



**Workers'
Compensation
Board**

ANDREW M. CUOMO
Governor

CLARISSA M. RODRIGUEZ
Chair

October 19, 2018

Brian Reilly, CFE, CGFM
Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236

Dear Mr. Reilly:

The Workers' Compensation Board (Board) has taken the following actions to implement your recommendations in the August 2018 Final Audit Report 2017-S-64 on the *Assessment of Costs to Administer the Workers' Compensation Program for the Three Fiscal Years Ended March 31, 2017*.

Audit Recommendations:

Verify that personnel associated with the Self-Insurance program are accurately identified as such, and ensure required corrections to inaccurate records are made timely. Make necessary adjustments to future assessment(s) for the errors made to personal service expenses for the three fiscal years ended March 31, 2017 as a result of inaccurate records.

Establish a consistent and accurate method to ensure the costs charged for personal service under the self-insurance assessment are representative of the Board's actual costs to administer the provisions of WCL Section 50(5).

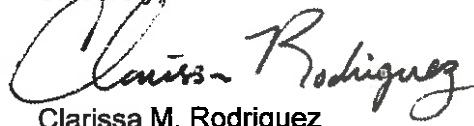
Actions Taken:

The Board corrected coding for employees working on the Self-Insurance program to ensure spending is charged to the proper chart fields. The net underassessment related to the three fiscal years ended March 31, 2017 will be billed to Self-Insurers in April 2019. This includes the remaining recommendation from the previous audit 2015-S-12.

Following the completion of this audit, the Board reviewed the personal service costs related to the subsequent fiscal year ending March 31, 2018 and established a method that will be used to accurately track these costs in future fiscal years. Going forward, the Board will monitor staff changes in the Self-Insurance and Litigation Units on a bi-weekly basis and update coding as necessary. Budget Unit staff will continue to verify any changes with the Self-Insurance and Litigation Unit managers.

We are confident that the actions taken appropriately address the audit recommendations. Please let us know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Clarissa M. Rodriguez". The signature is written in a cursive style with a large initial "C" and "R".

Clarissa M. Rodriguez
Chair