

1 **2006 Fall Seminar**  
2 **Standing Committee on Children with Special Needs**  
3 **Resolution #06**  
4

5 **RESOLUTION CALLING ON THE STATE EDUCATION DEPARTMENT TO**  
6 **CONDUCT FISCAL AUDITS IN THE FIRST INSTANCE AND SECONDLY FOR**  
7 **AN AMENDMENT TO STATE LAW TO REIMBURSE COUNTIES FOR**  
8 **VOLUNTARY AUDITS OF THE PRESCHOOL SPECIAL EDUCATION**  
9 **PROGRAM**  
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11 **WHEREAS**, cost based reimbursement demands fiscal oversight; and  
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13 **WHEREAS**, audits are an effective tool to ensure proper tuition rates are set  
14 under a cost based reimbursement system; and  
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16 **WHEREAS**, counties have requested that the New York State Education  
17 Department (NYSED) conduct regular audits of all preschool providers to ensure the  
18 accuracy of program payments and rates; and  
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20 **WHEREAS**, Section 4410 of the New York State Education Law allows counties  
21 to perform fiscal audits of preschool providers; and  
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23 **WHEREAS**, under the current system there is a financial disincentive for  
24 counties to voluntarily perform these audits due to the complexity and cost of these  
25 audits; and  
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27 **WHEREAS**, the counties currently receive a mere 40.5% of these recouped  
28 funds; and  
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30 **WHEREAS**, to reimburse counties willing and able to perform fiscal audits to  
31 help compensate for lack of audits performed by NYSED, the state should provide  
32 counties with an enhanced share of recoveries from audits performed by a county:  
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34 **NOW, THEREFORE, BE IT RESOLVED**, that the New York State Association  
35 of Counties (NYSAC) calls on NYSED in the first instance to perform fiscal audits of the  
36 preschool special education program as a matter of sound business practice and  
37 responsible public stewardship; and  
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39 **BE IT FURTHER RESOLVED**, that NYSED should fully reimburse counties  
40 for the cost of the fiscal audits that they may voluntarily undertake and then allocate the  
41 balance between the state and counties pursuant to current cost sharing of 59.5 percent  
42 and 40.5 percent; and  
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44 **BE IT FURTHER RESOLVED**, that NYSAC shall forward copies of this  
45 Resolution to the Governor, the New York State Legislature and all others deemed  
46 necessary and proper.