



The Office Of
State Treasurer
Denise L. Nappier

Press Release

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**Connecticut Treasurer's Office Recognized for Excellence in Financial Reporting
Marks the 12th Consecutive Annual Award Under the Nappier Administration
Calls for Review of Impact of LIBOR Scandal in Connecticut**

Hartford, CT -- Connecticut State Treasurer Denise L. Nappier today announced that the Government Finance Officers Association (GFOA) of the United States and Canada has awarded the Treasury with two Certificates of Achievement for Excellence in Financial Reporting for comprehensive annual financial reports for the Fiscal Year ended June 30, 2011.

The Certificates of Achievement are the highest forms of recognition in the area of governmental accounting and financial reporting and represent significant accomplishment by a government and its management. Under the Nappier administration, the Treasury has received the GFOA's annual award each and every year for its financial reports for the Short-term Investment Fund and the Combined Investment Funds. These 2011 certificates mark the 12th consecutive year of this distinction.

Treasurer Nappier stated, "I heartily commend the professionals within the Treasury for their consistent hard work to ensure transparency, clarity and the highest caliber of financial reporting. GFOA's recognition of their efforts is richly deserved. And, at a time when the banking sector is beset by credibility issues in the reporting of financial information, we take seriously our obligation to ensure the full and accurate disclosure of how Connecticut's taxpayer resources are handled."

Following reports last week of widespread manipulation of a key interest rate known as LIBOR, Nappier's administration has undertaken a comprehensive review of the potential impact on Connecticut. She stated, "We are scrutinizing our records involving variable rate securities and other transactions tied to LIBOR in order to gauge the impact of this scandal on Connecticut. Nearly every aspect of the Connecticut Treasury is exposed to

the LIBOR rate, so we are working diligently to quantify any potential losses. Based on our preliminary review, such losses may be relatively small because we have been vigilant in protecting the State's financial resources. Nevertheless, this scandal may have much farther-reaching consequences because of the untold impact on opportunity costs."

Nappier, a leading shareholder advocate for increased transparency and disclosure, said that the LIBOR scandal is yet another example of why transparency in reporting of financial information is so critical. "What is at stake here is the need to ensure the integrity of our financial markets and preventable losses that could have a devastating impact on the public."

GFOA judges publications by way of an impartial panel that meets the high standards of its organization, including the demonstration of a constructive "spirit of full disclosure" to clearly communicate a government organization's financial story. Treasurer Nappier noted, "People expect the Treasurer's Office to set the standard for excellence in this field, and today we can take pride in having fulfilled that expectation."

The GFOA is a nonprofit professional organization with membership comprised of approximately 17,500 government finance professionals across the country. GFOA encourages government units to prepare and publish easily readable and understandable comprehensive annual financial reports covering all funds and financial transactions of government during the fiscal year.

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