

New York State
COMPTROLLER

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
110 STATE STREET
ALBANY, NEW YORK 12236

MARK P. PATTISON
DEPUTY COMPTROLLER
DIVISION OF LOCAL GOVERNMENT SERVICES
AND ECONOMIC DEVELOPMENT
Tel: (518) 474-4037 Fax: (518) 486-6479

January 12, 2007

Dr. Joseph J. Marinelli
District Superintendent
Wayne-Finger Lakes BOCES
EDUTECH Regional Information Center
131 Drumlin Court
Newark, NY 14513

Report Number: 2006M-117

Dear District Superintendent Marinelli:

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 Wayne-Finger Lakes BOCES EDUTECH 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:

- RIC personnel had unlimited access to the school districts' financial accounts systems. RIC staff had the ability to enter into the system remotely at any of the school districts it services. In addition, RIC staff may make data changes (i.e., errors, corrections, adjustments, etc.) by entering them into the system if requested by district officials. Furthermore, all RIC staff working on the Financial System Application service were "super users," giving them the ability to access all modules within the system. User accounts should be set up to allow only the minimum access rights users need to complete their duties.

We hope that this information will help you identify areas where you can improve your operations. In order 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 conditions cited in our report and indicated they planned to initiate corrective action.

The Wayne-Finger Lakes BOCES Board has the responsibility to initiate corrective action. Pursuant to Section 35 of the General Municipal Law, the Board should prepare a plan of action that addresses the condition cited in this report letter and forward the plan to our office within 90 days. For guidance in preparing the plan of action, the Board may refer to applicable sections in the publication issued by the Office of the State Comptroller entitled *Local Government Management Guide*. We encourage the Board to make this plan available for public review in the Clerk of the Board's office.

If you have any questions, please contact our Rochester regional office at (585) 454-2460.

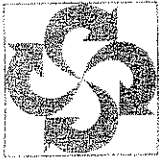
Sincerely,

Steven J. Hancox,
Assistant Comptroller of Local Government Services
and Economic Development

APPENDIX A

RESPONSE FROM BOCES OFFICIALS

The response from BOCES and RIC officials can be found on the following pages.



WAYNE-
FINGER LAKES
Board of
Cooperative
Educational
Services

Administrative Offices
Regional Support Center
Eisenhower Building
131 Drumlin Court
Newark, NY 14513-1863
(315) 332-7284
FAX (315) 332-7425

Joseph J. Marinelli, Ph.D.
District Superintendent
jmarinelli@wfboces.org

September 26, 2006

State of New York
Office of the State Comptroller
Buffalo Regional Office
295 Main Street, Room 1050
Buffalo, New York 14203

RE: Response to Preliminary Draft Findings

This is in response to the September 5, 2006 Office of the State Comptroller's preliminary draft findings from the examination of the Genesee Valley / Wayne - Finger Lakes Educational Technology Services (EduTech) Regional Information Center (RIC). The preliminary findings were discussed with [REDACTED] at our exit discussion on September 12, 2006.

The preliminary findings indicated the items below –

- *"RIC personnel had unlimited access to the school districts' financial accounts systems. RIC staff had the ability to enter into the [REDACTED] system remotely at any of the school districts it services for [REDACTED]. In addition, RIC staff may make data changes (i.e., errors, corrections, adjustments, etc.) by entering them into the system if requested by district officials. Furthermore, all RIC staff working on the Financial Systems Application service were "super users," giving them the ability to access all modules within [REDACTED]. User accounts should be set up to allow only the minimum access rights the user needs to complete their duties."*

As stated, the finding is correct. Our response and corrective action is as follows –

As acknowledged by [REDACTED] at our exit meeting, the support provided by EduTech Financial Support Services requires "super user" level security for [REDACTED]. We would not be able to provide the support and troubleshooting that we offer our districts without that access. EduTech provides support for questions, problems, user setup, and training for the districts in our region. Support for the districts also requires remote access to their financial applications server / database.

All system access by the "super user" is tracked, logged, and documented in the system and can be identified in the [REDACTED] audit report. This report can be filtered to identify all activities by specified user.

EduTech does recognize the need for controls and as discussed with [REDACTED], our corrective action will be to implement a procedure effective November 1, 2006, whereby the [REDACTED] audit report documenting access by the "super user" will be provided to the Office of the EduTech Director on a monthly access for review. In addition, on a monthly basis the Office of the EduTech Director will send a copy of this report to each district impacted for their further review.

See
Note 1
Page 6

[Redacted]

[Redacted]

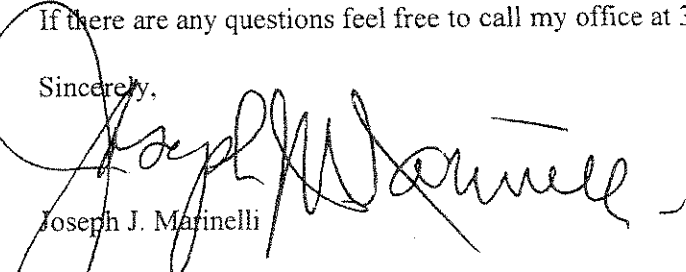
[Redacted]

[Redacted]

[Redacted]

If there are any questions feel free to call my office at 315 332-7284.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph J. Marfinelli". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

Joseph J. Marfinelli

cc: J. McCabe
C. Sorenson
K. Henry

APPENDIX B

OSC COMMENTS ON THE BOCES RESPONSE

Note 1

Officials provided us with additional information after the completion of our fieldwork. As a result, we removed two findings from our final report. We redacted the officials' response on one matter because it contained confidential information that may raise security issues.