

December 23, 2009

Dutchess

Diane Jablonski, Comptroller
22 Market Street
Poughkeepsie, NY 12601

Dear Ms. Jablonski:

I would like to acknowledge the prompt response from the Office of the Comptroller to my request for assistance regarding check dispersal and other financial issues facing the department as the result of a transition to a new computer financial management system.

While I agree with Comptroller Jablonski's Summary contained on the first page of the report, I am disappointed at the detailed findings that fail to recognize or take into account the impact a major computer conversion had on the functioning of a financial unit. Unfortunately, the Comptroller's Office chose to conduct an audit in the midst of this transition, further complicating a difficult situation and creating more work for staff who were already struggling with numerous demands and responsibilities related to the issues connected with the conversion.

I would also note that no funds were missing or misappropriated and that the findings relate to technical issues resulting from staff endeavoring to adjust and learn a new system that has undergone numerous changes since its original introduction. Because this was a statewide implementation, changes to the system occurred not only in response to Dutchess County's input to the vendor, but to numerous other counties who were struggling to adapt to continuous new versions of the original product, as well.

Following are my responses to specific issues noted in the audit:

Policies and Procedures:

Since myriad technical issues are still being dealt with and a procedure manual for the current version has not been supplied by the vendor, new policies cannot be developed. An interim manual will need to be provided until we have created our own updated version. We disagree with the Comptroller that Policies and Procedures do not exist, they existed for the former system, but the uncertainty of the current situation prohibits the updating of the manual.

Staff had to cope with learning several versions of the current system while lacking a directory of reports to guide them. In fact, it was discovered during the audit that several key reports were unavailable. One such report, *Checks to be Written*, indicates how much money is available to write checks. Also absent is a report that indicates how much money individuals have paid and how much they owe. In both cases, we have asked the Office of Computer Information Services for assistance in developing the reports rather than waiting for the vendor to supply the documents. In addition, a computer conversion of data resulted in further discrepancies and additional staff effort

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because data entered prior to the conversion was not always accurate and had to be re-checked.

The Office of Computer Information Systems has been very helpful in both identifying and developing reports that are essential to the functioning of the financial unit.

It is simply not reasonable to expect updated processes and procedures in a Policy Manual until the department knows what the manual should contain.

Accounting Records:

These records are available and have been kept manually until such time as the statewide computer system was both reliable and dependable. The vendor designed the computerized financial system for the state and county departments are not allowed to make any changes. OCIS has been helpful in designing reports and functions that are needed to provide us the necessary flexibility to meet our functional requirements, but are not available in the current version.

Monitoring:

Monitoring is effective only when there is a stable system to monitor with policies and procedures that align with the computer system.

The department recognized that assistance was necessary in developing such a system. Therefore the department, on its own initiative, contracted with a consultant for assistance with:

- assessment of the current financial management system
- development of critical controls that address security and efficiency and that aligns with the new computer system
- guidance and assistance in the development of the new Policy and Procedures

Training:

In preparation for implementing the new system, several training sessions were conducted. However, since the computer system has had several updates as well as a variety of issues related to implementation, training quickly became outdated. The department will conduct further training when it has a comprehensive, stable fiscal computer system with a procedure manual in place.

With the assistance of the consultant, I am confident that the transitional period will be successfully negotiated and that sound practice will be maintained.

Sincerely,



Mary Ellen Still
Director