



ANDREW M. CUOMO
Governor

ROGER PARRINO
Commissioner

October 18, 2017

Mr. Brian Reilly, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, New York 12236

Dear Mr. Reilly:

The New York State Division of Homeland Security and Emergency Services (DHSES) has reviewed the Office of the State Comptroller's (OSC) final audit report for audit 2016-S-90 entitled "*Awarding and Oversight of Statewide Interoperable Communications Grants.*"

DHSES takes great pride in the administration of the Statewide Interoperable Communications Grant (SICG) program. As reflected in the final audit report, funds were awarded in accordance with the pre-established grant requirements and DHSES was meeting obligations for ensuring grant funds are appropriately allocated. Furthermore, as DHSES seeks to continuously improve its program administration, OSC's key findings and recommendations in the final audit report have been reviewed and, where appropriate, policies and procedures have been updated.

Specifically, OSC recommended improvements for monitoring SICG grants, including procedures regarding site visits and the approving of expenditures. DHSES currently conducts annual site monitoring and tracks all visits on our E-Grants System. While we have strong SICG program oversight, DHSES is committed to continuing to strengthen our policies and procedures, as needed.

It should be noted that during their audit OSC thoroughly and completely tested expenditures and did not identify any spending improprieties. In addition, DHSES staff have always exhaustively reviewed and scrutinized each voucher and routinely requested additional supporting documentation, such as vendor invoices and consultant agreements, regardless of the line item dollar amount. However, based upon OSC's audit and recommendations, DHSES has established new formal written procedures that require supporting documentation for all line items exceeding \$100,000.

OSC also recommended that DHSES identify and assess reasons for past inconsistencies in approving contract extensions and implement additional controls to ensure compliance with requirements when granting future extensions. Given that OSC has tested expenditures and didn't find any spending improprieties, and that many of the contracts that were extended have since been closed, DHSES does not believe it is necessary to revisit prior contract extensions at this time. DHSES recognizes the need for continuous review and improvement and therefore has designed and implemented a new standardized contract extension request form for grantees. The new contract extension request form is intuitive and user-friendly and will improve the controls over the contract extension process.

Finally, OSC also recommends that DHSES provide training to counties to ensure they are aware of requirements of contract extensions. DHSES staff regularly communicate with counties and are always available to answer questions and provide any necessary assistance in the contract extension request process. Given the implementation of the new contract extension request form, the utility of formal training requires further assessment.

Thank you for the opportunity to respond to the final audit report and to the OSC team for their professionalism and their efforts to further strengthen the SICG program. If you have any questions regarding the agency's response, please contact Brian D. Jackson of DHSES' Office of Internal Audit at (518) 457-5120.

Sincerely,



Anne Bink

Deputy Commissioner, Administration and Finance

cc: Commissioner Roger Parrino
Terence O'Leary
Michael Sprague
Shelley Wahrlich
Brian Jackson