

January 3, 2020

Honorable Andrew M. Cuomo  
Governor of New York State  
NYS Capitol Building  
Executive Chamber  
Albany, New York 12224

RE: Audit Report 2018-S-57 Human Resource Practices

Dear Governor Cuomo:

Thank you again for the review of Human Resource (HR) Practices at the State University of New York

Upstate Medical University (Upstate). As required under Section 170 of the Executive Law, this letter serves as the Upstate report to the Governor, the State Comptroller and the leaders of the Legislature and fiscal committees, advising them of the steps that have been taken to implement the recommendations included in Report 2018-S-57, September 2019.

**Recommendation:**

Develop written procedures for ALR-related transactions, including documenting the specific duties that justify additional pay and obtaining and retaining the justification for decisions concerning the dollar amount associated with each ALR.

**Upstate Response:**

Upstate has enhanced and further standardized its processes surrounding ALR's including the completion and retaining of required documentation as to purpose and amount. In addition, Upstate is continuing to work with SUNY System Administration in their efforts to consider additional guidance on the uses of ALR's.

**Recommendation:**

Establish and enforce policies and procedures to require stronger oversight of off-campus Assignments, including more clearly defined processes for work product submission and retention, and to ensure work products are useful and sufficient given the duration of the Assignments.

**Upstate Response:**

Off-campus assignments are used infrequently and are necessary to ensure the safety of Upstate patients, staff, students and visitors. We concur that enhanced oversight and guidance will

improve the overall process. The University Counsel's Office, working with HR, has prepared a settlement agreement template containing a more defined process for work product submission during an individual's off-campus assignment. The supervisors of those on off-campus assignments continue to supervise and are provided with signed copies of the separation agreements for their reference and they assist HR to determine the appropriateness of the designated work assignments. HR works with supervisors during off-campus assignments to verify that sufficient and timely work product is submitted and to provide guidance regarding retention periods, appropriate compensation, etc.

**Recommendation:**

Formally document leave salary decisions to justify that the amount granted is commensurate with the job title and duties performed.

**Upstate Response:**

Please refer to the separate response from SUNY System Administration.

**Recommendation:**

Develop, monitor, and enforce a comprehensive set of policies and procedures that address hiring and separation. These policies and procedures should be standardized and applied uniformly to all Upstate departments and groups of employees - including residents, student federal grant employees, and research Fellows- and should include a consistent process for checking professional references and verifying that all required reference checks have been conducted.

**Upstate Response:**

Upstate is in the process of updating and enhancing its policies governing hiring and separation. In addition, wherever possible, these policies will apply across the institution with certain exceptions. For example, Upstate policy E-05 (Pre-Employment) is currently being revised to apply to all new hires across the University, with the exception of residents and students, as further discussed below. It will establish uniform pre-employment activities such as references and background checks. Additionally, references for physician hires will continue to be conducted through the Medical Staff Office as part of their credentialing process and will now be shared with College of Medicine Dean's Office to be included in their recruitment files. As previously noted, the hiring of residents is governed by the National Resident Matching Program and they are not included in the policy.

As part of the comprehensive review of hiring and termination processes, Upstate has implemented an on-line reference system to enhance the reference process as well as a new online employee separation application. Both of these applications are being used by all of Upstate's recruitment offices (HR, College of Medicine and Nursing Recruitment). These applications enhance Upstate's internal control program by providing the ability to electronically check references, eliminating paper forms and having separation documentation (including

resignation/termination letters and memos) automatically e-filed in employees' personnel folders and improves information flow between offices.

Upstate appreciates the efforts of OSC during this audit period which highlighted areas for improvement while also validating many existing practices required to manage a workforce of over 10,000. If you have any questions regarding the response, please contact Michael Jurbala, AVP Internal Audit and Advisory Services at (315) 464-4692.

Best Regards,



Mantosh Dewan, MD  
Interim President  
SUNY Distinguished Service Professor

cc: Chancellor Johnson, Ph.D.  
Brian Reilly  
Eileen McLoughlin  
Amy Montalbano

NOTE: The same letter was also sent directly to the following individuals in accordance with Section 170 of the Executive Law:

Lieutenant Governor Hochul  
Senator Stewart-Cousins  
Comptroller DiNapoli  
Speaker Heastie  
Senator Flanagan  
Senator Krueger

Senator Seward  
Senator Weinstein  
Assemblyman Kolb  
Assemblyman Barclay  
Mr. Mujica, Jr.  
Mr. Lara





The State University  
of New York

January 3, 2020

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Chief Financial Officer

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Dear Governor Cuomo:

In accordance with Section 170 of the Executive Law, this is our 90-day response showing actions taken to address the recommendations contained in the State Comptroller's Audit Report on the State University of New York Upstate Medical University (Upstate), Human Resource Practices (2018-S-57). The State University of New York (SUNY) System Administration and Upstate take seriously the importance of compliance with guidelines and the need for documentation of processes and actions. Below is SUNY System Administration's response to the Office of the State Comptroller's recommendation #4 related to certain transitional responsibilities and compensation.

**4. Formally document leave salary decisions to justify that the amount granted is commensurate with the job title and duties performed.**

SUNY System Administration has added language to the Presidential Appointment Letters regarding potential presidential transitions. The additional language clarifies the salary and specific policies that apply to Presidential transitions. SUNY will also continue to ensure that decisions regarding Presidential transitions are adequately documented.

SUNY appreciates the efforts of the Office of the State Comptroller during this audit in identifying opportunities for improvement to enable SUNY System Administration and Upstate to continue to provide high quality and accessible health care, as well as an affordable high-quality education to the public.

Sincerely,

Eileen McLoughlin  
Senior Vice Chancellor for Finance and Chief Financial Officer

cc: Chancellor Johnson, Ph.D.  
Brian Reilly  
Amy Montalbano, CPA  
Mantosh Dewan, MD

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Mr. Lara