



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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April 16, 2015

**RECEIVED**  
EXECUTIVE CORRESPONDENCE

APR 22 2015

OFFICE OF THE STATE COMPTROLLER  
THOMAS P. DINAPOLI  
COMPTROLLER

The Honorable Thomas P. DiNapoli  
Comptroller  
Office of the State Comptroller  
110 State St. 15th Flr  
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 or SED) has taken, or will be taking, to implement the recommendations contained in the Office of the State Comptroller's (OSC) Final Audit Report, 2014-S-3, Compliance with the Reimbursable Cost Manual: Dynamic Center Inc.

**Recommendation 1: Review the disallowances identified by our audit and adjust Dynamic's Consolidated Fiscal Reports and tuition reimbursement rates, as appropriate.**

A rate based on audit has been issued by the Department to apply the recommended adjustments to Dynamic's tuition reimbursement rates for all the findings.

**Recommendation 2: Remind Dynamic officials of the pertinent SED guidelines that relate to the deficiencies we identified.**

As a result of failing to meet the Department's standards for program reapproval, of which the OSC audit findings were a factor, Dynamic has been removed from New York State's list of approved preschool programs effective April 30, 2015.

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

Sincerely,

A handwritten signature in black ink, appearing to read "S. Cates-Williams".

Sharon Cates-Williams