

MARCUS J. MOLINARO
COUNTY EXECUTIVE



MARY KAYE DOLAN
ACTING COMMISSIONER

COUNTY OF DUTCHESS
DEPARTMENT OF SERVICES FOR AGING, VETERANS AND YOUTH
DIVISION OF AGING SERVICES

July 31, 2012

Jim Coughlan, Comptroller
Dutchess County Comptroller's Office
22 Market Street
Poughkeepsie NY 12601

Dear Comptroller Coughlan:

Thank you for providing me with a copy of the recently completed audit of the Division of Aging Services and for meeting with Acting Director Pat Brown and me to discuss the audit findings.

We are pleased that the audit recognizes the internal controls, procedures, timely and complete claiming and record keeping practices employed by the Division.

Your findings and recommendations also provide us with the opportunity to continue to improve our procedures. The following listing shows each of your recommendations and our response:

Recommendation: Monitoring and communication between staff should be enhanced. Internal Excel spreadsheets should consist of approved 'budget expense' by program and a 'total expensed' quarterly. Budget discrepancies would be identified and adjusted prior to the end of the grant period.

Response: We will add rows on the expense spreadsheets for the approved budget expense amount and the total expensed each quarter. Although this information is on the claim form and accessible to all in the Fiscal Unit, adding the information will provide the staff member entering the information with the "targets" and the "actual" for each quarter, thereby enhancing monitoring and communication within the Fiscal Unit.

Recommendation: All expense spreadsheets should be cross footed and totaled.

Response: The expense spreadsheets are currently totaled for each separate category as well as a grand total. The grand total is currently cross footed. We will add cross footing for the totals in the separate categories.

Recommendation: Procedures for claiming should include a formalized review by supervisory management and attestation of the review.

Response: This will be implemented, adding the attestation to the payroll and expense spreadsheets which will be provided to the Director along with the claim paperwork to be signed.

Recommendation: To prevent errors and increase efficiencies in claiming, processes should be reviewed for streamlining. The County's software system should be utilized for contract/project accounting to allow for constant budget monitoring.

Response: As you know, we are in the process of hiring a new Business Manager. Once the position is filled we will work to identify a number of our less complex grants and contracts to conduct a "test-run" of these features to determine their practicality for our programs. The concerns to be addressed are the adaptability of the contracts and project features to accommodating contractor match, local match, program income and budget modifications. We are hopeful that the features will be able to be fully utilized for all of our programs and will be in touch with your office regarding our progress.

Recommendation: Aging Services should ensure all contracts are current.

Response: This recommendation stems from the finding that one of our revenue contracts had expired yet we were still providing the service and receiving appropriate revenue. We do maintain a contract log reflecting the various stages of contract processing for our roughly 40 contracts. This particular contract was sent for renewal but never returned. It was not immediately realized as it would have been under an expense contract where the expenses would not have been paid without a current contract. To prevent this from occurring in the future a separate section will be created on the contract log for revenue contracts.

Recommendation: Revenue should be accrued at year end in order to credit monies to the appropriate year.

Response: This recommendation relates to the same contract as the recommendation above. Our former Business Manager did not accrue the November 2010 revenue on this contract at the time it was billed. When the revenue was received it was credited to 2011 instead of 2010.

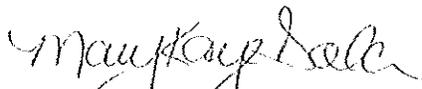
Recommendation: Aging Services should develop a system to track revenue claims to ensure that all claims are made timely and receipt of payments are recorded in the year they were incurred.

Response: This has been instituted and the system also tracks payments to ensure that they are credited to the appropriate revenue line item.

Once again, please extend our thanks to your staff for their assistance and ongoing recommendations.

Please let me know if there is anything further you need.

Sincerely,


Mary Kaye Dolan