

H. CARL McCALL
STATE COMPTROLLER



A.E. SMITH STATE OFFICE BUILDING
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

November 5, 1996

Mr. Thomas Maul
Commissioner
Office of Mental Retardation
and Developmental Disabilities
44 Holland Avenue
Albany, NY 12229

Re: Report 96-F-24

Dear Mr. Maul:

Pursuant to the State Comptroller's authority as set forth in Section 1, Article V of the State Constitution and Section 8, Article 2 of the State Finance Law, we have reviewed the actions taken by officials of the Office of Mental Retardation and Developmental Disabilities (OMRDD), as of July 31, 1996, to implement the recommendations included in our Report 95-S-8. The report, which was issued September 27, 1994, examined OMRDD's controls over microcomputer software.

Background

OMRDD operates central administrative offices in Albany, as well as developmental centers and District Developmental Service Offices (DDSOs) located throughout the State. OMRDD is also responsible for overseeing services provided to the State's developmentally disabled citizens through a vast array of residential and non-residential community programs operated both by OMRDD and by not-for-profit service providers. Most OMRDD operations are equipped with microcomputers which allow staff to perform their duties more effectively and facilitate communications between the various sites. The prior audit concentrated on OMRDD's controls over microcomputer software.

Summary Conclusion

During our prior audit, we found that OMRDD needed to improve its controls over computer software inventories. OMRDD had not issued a policy governing the use of microcomputer software, nor had it issued guidelines to direct the employees responsible for computer resources within the various DDSOs and central office bureaus. As a result, inventory controls were lacking and policies and procedures varied among units. In our follow-up review, we found that OMRDD has made progress in implementing the prior audit recommendations. OMRDD has developed an agency software policy, but has not yet developed specific guidelines for implementation.

Summary of Status of Prior Audit Recommendations

Of the three recommendations in our prior audit, OMRDD has fully implemented one recommendation, not implemented a second recommendation, and partially implemented the third recommendation.

Follow-up Observations

Recommendation 1

Finalize a computer software policy and distribute it to all employees. Consider adding a software code of ethics.

Status - Fully Implemented

Agency Action - OMRDD has finalized a software policy and distributed it to all employees. The policy was signed by the Commissioner in October 1994 and distributed to all employees. A software code of ethics was also finalized and distributed to all staff during 1996.

Recommendation 2

Establish guidelines to direct staff responsible for controlling software inventories. The guidelines should address procedures for purchasing, registering and securing software, as well as for monitoring software inventories.

Status - Not Implemented

Agency Action - OMRDD officials indicate that instructions for control of software inventories will be developed and distributed in October 1996. These instructions will expand upon OMRDD's current generic purchasing procedures, which require supervisory approval for software purchases, including a consideration of need, and will address software inventory procedures and the security of software.

Recommendation 3

Assign a unit specific responsibility for ensuring compliance with software licensing agreements and agency computer policies.

Status - Partially Implemented

Agency Action - OMRDD has not yet assigned a unit specific responsibility for ensuring compliance with software licenses and computer policies as recommended. However, at the time of our review, OMRDD's Internal Audit Unit was beginning a review of the procedures and practices for purchasing, safeguarding, using, and disposing of computers and related equipment. The scope of this review, however, did not specifically address the registration of

OMRDD-purchased software.

Auditors' Comments - OMRDD needs to assign a specific unit responsibility for monitoring and enforcing compliance with its computer policy and software licensing agreements.

Major contributors to this report were John Buyce, Laurel Jolliffe, Helen Kaczor and Michael Wright.

We would appreciate your response to this report within 30 days, indicating any action planned or taken to address the unresolved matters discussed in this report. We also thank the management and staff of the Office of Mental Retardation and Developmental Disabilities for the courtesies and cooperation extended to our staff during this review.

Very truly yours,

Frank J. Houston
Audit Director

cc: Patricia A. Woodworth