

Responses to Questions in Regards to RFP – Auditor

The NYLB has received numerous questions from potential respondents to the RFP for a financial auditor. In response, please see the supplemental information below:

1. There is a statutory requirement that the annual audit be submitted to the state legislature by August 1st of each year; however, the NYLB requires that the audit be completed by June 30th.
2. The NYLB's 2017 Audit shows the domestic estates under administration as of December 31, 2017. New estates placed into receivership in 2018 will not be part of the 2018 audit, but estates that close during 2018 will be.
3. Six members of the NYLB's Finance Division work on financial reporting. The NYLB staff prepares financial statements, tax returns and regulatory filings. The NYLB is not an insurance company and does not employ actuaries or underwriters.
4. The NYLB retains various consultants and professionals, including an investment manager, a payroll service and several third-party claims administrators. SOC reports are generally available from the key service providers.
5. All audit work performed must be conducted at the NYLB's office or at an auditor's office within the United States.
6. The NYLB's 2017 Annual Report, available on the website (www.nylb.org), contains an organizational chart.
7. The audit must also cover the estate-specific supplemental schedules included with the combined domestic financial statements.
8. A/P functions are performed using JD Edwards accounting software.
9. The classification of claims in liquidation under Insurance Law Section 7434 is discussed in the audits posted on the NYLB's website. The audits also address various aspects of the NYLB's operations.
10. Key personnel at the NYLB include:

David Axinn – Special Deputy Superintendent

John P. Kelly – General Counsel and Assistant Special Deputy Superintendent

Gail Pierce-Siponen – Director of Creditor and Ancillary Operations and Assistant Special Deputy Superintendent

Ronald Labenski – Chief Financial Officer