



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

DEPUTY COMMISSIONER
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April 16, 2015

RECEIVED
EXECUTIVE CORRESPONDENCE

APR 22 2015

OFFICE OF THE STATE COMPTROLLER
THOMAS P. DINAPOLI
COMPTROLLER

The Honorable Thomas P. DiNapoli
Comptroller
Office of the State Comptroller
110 State St. 15th Flr
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 (Department) has taken, or will be taking, to implement the recommendations contained in the Office of the State Comptroller's (OSC) Final Audit Report, 2014-S-1, Compliance with the Reimbursable Cost Manual: Functional MDS (MDS).

Recommendation 1: Review the recommended disallowances resulted from this audit and make the adjustments to MDS's Consolidated Fiscal Reports (CFR) and reimbursement rates, as appropriate.

The Department is currently in the process of reviewing the CFR and will make necessary adjustments and recover any overpayments as appropriate by recalculating tuition rates. It is important to note that this provider ceased operation in September of 2014.

Recommendation 2: Recover the disallowances identified in this report, as appropriate.

Once the tuition rate is recalculated, a rate based on audit will be issued to recover the recommended disallowances.

If you have any questions regarding this response, please contact Suzanne Bolling, Director of Special Education Fiscal Services at 518/486-7859.

Sincerely,

Sharon Cates-Williams