



Vermont State Auditor

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2024 PERFORMANCE REPORT

Douglas R. Hoffer
Vermont State Auditor

CALENDAR YEAR 2024~~2~~ PERFORMANCE REPORT

Goal 1: Promote government accountability and improve the efficiency and effectiveness of state government through performance audits and reviews

Goal	Performance Measure	Target	CY 2024 2 Actual
1.a.	Number of performance audits (see note below)	5	5
1.b.	Average cost per completed audit (see note below)	\$200,000	191,867
	i. City of Burlington Downtown Tax Increment Financing District: Administrative Missteps	Debt proceeds exceed approved cap by \$4.6m; District owes Educ. Fund \$95,363, and City owes TIF District \$259,331	
	ii. Jay Peak, Burke Mountain, and AnC Bio Vermont EB-5 Fraud: An Assessment of the State's Role	A Tale of Misplaced Trust, Unfortunate Decision-making, Lengthy Delays, and Missed Opportunities	
	iii. Vermont's State Hazard Mitigation Plan	Minimal executive oversight and low completion rate of actions reduces effectiveness of Vermont's Hazard Mitigation Plan	
	iv. Department of Economic Development: Capital Investment Grant Program and Community Recovery and Revitalization Grant Program	Insufficient diligence on need assertions increases risk of unnecessary awards	
	v. Milton Town Core Tax Increment Financing District	Administrative errors led to \$273,316 owed to TIF District fund	

Comments:

1.a.	The number of audits reported includes only those completed in 2024. Other audit work was conducted in 2024, but the audits will not be issued until CY2025.
1.b.	The cost of performance audits ranged from \$105,222 (EB-5) to \$410,289 (ACCD - CIP / CRRP). This reflects differences in scope and, for the VCIP / CRRP audit, significant delays in obtaining and validating the records from the DED, as well as real-time changes in the program resulting from ACCD's response to federal guidance.
1.c.	Percent of recommendations implemented – see table on p.3.
1.d.	Due to a staff vacancy, only one investigative report completed (City – UVM Housing)

1.c. Percent of audit recommendations implemented in Three Years						
2021	Short Title		# of Recs.	# of Recs. Partially or Fully Implemented	Three-year Target	Actual
21-01	K-12 Schools		7	5	75%	71%
21-03	Barre City TIF District		4	4		100%
21-04	COVID-19 Emergency Economic Recovery Grant Program	ACCD	10	7		70%
		Leg.	2	1		50%
21-05	All-Payer ACO Model Implementation Costs		2	2		100%
Total Three Years			25	19		76%

2023	Short Title		# of Recs.	# of Recs Partially or Fully Implemented	One-Year Target	Actual
23-01	Burlington Waterfront TIF District	City	13	10	50%	77%
		VEPC*	1	0		0%
		Leg.	3	0		0%
23-02	Agency of Transportation Paving Projects		3	3		100%
23-04	Dept. of Disabilities, Aging and Independent Living-Inspections		12	11		92%
23-05	Agency of Digital Services Project Management	ADS	7	3		43%
		Leg.	3	0		0%
23-08	Public Utility Commission – Performance Reporting		5	5	100%	
Total One-Year			47	32		69%

