



COMPTROLLER

STATE OF NEW YORK
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January 5, 2007

Dr. Jessica F. Cohen
District Superintendent
Onondaga-Cortland-Madison BOCES
Central New York Regional Information Center
P.O. Box 4754
Syracuse, NY 13221-4754

Report Number: 2006M-123

Dear District Superintendent Cohen:

The State Comptroller is statutorily required to audit all school districts, BOCES and charter schools in the State by March 31, 2010. The school district audits, done in conformance with generally accepted government auditing standards, often require us to contact a BOCES Regional Information Center to gather information about a school district's financial management system and information technology infrastructure. Since it would be burdensome for you to have multiple audit teams visit the Onondaga-Cortland-Madison BOCES Regional Information Center (RIC) to gather the same or similar information, we assigned one group of examiners to gather the needed information for the audits.

This examination was conducted pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution, and Article 3 of the General Municipal Law. Based upon inquiries made during this examination of the financial software packages and technology infrastructure services provided to component (or cross-contracting) school districts by the RIC, we noted the following condition that we would like to bring to your attention:

- Technology items are not added to the inventory listing in a timely manner. While we were on site, the Inventory Control Supervisor estimated that approximately 10,000 equipment items owned by the RIC (18 percent) were not recorded on the RIC's listing of 55,000 items.

We hope that this information will help you identify areas where you can improve your operations. To keep our database of information current, we will be contacting appropriate RIC officials within 90 days to update our information. Furthermore, we will likely continue to contact RIC officials annually to keep our information current.

To clarify, our inquiries on the financial management and infrastructure services that you provide to component (or cross-contracting) school districts is not part of the statutorily required audit of each BOCES. We will contact you again when we plan to start an audit of the BOCES.

The results of our examination were discussed with RIC and BOCES officials and their comments, which appear in Appendix A, have been considered in preparing this report. Officials generally agreed with the condition cited in our final report and indicated they planned to initiate corrective action. OSC comments on the official response are included in Appendix B.

The Onondaga-Cortland-Madison BOCES Board has the responsibility to initiate corrective action. Pursuant to Section 35 of the General Municipal Law, Section 2116-a (3)(c) of the Education Law and Section 170.12 of the Regulations of the Commissioner of Education, the Board must approve a corrective action plan that addresses the findings in this report, forward the plan to our office within 90 days, forward a copy of the plan to the Commissioner of Education, and make the plan available for public review in the Board Clerk's office. For guidance in preparing the plan of action, the Board should refer to applicable sections in the publication issued by the Office of the State Comptroller entitled *Local Government Management Guide*.

If you have any questions, please contact our Syracuse regional office at (315) 428-4192.

Sincerely,

Steven J. Hancox
Assistant Comptroller

APPENDIX A

RESPONSE FROM BOCES OFFICIALS

The response from BOCES and RIC officials can be found on the following pages. This response letter makes reference to attachments that support the response letter. Because the response letter provides sufficient detail of actions taken, we did not include the attachments in Appendix A.



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

Jessica F. Cohen, Ph.D., District Superintendent of Schools
Sole Supervisory District of Onondaga - Cortland - Madison Counties
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Syracuse NY 13221
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September 21, 2006

Steven J. Hancox
Assistant Comptroller of Local Government Services and Economic Development
110 State Street
Albany, NY 12236

Dear Mr. Hancox:

Thank you for the opportunity to provide a formal response to the preliminary draft findings of the recent examination of the Central New York RIC.

As we discussed in the August 30, 2006 exit conference, there are two areas of additional information that we believe impact your findings:

- With regard to the lack of a RIC policy for the acquisition, storage and use of technology assets, it is our belief that the Onondaga Cortland Madison BOCES policy entitled "Personal Property Acquisition (Policy PAPA)" governs the action of the Central New York RIC. That policy initially adopted on 12/19/96 and amended twice since then provides for the policy and procedures for purchase, inventory, disposition, and accountability of technology assets. The policy is currently being revised to bring into alignment the policy and procedure numbering. Access to these policies and procedures on our web page was shared during the exit conference.
- The addition of technology items to the inventory listing in a timely fashion is an issue that we have been working on correcting. We are currently researching the processes that other RICS use that provide a more timely listing than our process and expect to have developed the plan within the next sixty days and implemented it soon thereafter.
- With regard to the comments regarding the RIC's password requirements not being complex enough to prevent exposure to threats from unauthorized access, we believe that our practices provide high levels of security consistent with the intent and requirements of your review. During the exit conference, we shared

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Located @ 6820 Thompson Road, Syracuse NY 13211

our procedures on the Financial Management Systems Password Requirements for MUNIS, [REDACTED]. Copies of these are enclosed.

I hope that these comments provide you with the information that you need. Please feel free to contact me if you have any additional questions.

Sincerely,



Jessica F. Cohen, Ph.D.
District Superintendent

c: OCM BOCES Board of Education
Superintendent's Cabinet

Enc.

APPENDIX B

OSC COMMENTS ON THE BOCES RESPONSE

Note 1

Officials provided us additional information after the completion of our fieldwork. As a result, we removed these findings from our final report.