

# Workers' Compensation Board

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## Assessment of Costs to Administer the Workers' Compensation Program for the State Fiscal Year Ended March 31, 2024

Report 2025-M-1 | November 2025

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller

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Division of State Government Accountability



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# Independent Practitioner's Report on Applying Agreed-Upon Procedures

October 23, 2025

Freida D. Foster  
Chair  
Workers' Compensation Board  
328 State Street  
Schenectady, NY 12305

Dear Ms. Foster:

An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. The Office of the New York State Comptroller (OSC) is the practitioner, and the Workers' Compensation Board (Board) is the engaging party. The Board is responsible for the subject matter of this engagement, the purpose of which was to ascertain the expenses to administer the Workers' Compensation Program (Program).

The Board's primary responsibility is to ensure that employees who are unable to work due to injury or illness are compensated under programs covering both occupational and non-occupational disability and sickness. Coverage for these benefits, with limited exception, is to be provided by employers. Costs to administer the Program are recovered via the Board's assessments on participating insurance carriers, self-insurers, the State Insurance Fund, and self-insured political subdivisions of the State. Sections 151 and 50(5) of the Workers' Compensation Law (Law) require that the Board and OSC ascertain the actual total expenses to administer the Program. Section 50(5) addresses administrative expenses that are assessed on self-insurers.

We have performed the procedures enumerated below related to ascertaining the expenses to administer the Program for the State Fiscal Year (SFY) ended March 31, 2024. The Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of ascertaining the total expenses incurred in administering the Program for the SFY ended March 31, 2024.

This report may not be suitable for any other purpose. The procedures performed may not address all items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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The procedures we performed, and the associated findings, are as follows:

1. Procedure: We inspected the list of Administrative Assessable Expenses (List) prepared by the Board for the SFY ended March 31, 2024. We determined if any categories of expenses were inappropriately included in or excluded from the List.

Finding: We did not identify any exceptions as a result of applying this procedure.

2. Procedure: We compared and totaled the expenses from the reports from which they were derived. We inquired about any expenses that could not be confirmed or that may have been inappropriately included in or excluded from the List.

Finding: As a result of applying this procedure, we identified incorrect amounts that resulted in an overstatement of \$4,845,466 of §151 expenses and an overstatement of \$5,016 of §50(5) self-insured expenses.

3. Procedure: We inspected individual expenses, as we deemed necessary, to assess the appropriateness of their inclusion as an assessable expense for the corresponding assessment (§151 or §50(5) of the Law).

Finding: As a result of applying this procedure, we identified incorrect amounts that resulted in an overstatement of \$2,883 of §151 expenses and an understatement of \$2,883 of §50(5) expenses.

4. Procedure: We notified the Board of any issues we identified with respect to the Board's calculation of expenses and any other relevant matters we identified during the engagement and obtained explanations of the issues or other matters identified.

Finding: We did not identify any exceptions as a result of applying this procedure.

5. Procedure: We confirmed that the written Statement of Administrative Assessable Expenses provided by the Board for the SFY ended March 31, 2024 correctly reflects resolution of any identified issues. We present this statement as Exhibit A of this report.

Finding: We confirmed the resolution of issues identified in the prior procedure and, as a result of applying this procedure, we did not identify any exceptions.

We conducted this agreed-upon procedures engagement in accordance with generally accepted government auditing standards, which incorporate attestation standards established by the American Institute of Certified Public Accountants. We applied sampling techniques in this engagement. We judgmentally selected \$689,127 of \$3,755,963 for personal service expenses, which represented payroll for one pay period, and \$556,594 of \$48,940,396 for maintenance and operations to determine if these expenses were appropriately assessed and correctly included with the corresponding assessment (§151 versus §50(5) of the Law). We used judgmental sample selection; as such, the results of our samples cannot be projected to the related population. We also recalculated the amounts of payroll allocated to each selected employee's respective area of work (§151 or §50(5)) to determine if the amount allocated was correct. For reporting purposes, we excluded variations between the Board's and our calculations that were less than the agreed-upon threshold of \$500.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the total assessed expenses of the Board to administer the Program for the SFY ended March 31, 2024. Accordingly, we do not express such an

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opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported.

We are required to be independent of the Board and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Office of the New York State Comptroller  
Division of State Government Accountability  
Albany, New York

# Exhibit

**Workers' Compensation Board**  
**Statement of Administrative Assessable Expenses**  
**SFY Ended March 31, 2024**

	Total Expenses	Section 151 Workers' Compensation	Section 50(5) Self-Insured
<b>Personal Services</b>	<b>\$92,763,696</b>	<b>\$90,838,652</b>	<b>\$1,925,044</b>
<b>Maintenance and Operations</b>			
Contractual Services	\$45,655,252	\$45,141,539	\$513,713
Supplies and Materials	2,613,527	2,613,527	-
Travel	250,568	249,306	1,262
Equipment	421,001	421,001	-
<b>Total Maintenance and Operations</b>	<b>\$48,940,348</b>	<b>\$48,425,373</b>	<b>\$514,975</b>
<b>Direct and Indirect Charges</b>			
Fringe Benefit Charges	\$61,983,267	\$60,692,525	\$1,290,742
Indirect Expenses	2,518,481	2,465,927	52,554
<b>Total Direct and Indirect Charges</b>	<b>\$64,501,748</b>	<b>\$63,158,452</b>	<b>\$1,343,296</b>
<b>Office of Information Technology Services Charges</b>	<b>\$12,753,000</b>	<b>\$12,753,000</b>	<b>-</b>
<b>Total Expenses</b>	<b>\$218,958,792</b>	<b>\$215,175,477</b>	<b>\$3,783,315</b>

# Contributors to Report

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## Executive Team

**Andrea C. Miller** - *Executive Deputy Comptroller*

**Tina Kim** - *Deputy Comptroller*

**Stephen C. Lynch** - *Assistant Comptroller*

## Engagement Team

**Heather Pratt, CFE** - *Audit Director*

**Sharon L. Salembier, CPA, CFE** - *Audit Manager*

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For more audits or information, please visit: [www.osc.state.ny.us/state-agencies/audits](http://www.osc.state.ny.us/state-agencies/audits)