*One recommendation is no longer applicable

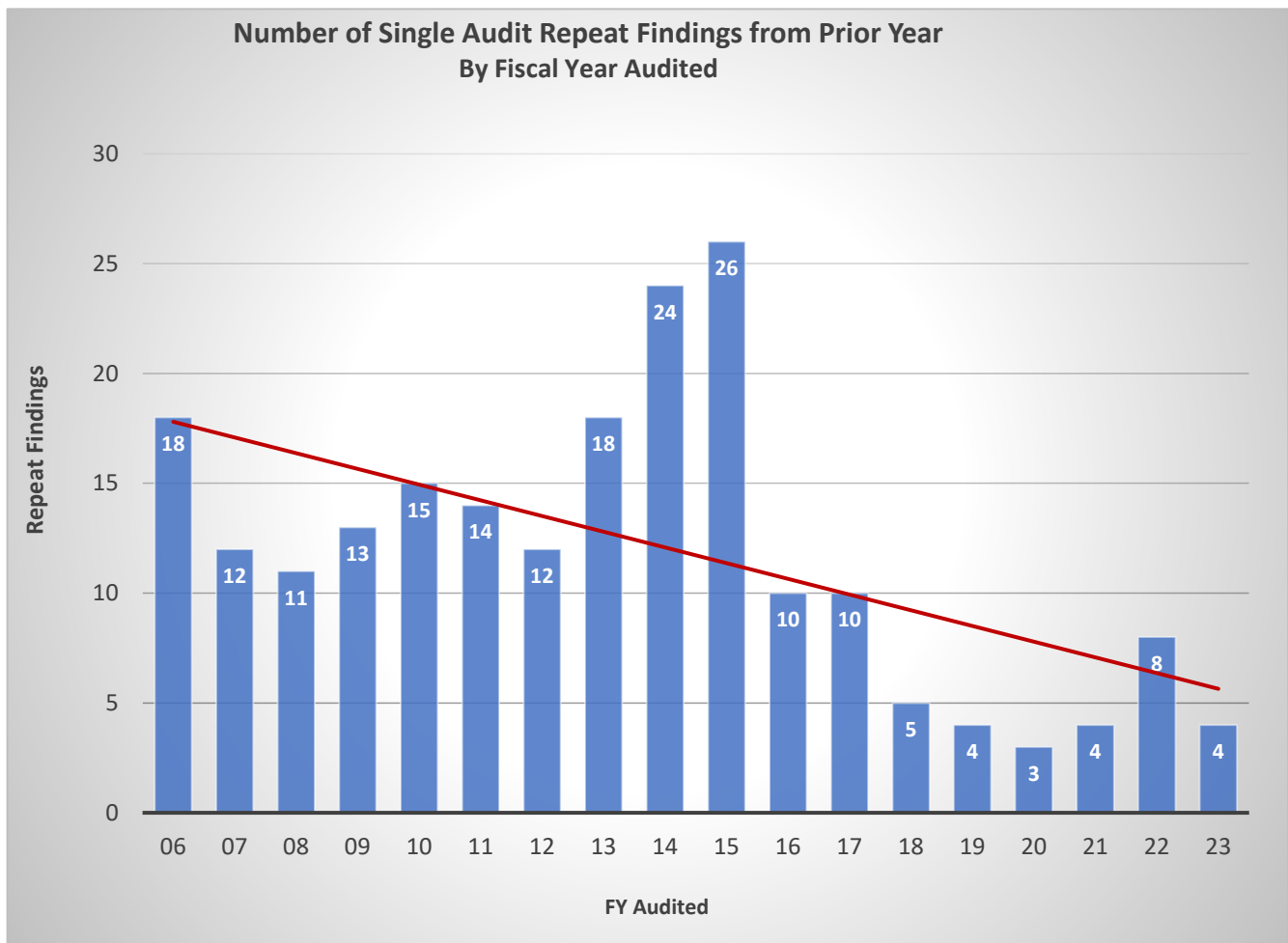
Goal 2: Complete mandated financial audits on schedule

Goal	Performance Measure	Target	Fiscal Years
2.a.i.	Complete the audit of the State’s Annual Comprehensive Financial Report (ACFR) by statutory deadlines	12/31	FY 24 - On time
2.a.ii.	Complete the Single Audit by regulatory deadlines	3/31	FY 22 - On time

Measure 2b: Number of Repeat Single Audit Findings

After declining for a few years, repeat findings increased significantly in FY 2013 and continued upward in FY 2014 and FY 2015. The dramatic decline in FY 2016 reflects changing standards from the Office of Management and Budget (OMB) and the hard work of State financial staff who now provide more and better guidance and support to the various state agencies and departments.

Not surprisingly, the disruptions in State government caused by the pandemic in FY 2022 contributed to an increase in repeat findings, especially in the Department of Labor, which had some problems to begin with but was overwhelmed by the COVID-related changes to the program and the volume of applicants. Since then, we have returned to a modest and consistent rate of repeat findings.



Measure 2c: Number of Programs with Adverse or Qualified Opinions

Auditors issue adverse or qualified opinions in the Federal Single Audit when the State does not comply with federal rules that have a direct and material effect on those programs. When such opinions are issued, the non-compliant programs must be re-audited the next year, which adds to the State's auditing expenses. An annual accounting of those opinions is shown in the graph below.

Here too, the disruptions caused by the pandemic (mostly personnel-related) contributed to a rise in qualified opinions.

