



New York State
Unified Court System
25 Beaver Street
New York, New York 10004

A. Gail Prudenti
Chief Administrative Judge

212-428-2120

December 4, 2013

Hon. Thomas P. DiNapoli
State Comptroller
110 State Street
Albany, New York 12236

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EXECUTIVE CORRESPONDENCE

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OFFICE OF THE STATE COMPTROLLER
THOMAS P. DINAPOLI
COMPTROLLER

Dear Comptroller DiNapoli:

On September 4, 2013, your Office issued Audit Report 2012-S-96, on the subject of "Selected Employee Travel Expenses" of the Office of Court Administration. This response is provided in accordance with Section 170 of the Executive Law, requiring the Chief Administrative Judge to report to the Governor, the State Comptroller, and the leaders of the Legislature on steps that have been taken to implement the three recommendations contained in the Report.

Recommendation One.

Work with the Comptroller's Division of Payroll, Accounting and Revenue Services to ensure that any necessary corrective action related to the potential taxable status of the employee's travel expense reimbursements is taken.

The Unified Court System Division of Financial Management issued Bulletin 1303 on March 6, 2013, advising all employees of the potential "tax home" consequences for employees who may be considered to have two or more work locations as a result of frequent travel to perform court business. Future periodic reminders will be issued on this subject.

Recommendation Two.

Follow Judicial Travel Rules to ensure relevant apartment lease approvals and rental agreements are in effect.

Court administrative officers have been notified that month-to-month lease lodging arrangements are inconsistent with UCS policy, even in cases where they may yield some measure of cost savings. In consequence, the traveler addressed in the audit report will either shortly enter into an approved lease agreement or will pursue other lodging options. In addition, in light of the Report, the Administrative Board of the Courts recently revised section 102.3(e) of the Rules of the Chief Administrative Judge Section (22 NYCRR §102.3[e]) to limit the ability of judges to "carry over" excess amounts payable as reimbursement as an offset against rent for the same premises in future months.

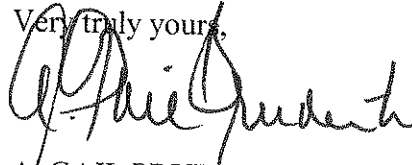
Recommendation Three.

Ensure that reimbursements for rental payments are made after the employee makes payment.

The court has taken steps to ensure reimbursements are not approved without documentation that payment has been made.

Once again, I thank you for the efforts of your staff on this project, and we look forward to working with you in the future to assure that the Unified Court System's operational practices meet the very highest of audit standards.

Very truly yours,



A. GAIL PRUDENTI
Chief Administrative Judge

/smw

c: Hon. Andrew Cuomo
Hon. Jonathan Lippman

Hon. Dean Skelos
Hon. Jeffrey Klein
Hon. Andrea Stewart-Cousins
Hon. John DeFrancisco
Hon. Liz Krueger

Hon. Susanna Rojas
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