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July 12, 2019

Hon. Thomas P. DiNapoli
New York State Comptroller
110 State Street, 15th Floor
Albany, NY 12236

Re: Facilities Planning Bureau Project Review, Report 2018-S-2

Dear Comptroller DiNapoli:

The following is the New York State Education Department's (Department) 90-day response to the Office of the State Comptroller (OSC) final audit Report 2018-S-2: State Education Department: Facilities Planning Bureau Project Review issued in February 2019.

Since the report was issued, the Department has taken the following steps to address the audit recommendations:

Recommendation 1

Take steps to develop clear criteria and goals for project review timeliness.

Response: We continue to use data to improve the efficiency of our work, while maintaining the requisite thoroughness to protect the health and safety of occupants of the state's public school buildings.

As noted in our original response, office staff are currently expected to perform a certain number of reviews annually. We believe these criteria are clear, and employee productivity continues to be monitored and compared to the goals noted in staff Performance Plans.

Our work toward a more effective project management/IT system will facilitate more detailed analysis and improvement of the business processes. Unfortunately, the Enacted Budget did not provide specific funding authority for the next steps of this development. However, because of our strong belief that this work is essential to more effective management, the Department plans to request that this project be funded through a statewide capital appropriation which was made in the Enacted Budget.

Recommendation 2

Develop a risk-based approach for conducting site visits of projects under construction to gain reasonable assurance that consultants and contractors are not beginning construction before receiving final project approval and that projects are being constructed in accordance with approved plans and specifications.

As noted in our original response:

The Department agrees that conducting site visits of projects under construction has merit.

However, even if we were staffed at our full complement, which, as noted in the response to Recommendation 1, is unlikely due to ongoing paygrade issues, conducting the visits recommended here (especially with the frequency and intensity required to ensure that even a small percentage of the approximately 2000 projects approved annually are constructed in accordance with approved plans and specifications) would require a substantial commitment of those limited staff resources. Since there are staffing constraints under existing State agency FTE caps, we are unlikely to experience a dramatic increase in the FTEs allocated to this Office. Using a large proportion of our staff to conduct site visits would, by necessity, reduce our capacity to perform reviews even further, which would run counter to the first recommendation in this audit.

We also note that the architect/engineer of record retained by local school districts is required to provide supervision of capital construction work by statute (Education Law, Section 7209, subdivision 3), and is required to certify upon completion of the project that the project was constructed according to the plans submitted to the Office of Facilities Planning for review and approval.

Recommendation 3

Take steps to improve the information technology systems used to track and monitor capital construction projects. At a minimum this should include the development of a reliable web-based portal and the ability to generate management reports on relevant capital construction project information for all Districts.

The Department agrees that an information technology system that uses current up-to-date data programs to track and monitor capital construction projects is a priority.

In the 2018-19 Enacted Budget, funds were appropriated for this purpose. That funding was used to supplement ongoing internal efforts to replace an aging project

information system. The product of this work is called the Facilities Planning Management System (FPMS). The new FPMS will house capital project status and other project and building information in the existing NYSED Secure Business Portal. The portal is currently accessed by districts using the internet. Districts use the portal to submit various information to the Department such as annual fire and building safety reports, Smart Schools Investment Plans, and other required data reporting.

The first module of the new FPMS, used by school districts to request new capital projects, was tested by select school district administrators in early December 2018.

However, as noted in the above response to Recommendation 1, the Enacted Budget did not provide specific funding authority for the next steps of this development. However, because of our strong belief that this work is essential to more effective management, the Department plans to request that this project be funded through a statewide capital appropriation which was made in the Enacted Budget.

Sincerely,

A handwritten signature in cursive script that reads "David Sears". The signature is written in dark ink and is positioned above the printed name and title.

David Sears
Director, Office of Audit Services