



State Liquor Authority

ANDREW M. CUOMO
Governor

LILY M. FAN
Commissioner

VINCENT G. BRADLEY
Chairman

GREELEY FORD
Commissioner

May 25, 2021

Sharon Salembier, Audit Manager
NYS Office of the State Comptroller
110 Sate Street
Albany, NY 11236

Re: Internal Controls Over Selected Financial Operations Report 2019-S-69

Dear Ms. Salembier:

According to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, the Office of the State Comptroller conducted an audit of the Division of Alcoholic Beverage Control/State Liquor Authority's (ABC/SLA) internal controls over selected financial operations. In compliance with our reporting requirements, ABC/SLA offers the following regarding the above referenced audit report.

Recommendations presented to the agency at the release of the final report were as follows:

1. Take steps in coordination with BSC to ensure timely and accurate receipt of information about outstanding travel card charges.
2. Take appropriate follow-up action on outstanding charges.

Responses to recommendations:

1. The BSC (Business Services Center) Credit Card Tech Team sends a travel card aging report containing travel card transactions that have not been fully processed by the Office of the State Comptroller (OSC). This report is sent to the agency's BSC Liaison monthly with identifications of transactions that are "Blank" – not associated with an expense report; "Pending (PND)" – transaction is associated with an expense report but has not been submitted for approval; "Submitted (SUB)" – report has been submitted to the traveler's supervisor and is in their work list for action; "Pending Approval (PAR)" – the report has been approved by a supervisor and is pending agency and/or BSC approval; "Pending OSC (POS)" – the report is pending OSC approval. If charges remain unreconciled for 90 days, the BSC recommends lowering card limits to \$2 until the cardholder has submitted all outstanding expense reports to their supervisor.

The Statewide Financial System (SFS) began sending SFS aging reports in March of this year. These e-mail notifications are scheduled for the first Monday of each month and are sent directly to the traveler and the traveler's supervisor. The "Aging Wallet Charges" report identifies T-card

transactions 30 days old or more that need to be reconciled in SFS. The e-mail is sent from an unmonitored e-mail address used to distribute notifications only. Information is provided within the e-mail on where to go for training and job aids on reconciling wallet charges.

2. When the Travel Card Aging Report is received, it will be thoroughly examined by the BSC Liaison and/or a member of the Albany Administrative office. An e-mail notification will be sent to the traveler, the supervisor, and the Bureau Head that the traveler is employed under, identifying the information received within the report for that traveler. It will be made clear within the e-mail that it is the traveler's responsibility to timely reconcile all travel card charges, including credits, that are placed on their NYS corporate travel card account. Best practices suggest the traveler should be accounting for charges within ten (10) days of travel. If the charges are not reconciled within 90 days, the agency will lower the card limit to \$2 until the cardholder has submitted all outstanding expense reports to their supervisor.

If the outstanding charges and/or credits have not been reconciled after 90 days, the above e-mail notification will be forwarded back to the traveler, the supervisor, and the Bureau Head notifying of the card limit being reduced to \$2. It will at that time be made clear that if the charges/credits remain unreconciled after 30 days, the traveler's card will be cancelled.

Very truly yours,



Vincent Bradley
Chairman

Cc: K. Ciccone, Director of Admin.
S. Kabir, Exec. Deputy Commissioner
Governor Andrew Cuomo
Honorable Thomas P. DiNapoli, Comptroller, State of New York
Honorable Andrea Stewart-Cousins, Senate Temporary President and Majority Leader
Honorable Robert G. Ort, Senate Minority Leader
Honorable Liz Krueger, NYS Senate Chair, Finance Committee
Honorable James L. Seward, NYS Ranking Minority Member, Senate Finance Committee
Honorable Carl E. Heastie, NYS Assembly Speaker
Honorable William A. Barclay, NYS Assembly Minority Leader
Honorable Helene F. Weinstein, NYS Assembly Chair, Ways and Means Committee
Honorable Edward P. Ra, NYS Ranking Minority Member, Assembly Ways and Means Committee