

OFFICE OF CHIEF FINANCIAL OFFICER'S

RESPONSE TO RESULTS OF PROCEDURES

The following are the Office of Chief Financial Officer's responses to differences noted in the reported results to the *Agreed-Upon Procedures*:

Response to Step 2.f Exceptions:

The differences identified by the auditor were due to a delay in updating changes in agency contribution rates in the payroll system. Contribution rates were corrected effective October 1, 2003 and all prior agency contribution amounts were recomputed using correct rates back to the dates when the revised rates should have been effective and a refund of the excess contributions has been obtained.

Response to Step 5.d Exception:

The differences identified by the auditor were due to an error in the accumulation routine that generates the total employee headcount. A change in this accumulation routine to correct this error has been implemented.

Response to Step 6.a Exception:

The differences identified by the auditor were due to a delay in updating changes in agency contribution rates in the payroll system as discussed in Item 2.f above.