERENCE number on all future submitted CO-853 forms related to the same occurrence or incident.
- b. **CO-853(b) – Recovery/Resolution Form** - This form will be filled out by the agency once there has been a final resolution of the occurrence. This form may be submitted at a later date, for example when an investigation is concluded or when a lost/stolen item is recovered. It must include the SAM REFERENCE number previously provided by OSC and must be signed by the Unit Supervisor and Agency Property Control Manager.
- c. **CO-853(MA) – Multiple Asset Form** - This is a supplemental form to be used by the agency if there are multiple items related to the “same” occurrence listed on the CO-853(a). The SAM REFERENCE number previously provided by OSC must be listed on the form and the Agency Property Control Manager must sign. If the agency must report on more than 25 assets for a single occurrence, send an email to OSC.CO-853@ct.gov requesting additional instructions.
- d. **CO-853(IC) – Internal Control Review Form** - Agencies should examine the events leading up to an adjustment/loss. If they determine there could be strengthening of internal controls, policies, or procedures to prevent a recurrence they should fill out this supplemental form. It should be submitted when the agency has reviewed the process that led to the occurrence, reviewed current internal controls in place and made revisions to the existing controls and/or implemented the new controls to preclude a recurrence of such incidents. This form may also be requested by the Office of the State Comptroller. It must include the SAM REFERENCE number previously provided by OSC and must be signed by the Agency Head or Manager Level Designee.

The new CO-853 forms can be found on the Comptroller’s website at <https://osc.ct.gov/forms/>. For additional information on Adjustments to Real and Personal Property, please refer to the state’s [Property Control Manual](#).

IV. **QUESTIONS**

Please direct any questions concerning this memorandum to the Office of the State Comptroller, Central Accounts Payable Division, osc.co-853@ct.gov.

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SS:HR

<http://www.osc.ct.gov>