



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

EXECUTIVE DEPUTY COMMISSIONER  
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July 8, 2022

Hon. Thomas P. DiNapoli  
New York State Comptroller  
110 State Street, 15<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 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 (2021-S-2) *Canarsie Childhood Center, Inc. (CCC) - Compliance with the Reimbursable Cost Manual*.

Recommendation 1:

**"Review the recommended disallowances resulting from our audit and make the appropriate adjustments to the costs reported on CCC's CFRs and to CCC's tuition reimbursement rates, as warranted."**

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. NYSED will further review the \$20,000 accounting fees and Principal's salary and benefit recommendations to determine if the adjustments are appropriate.

Recommendation 2:

**"Remind CCC officials of the pertinent SED requirements that relate to the deficiencies we identified."**

SED will continue to provide technical assistance whenever requested and will strongly recommend CCC 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, Regulations and the Reimbursable Cost Manual (RCM). Furthermore, SED will alert CCC 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 CCC to identify the actions it has taken to cure and correct the deficiencies and/or violations identified in the audit. CCC's submission to SED must be certified by its Chief Executive Officer, with an attestation from each director, officer, trustee, and shareholder, 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 Nell Brady, Director of the Rate Setting Unit at 518-474-1298.

Sincerely,

A handwritten signature in dark ink, reading "Sharon Cates-Williams". The signature is written in a cursive, flowing style.

Sharon Cates-Williams

cc: Christopher Suriano  
Phyllis Morris  
Suzanne Bolling  
Nell Brady  
James Kampf  
Jerry Nestleroad  
Jeanne Day