

ADM 6.2/IN7/1975

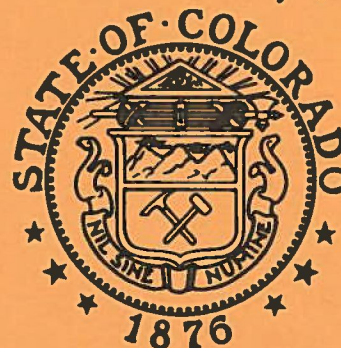
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# FOLLOW-UP *ADP* Report

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## ADP Performance Evaluation of the Department of Institutions Data Processing Activities



DIVISION OF ADP

Prepared by :

State ADP Plans & Coordination Section

September 1975

STATE OF COLORADO  
DEPARTMENT OF ADMINISTRATION  
DIVISION OF AUTOMATED DATA PROCESSING  
ADP FOLLOW-UP REPORT  
OF  
THE DEPARTMENT OF INSTITUTIONS  
September, 1975

INDEX

<u>SECTION</u>		<u>PAGE</u>
I	BACKGROUND	1
II	OBJECTIVES	1
III	PROCEDURE	2
IV	SUMMARY OF FINDINGS	2
	DEPARTMENT OF INSTITUTIONS REPLY	7-10

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## DEPARTMENT OF INSTITUTIONS

### FOLLOW-UP TO ADP PERFORMANCE EVALUATION REPORT - DECEMBER 1974

#### I. BACKGROUND

An ADP Performance Evaluation of the Department of Institutions was conducted by the Division of ADP during May, June and July 1975 and a report issued in December 1974. On July 25, 1975 the Department of Institutions was requested to review the report and provide written comments regarding the Division of ADP findings, conclusions and recommendations. Their response is included in this document. Follow-up visits to the Department of Institutions were made during the period of July 31 through August 8, 1975.

#### II. OBJECTIVES

The objectives of this follow-up review are:

- o Review and evaluate the actions taken by the Department of Institutions to meet deficiencies identified by the performance evaluation study.
- o Verify that the recommendations which were reported as having been implemented were in fact implemented and the results achieved.
- o Determine the status of the recommendations which were reported as being in process of implementation.
- o Verify reasons that recommendations were rejected.
- o Provide the Division of ADP and the evaluation team with information regarding the feasibility of specific recommendations in order to aid in improving future evaluations.

- o Make additional recommendations as appropriate based on the latest conditions.
- o Prepare a written follow-up report in order to provide the evaluated agency, the Division of ADP management and other agencies of interest with a status report.

### III. PROCEDURE

The current status of the recommendations, made in the December 1974 performance evaluation report, were reviewed with appropriate ADP systems users and with the ADP management and staff of the Department of Institutions.

### IV. SUMMARY OF FINDINGS

The Department of Institutions indicated that five recommendations were implemented, five in process, one deferred and one rejected. Our review found these statements along with their comments to be basically correct with two exceptions. Regarding recommendation #5, although cost accounting reports are produced by the computer center they are not distributed to the users. Referring to recommendation #2 it is questionable that it can be said to be in process when nothing tangible has been done to date.

Because of a change in the management of the Division of Finance during the course of this follow-up, some decisions that effect the recommendations are in a state of flux. Also some of the recommendations are dependent upon funding and thus the final result of the recommendation will not be known until the funding is received and actual implementation accomplished.

#### RECOMMENDATIONS #s 1 & 2

REPLACE THE DOI ADP ADVISORY COMMITTEE WITH A DEPARTMENTAL ADP PLANNING AND CONTROL COMMITTEE WHICH INCLUDES THE EXECUTIVE DIRECTOR, DIVISION DIRECTORS AND THE ADP MANAGER.

Although the Department management indicates they are in agreement with this recommendation, no steps have actually been taken to establish the committee as a working body. Recent managerial changes in the Department give encouragement that the committee will be formed and become operational in the near future.

- FOLLOW-UP RECOMMENDATION #1

IMMEDIATELY ESTABLISH ADP PLANNING AND CONTROL COMMITTEE IN ACCORDANCE WITH RECOMMENDATION #2 OF THE ORIGINAL EVALUATION REPORT.

RECOMMENDATION #3

DEVELOP AND IMPLEMENT AN APPROVED ADP PLAN.

