



ANDREW M. CUOMO
Governor

ANN MARIE T. SULLIVAN, M.D.
Commissioner

CHRISTOPHER TAVELLA, Ph.D.
Executive Deputy Commissioner

March 1, 2021

Sharon Salembier, CPA, CFE
Audit Manager
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236-0001

Dear Ms. Salembier:

In accordance with Executive Law § 170, the following is the Office of Mental Health's (OMH) 180-day response on its efforts to implement the recommendation detailed in the Office of the State Comptroller's (OSC's) final audit report entitled, "*Oversight of Provider Consolidated Fiscal Reports – Independent Living, Inc.*" (2019-S-60):

OSC Recommendation 1: Evaluate the potential for conducting field audits, on a risk basis, to more fully assess provider compliance with CFR Manual requirements for reporting, calculating, and documenting of costs on their CFRs.

OMH 180-Day Response: We agree with this recommendation and have evaluated the potential for the CFR Unit to conduct field audits. However, as was noted in our response to the draft audit report, the CFR Unit has limited capacity to do so and the Bureau of Audit already conducts risk-based field audits that ensure funds have been spent in accordance with Mental Hygiene Law and other relevant guidelines (including the CFR Manual). Since the issuance of the final report, the CFR Unit has consulted with the OMH audit team to develop a risk-based approach to conducting expanded desk reviews (on a sample basis) to identify non-compliance with CFR Manual requirements. It is expected that an improved process will be developed in the next six months and fully implemented within a year. The expanded desk review will request more detailed supporting documentation to ensure that reported expenditures are program eligible and appropriate.

Please let us know if you have any questions or require additional information concerning the above.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann Marie T. Sullivan, M.D.", written in a cursive style.

Ann Marie T. Sullivan, M.D.
Commissioner

cc. Honorable Andrew M. Cuomo, Governor of the State of New York
Honorable Thomas P. DiNapoli, State Comptroller
Honorable Andrea Stewart-Cousins, Senate Majority Leader and President Pro Tempore
Honorable Robert G. Ort, Senate Minority Leader
Honorable Carl E. Heastie, Assembly Speaker
Honorable Crystal D. Peoples-Stokes, Assembly Majority Leader
Honorable William A. Barclay, Assembly Minority Leader
Honorable Liz Krueger, Chairperson, Senate Finance Committee
Honorable Thomas F. O'Mara, Ranking Minority Member, Senate Finance Committee
Honorable Helene E. Weinstein, Chairman, Assembly Ways and Means Committee
Honorable Edward P. Ra, Ranking Minority Member, Assembly Ways and Means Committee
Robert F. Mujica Jr., Division of the Budget