



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

DEPUTY COMMISSIONER
Office of Performance Improvement and Management Services
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October 30, 2015

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-74) Compliance with the Reimbursable Cost Manual: Hear 2 Learn PLLC.

Recommendation 1: Review the disallowances and questionable costs identified by our audit and, if warranted, make the necessary adjustments to Hear 2 Learn's reimbursement rates.

The Department 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 Hear 2 Learn 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 Hear 2 Learn officials take advantage of our availability to help them better understand the standards for reimbursement as presented in Regulation and the Reimbursable Cost Manual (RCM). In addition, CFR training is available at six locations across the State and online on the Department's webpage. The training is recommended for all individuals signing CFR certification statements, namely Executive Directors and Certified Public Accountants, and is required for preschool special education providers upon approval and reapproval. Furthermore, the Department intends to require that the training be mandatory for all providers.

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EXECUTIVE CORRESPONDENCE

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OFFICE OF THE STATE COMPTROLLER
THOMAS P. DINAPOLI
COMPTROLLER

If you have any questions regarding this response, please contact Suzanne Bolling,
Rate Setting Unit, (518) 486-7859.

Sincerely,


Sharon Cates-Williams

c: James P. DeLorenzo
Suzanne Bolling