



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

DEPUTY COMMISSIONER  
Office of Performance Improvement and Management Services  
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September 26, 2014

**RECEIVED**  
EXECUTIVE CORRESPONDENCE

OCT 01 2014

OFFICE OF THE STATE COMPTROLLER  
THOMAS P. DINAPOLI  
COMPTROLLER

The Honorable Thomas P. DiNapoli  
Comptroller  
Office of the State Comptroller  
110 State Street, 15<sup>th</sup> Floor  
Albany, NY 12236

Dear Comptroller DiNapoli:

In accordance with the provisions of Section 170 of the Executive Law, the following are actions that the State Education Department (Department) has taken, or will be taking, to implement the recommendations contained in the Office of the State Comptroller's (OSC) Final Audit Report (2012-S-65) of the State Education Department Bilinguals, Inc.: Compliance with the Reimbursable Cost Manual.

**Recommendation 1:** Review the recommended disallowances resulting from our audit and make the appropriate adjustments to Bilinguals' CFRs. Adjust Bilinguals' reimbursement rates, as appropriate.

We agree with this recommendation. The Department has reviewed the audit findings and will make the noted adjustments to the reimbursable costs and recover any overpayments as appropriate by recalculating Bilinguals' tuition rates.

**Recommendation 2:** Work with Bilinguals officials to help them comply with Manual provisions.

Following the issuance of the audit, the Department placed Bilingual on conditional approval status and directed the entity to submit a corrective action plan to correct and/or remedy each of the OSC audit findings of noncompliance. The corrective action plan submitted by Bilingual included the revised policies, procedures and practices that it has or will implement to address the specific audit findings and to make systemic changes to assure that these deficiencies will not recur. The Department accepted the corrective action plan and Bilinguals is able to maintain program approval as it continues operation in accordance with the provisions of its plan.

The Department will continue to provide technical assistance whenever requested and has strongly recommend Bilinguals, Inc. officials take advantage of our availability to help them better understand the standards for reimbursement as presented in the

Regulations and the Reimbursable Cost Manual (RCM). Furthermore, Consolidated Fiscal Report (CFR) training is available both in person, at one of the six locations it is offered across the State, and online on the Department's webpage and the Department recommends that all individuals signing the CFR certification statements, namely Executive Directors and Certified Public Accountants, complete this training. At the direction of the Board of Regents, the Department intends to require that this training be mandatory and will be tracking and verifying that individuals have completed the training.

If you have any questions regarding this response, please contact Suzanne Bolling, Rate Setting Unit, at 518-486-7859.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sharon Cates-Williams", written in dark ink.

Sharon Cates-Williams