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July 15, 2010

Ms. Violet Copelman, President
First Choice Home Care, Inc.
11 Middle Neck Road
Great Neck, NY 11021

Re: Limited Audit of First Choice Home Care, Inc.'s 2008 Compliance with the Nassau County Living Wage Law and Limited Follow Up of the 2007 Audit Findings

Dear Ms. Copelman:

A limited compliance audit was performed of contract #CQSS07000159 between First Choice Home Care, Inc. ("First Choice") and Nassau County. The objectives of the audit and the review were to determine whether First Choice was in compliance with the Living Wage Law (the "Law") and the related Rules¹. The review period was calendar year 2008. In addition, a follow-up limited review was performed to determine if First Choice has taken corrective actions in response to the recommendations and findings noted in the 2007 audit released October 30, 2008². To accomplish our objectives, we reviewed First Choice's pertinent books and records and interviewed personnel.

We reviewed a test sample of First Choice's employee records for 2008. Based on the sample tested, we found the agency to be in compliance with the Law and the related Rules in regard to wages, supplemental benefits, and compensated time off. We also reviewed First Choice's benefit policy and found it to be compliant with the Law.

¹ Rules of the County Comptroller and Rules of the County Executive

²<http://www.nassaucountyny.gov/agencies/Comptroller/NewsRelease/2008/documents/FirstChoiceHomeCareFinalReport103008.pdf>

The 2008 audit included limited testing of the corrective actions taken by the agency to be in compliance in fiscal year 2007. The 2007 Audit found that First Choice's:

- compensated days off policy was not in compliance with the Law. The policy did not specify that covered employees could utilize accrued hours at their request; and
- methodology for computing accrued leave resulted in underpayments to employees.

First Choice provided the auditors with an updated Vacation/Sick Policy for Living Wage employees, which was found to be in compliance with the Law.

First Choice recalculated employees' 2007 leave entitlements using the proper methodology. The recalculation identified 46 employees who were underpaid a total of \$6,290.70. We tested a sample of First Choice's calculations and payments, which showed that corrective actions were taken to properly reimburse employees for the amounts owed.

Auditor's Follow-up:

First Choice was found to be in compliance with the Living Wage Law for 2008. First Choice has also implemented the prior audit's recommendation and we make no further recommendations regarding 2007 compliance.

The matters covered in this report have been discussed with the officials of First Choice Home Care during the course of this audit. On April 12, 2010, our Office submitted a report in draft for First Choice's comments. First Choice provided its comments on May 13, 2010. Those comments, and our responses to those comments, have been included as Appendix A in this final report.

Sincerely,



Joy M. Watson

JMW: AS

APPENDIX A

May 13, 2010

Lisa Tsikouras
Director of Field Audit
Office of the Nassau County Comptroller
240 Old Country Road
Mineola, NY 11501

Re: Limited Audit of First Choice Home Care, Inc.'s 2008 Compliance with the Nassau County Living Wage Law and Limited Follow up of the 2007 Audit Findings.

Dear, Ms. Tsikouras;

We are pleased to accept the results of your audit, finding our agency to be in full compliance with the Living Wage Law. It has always been our intention to comply with the law, and once certain clarifications of the law were issued by the Comptroller, we were able to amend our procedures to ensure that was the case. We value our relationships with the County and with our employees, and will continue to strive to do what is best for both, as well as for our patients.

At this time we do not need an Exit Conference to discuss the draft findings. We appreciate your office guidance and review of our compliance process of the Living Wage requirements.

Sincerely



Violette Copelman