



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

DEPUTY COMMISSIONER  
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October 5, 2016

Hon. Thomas P. DiNapoli  
New York State Comptroller  
110 State Street, 14<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 (2015-S-89) Compliance with the Reimbursable Cost Manual: League for the Handicapped (LFH).

**Recommendation 1:** Review the disallowances identified by our audit and, if warranted, make the necessary adjustments to the costs reported on LFH's CFRs and to LFH's tuition reimbursement rates.

The Department is currently in the process of reviewing the Consolidated Fiscal Report (CFR) and OSC audit work papers and will make necessary adjustments and recover any overpayments as appropriate by recalculating tuition rates.

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

The Department will continue to provide technical assistance whenever requested and will strongly recommend the CFDS officials take advantage of our availability to help them better understand the standards for reimbursement as presented in Regulation and the Reimbursable Cost Manual (RCM). Furthermore, 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. The Department recommends that all individuals signing the CFR certification statements, namely Executive Directors and Certified Public Accountants, complete this training. This training is a requirement for preschool special education providers upon approval and reapproval and the Department intends to require that this training be mandatory for all providers.

If you have any questions regarding this response, please contact Suzanne Bolling, Director of Special Education Fiscal Services at 518-474-3227.

Sincerely,

  
Sharon Cates-Williams

c: Christopher Suriano  
Suzanne Bolling