



DEPUTY COMMISSIONER
Office of Performance Improvement and Management Services
O: 518.473-4706
F: 518.474-5392

October 29, 2019

Hon. Thomas P. DiNapoli
New York State Comptroller
110 State Street, 15th 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 (SED) has taken, or will be taking, to implement the recommendations contained in the Office of the State Comptroller's (OSC) Final Audit Report (2018-S-67) Compliance With the Reimbursable Cost Manual - Early Childhood Learning Center of Greene County (ECLC).

Recommendation 1:

“Review the disallowances identified by our audit and, if warranted, make the necessary adjustments to the costs reported on ECLC’s CFR and to ECLC’s tuition reimbursement rates.”

SED 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 ECLC officials of the pertinent SED guidelines that relate to the deficiencies we identified.”

SED will continue to provide technical assistance whenever requested and will strongly recommend the ECLC officials avail themselves of our assistance to help them better understand the rules for cost reporting and criteria for cost reimbursement as presented in the CFR, Regulation and the Reimbursable Cost Manual (RCM). Furthermore, SED will alert ECLC of online training that is available on SED’s webpage. SED recommends that all individuals signing the CFR certification statements, namely the Executive Director and Certified Public Accountant, complete this training. This training is a requirement for preschool special education providers upon approval and reapproval.

Furthermore, SED will require ECLC to identify the actions it has taken to cure and correct the deficiencies and/or violations identified in the audit. ECLC's submission to SED must be certified by its Chief Executive Officer, with an attestation from each director, officer, trustee, and shareholder, and must contain all relevant information describing how policies, procedures and practices have been revised to address the specific findings of the audit, and how systemic changes to the internal controls and financial oversight have been implemented.

If you have any questions regarding this response, please contact Brian Zawistowski, Assistant Director of the Rate Setting Unit, at (518) 474-3227.

Sincerely,

A handwritten signature in cursive script that reads "Sharon Cates-Williams".

Sharon Cates-Williams
Deputy Commissioner

c: Phyllis Morris
Christopher Suriano
Suzanne Bolling
Traci Coleman
Brian Zawistowski
James Kampf