



Senior Vice Chancellor and  
Chief Financial Officer

205 E. 42<sup>nd</sup> Street, 16<sup>th</sup> Floor  
New York, NY 10017  
Tel: 646-664-3014  
cuny.edu/budgetandfinance

January 22, 2019

The Honorable Thomas P. DiNapoli  
Comptroller of the State of New York  
Office of the State Comptroller  
110 State Street  
Albany, NY 12236

Dear Comptroller DiNapoli:

In accordance with New York Executive Law Section 170, The City University of New York hereby submits its 90-day report on the implementation of the corrective action recommendations made in the New York State Comptroller's audit report 2016-S-35 - Selected Aspects of Central Office Disbursements from the Tuition and Fees Refund Bank Account, as follows

- 1. Recommendation: Strengthen the internal control environment by monitoring compliance with all applicable policies and procedures regarding the refund process and by ensuring all refunds are appropriate.**

Response: Since the period under audit, the University has transitioned all of the CUNY colleges to an integrated and automated ERP system called CUNYfirst, which has enhanced the internal control environment and has automated various manual processes. Prior to the implementation of CUNYfirst, each of our 24 campuses were preparing and sending tuition refunds to their students, a process that was very time consuming and more prone to human error than the current business process. Additionally, the University has and will continue to work with the CUNY colleges to improve the refunding process, which includes providing additional training and sharing best practices at the monthly meeting of the campus bursars.

- 2. Recommendation: Develop procedures to delineate the use of the bank accounts, specifying which accounts are to be used for financial aid payments and which are to be used for tuition and fee refunds.**

Response: While we agree that there are improvements that CUNY can continue to make with regard to the refunding process and are strongly committed to doing so, we disagree that incorrect bank accounts were used by CUNY to process refunds. By transitioning to an automated business process, we have greatly reduced the possibility of human error while increasing customer service to our eligible students. Furthermore, in December 2017, the CUNY Board of Trustees approved a new Bank Account Control Policy, which will help to ensure that the University has appropriate procedures, practices and controls in place to safeguard and manage cash assets, and to comply with applicable laws and best practices. As required by this new Policy, all University employees who are involved in bank account administration must acknowledge in writing that they have received and read this Policy.

Thank you again for the opportunity to respond to this audit report. We very much appreciate the continued support and guidance from the New York State Comptroller's Office. Please contact me if you need any additional information.

Sincerely,



Matthew Sapienza

- c: Hon. Andrew M. Cuomo, New York State Governor  
Hon. Andrea Stewart-Cousins, Majority Leader of the Senate  
Hon. John J. Flanagan, Minority Leader of the Senate  
Hon. Carl E. Heastie, Speaker of NYS Assembly  
Hon. Crystal D. Peoples-Stroke, Majority Leader of the NYS Assembly  
Hon. Brian M. Kolb, Minority Leader of the NYS Assembly  
Hon. Liz Krueger, Chair of NYS Senate Finance Committee  
Hon. James L. Seward, Ranking Minority Member of NYS Senate Finance Committee  
Hon. Helene E. Weinstein, Chair of NYS Assembly Ways and Means Committee  
Hon. William A. Barclay, Ranking Minority Member of NYS Assembly Ways and Means Committee  
Interim Chancellor Vita C. Rabinowitz, The City University of New York  
Ms. Carmen Maldonado, Audit Director, Office of the State Comptroller