The existence of a plan was confirmed in this follow-up visit. The plan is complete and is being updated as appropriate.

RECOMMENDATION #4

REORGANIZE THE DEPARTMENT OF INSTITUTIONS ADP ORGANIZATIONAL STRUCTURE SUCH THAT THE ADP MANAGER REPORTS DIRECTLY TO THE EXECUTIVE DIRECTOR.

The Department of Institutions rejected this recommendation and it is the feeling of the evaluation team that the present organizational structure can work satisfactorily. One means of assuring that it is truly responsive on a department wide basis, although not reporting directly to the Executive Director, is to establish an effective ADP committee in accordance with original recommendation #2.

RECOMMENDATION #5

REQUIRE THE ADP SERVICE CENTER TO PROVIDE USERS WITH A COST STATEMENT FOR ADP PRODUCTS AND/OR SERVICES RENDERED.

The ADP Service Center produces monthly cost statements by user agency that provides cost by system and category of service. This report is sent



to the Director of the Division of Finance. It is not distributed to the individual users. The Department of Institutions' response to this recommendation indicates that they do not want to distribute the cost information until they have integrated it into their overall cost system. The evaluation team feels that this cost information can be distributed in its present form for informational purposes. This will provide managers with a proper perspective of the value of ADP services received. Better decisions can then be made regarding retaining, expanding or reducing ADP services based on cost/benefit considerations.

- FOLLOW-UP RECOMMENDATION #2

DISTRIBUTE ADP COST FIGURES TO USERS EACH MONTH STARTING IMMEDIATELY.

RECOMMENDATION #6

REQUIRE ADP USERS TO PROVIDE WORKLOAD PROJECTIONS FOR THE DEVELOPMENT OF A COMPUTER RUN MASTER SCHEDULE.

Users are furnishing workload projections and the Computer Center develops and utilizes daily, weekly, monthly and annual computer schedules.

RECOMMENDATION #7

REQUEST ADEQUATE ADP RESOURCES IN THE CURRENT BUDGET CYCLE TO FUND THE PROJECTED INCREASES IN ADP ACTIVITIES FOR DOI, AS PER THE APPROVED ADP PLAN.

The Department of Institutions does request funds in accordance with their ADP Plan.

RECOMMENDATION #8

DEVELOP A STANDARD CHART OF ACCOUNTS AND A CODING STRUCTURE FOR THE DOI AGENCIES, IN ORDER TO PROVIDE UNIFORM DATA HANDLING AND REPORTING.

The Department has developed a standard chart of accounts for all agencies which are included in the automated Cost Distribution system. This includes all agencies except adult Parole and the Penitentiary. These last two agencies will also be included in the standard chart when they are included in the same cost distribution system as the others. This is dependent to some degree on resolution of this issue of State central versus Department systems. See discussion under recommendation #10.

#### RECOMMENDATION #9

INSTALL ADP USER TERMINALS AS APPLICABLE FOR INPUT/OUTPUT USAGE, WITH THE DOI UNIVAC 9400 CENTER IN PUEBLO.

This recommendation is being implemented as terminals are needed and funds are available.

#### RECOMMENDATION #10

REQUIRE AN EVALUATION OF ADP PRODUCTS AND/OR SERVICES WHICH ARE RECEIVED FROM THE STATE CONTROLLER AND THE DEPARTMENT OF PERSONNEL FOR THE VARIOUS DOI AGENCIES.

One of the major concerns of the agencies of the Department of Institutions is that there is a lack of coordination and integration between the accounting and personnel system developed by the Department and those of the State Controller and State Department of Personnel. This causes duplication of work and information reconciliation problems. Currently all agencies use the Controllers' general accounting system and provide information to the Department of Personnel's personnel system. Some agencies use the central payroll and inventory systems while others use the Department of Institutions Payroll and Inventory systems. All but two of the Department's agencies use the Department's Cost Distribution system while some have used

or are using the Controller's Agency Budget Ledger System (ABL).

In the interest of uniformity and cost savings the Controller's Office and the Department of Personnel encourage all agencies to utilize the centrally developed systems. Some agencies feel these systems do not satisfy all of their management needs and thus the resultant mix of systems used.

