



51 CANNON STREET POUGHKEEPSIE NY 12601
(845) 452-8816 FAX (845) 485-4064

STEVEN PRESSMAN, LCSW, MS Ed, CASAC
EXECUTIVE DIRECTOR

June 2, 2008

Diane Jablonski, Comptroller
Dutchess County Office of the Comptroller
22 Market Street
Poughkeepsie NY 12601

Dear Ms. Jablonski:

Thank you for providing recommendations pursuant to the audit your staff conducted in May, 2008. We have reviewed the report and have addressed the findings and recommendations below.

Two items were listed as summary findings.

1. We are developing a process for issuing 1099's, including the distribution of W-9's to all individuals and corporations who have received payment from us for goods or services and the subsequent issuance of 1099's to all required entities.
2. A finding that "internal controls regarding segregation of duties should be improved" was noted, based on the specific finding listed later in the report that "funds are counted, posted to the tenant's account, and prepared for deposit by the same individual".
Due to the small size of our administrative support staff determined by limitations in state funding, we are forced to consolidate duties. Wherever possible, we have separated tasks. In most cases, checks sent on behalf of residents are received and their receipt documented by staff at each separate facility. Checks are forwarded to the main office, recorded and prepared for deposit. As you noted, the deposit is made by a separate individual. Finally, our accountant periodically conducts on-site reviews at each of the houses. We also have rigorous external controls including an independent CPA audit and regular periodic reviews by local, state and federal funding agencies.

Several other findings resulted in recommendations that we have addressed below.

1. "Properties were not disclosed as long term debt".
Our accountant will amend our financial statements to clearly disclose all encumbrances and obligations associated with the properties we own.
2. "MARC's request for reimbursement was submitted to the Department of Mental Hygiene several months after eligible."
We routinely submit requests for payment when eligible. In this case, partial payment was

submitted for a stay during 2006. The final payment due in 2007 could not be submitted until the contract was executed several months later.

3. "DSS Vendor information ...contact persons and addresses for MARC were not correct." We have contacted Departments of Social Services from the various Counties to inform them of accurate and updated contact names and addresses. In some cases they have not as yet incorporated this information into their records. We will continue this effort with additional correspondence.

Again, thank you for your review. Please do not hesitate to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Pressman", with a long horizontal flourish extending to the right.

Steven Pressman
Executive Director

cc. Bill Hogan, Board President
Lori Annunziata, Comptroller