The agencies would like to resolve the whole issue of State centralized versus Department systems in the interest of efficiency and economy. The Department indicates in their response that they are working with the central authorities to bring about the needed coordination and integration.

- FOLLOW-UP RECOMMENDATION #3

CONTINUE THE RESOLUTION OF CENTRAL VERSUS DEPARTMENT ACCOUNTING, PERSONNEL AND PAYROLL AUTOMATED SYSTEMS.

RECOMMENDATION #11

CONSIDER THE USE OF MANAGEMENT ANALYSTS TO INTERFACE WITH DOI ADP STAFF AND USERS.

The Department has not been funded for management analysts for this purpose but is in agreement with this recommendation.

RECOMMENDATION #12

CONTINUE THE DOI POLICY OF USING AN ACCOUNTANT TO INTERFACE AMONG DOI ADP AND USERS OF ACCOUNTING ADP PRODUCTS AND SERVICES.

A new Director of the Division of Finance was appointed during the course of this follow-up. The new Director recognizes the need for assuring proper communication between ADP personnel and Department program personnel. It has not as yet been determined exactly what means will be used to assure this dialogue.





RICHARD D. LAMM  
GOVERNOR

**DEPARTMENT OF INSTITUTIONS**

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August 13, 1975

Mr. Wilbur Richardson  
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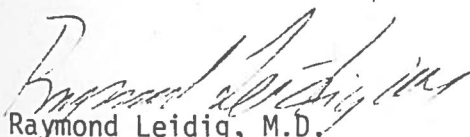
Dear Mr. Richardson:

This is our response to the follow-up audit of your performance evaluations of the Department of Institutions data processing activities.

As you will notice, most of your recommendations have either been implemented or are in the process of implementation at this date. We are submitting comments on all recommendations for further clarification.

The staff of the Department of Institutions will be available and will offer assistance in completing the follow-up interviews. If we can be of further assistance, please let us know.

Sincerely,

  
Raymond Leidig, M.D.  
Director

RL:RB:nn

cc: Bob Standerfer  
Dale Rupp

DEPARTMENT OF INSTITUTIONS  
DIVISION OF ADP  
RESPONSE TO AUDIT REPORT  
1974

Recommendation

Comments

#

1 & 2

We agree in concept with recommendations 1 and 2. Details as to the function and duties of a planning and control committee have yet to be determined.

3

An ADP Plan has been developed, amended and submitted to the Division of ADP. Currently, the plan is being updated to reflect the 1975-76 general funding and the L.E.A.A. funded adjusted program. The revised plan, through fiscal year 1979-80, should be completed by October 1, 1975.

4

Because of the large department served by the data processing unit of the Department of Institutions and because of the extensive responsibilities and managerial coverage necessary at the Executive Director level, we must disagree with the reorganization suggested. The inclusion of ADP along with the financial section and a management systems section seems more in concert with the needs of the Department as a whole. We will maintain the present organization, although there may be a few minor shifts of responsibilities within the organization as it now is for proper integration of information for the Executive Director.

5

We already provide, on a monthly basis, an ADP cost report by application and agency. We have not integrated this as a part of our cost system. At the present time, we do not recommend that this be done. This will be one of the items that will be addressed in the first few PACC meetings that will take place. Certainly an educational program is warranted wherein the Division Directors and Agency Directors are all informed of the real costs of a data processing service.

6

The normal work loads are currently being projected by ADP control section by utilization of a monthly computer activity log sheet.

7

Certainly we have to agree that the request ought to be made. In fact, it has been made, but unfortunately no additional resources were made available to us. Our mode of operation in the future will be to very closely scrutinize the effectivity and efficiency of our present manpower assignment and mode of operation with every intention of providing maximum service from the existing resources as they now stand. All efforts, however, are dedicated to carrying out the approved ADP plan with modifications.

<u>Recommendation</u> #	<u>Comments</u>
8	We agree with this recommendation. Several significant steps have already been attained through the development of a common cost distribution system reporting structure. This system is implemented in all but two of the department's agencies.
9	<p>It is the intention of the Department and the Support Services Division to install terminals in all geographical areas of the State necessary to feed information into the management information system. The first five of these are now planned to be installed during the current fiscal year as part of the L.E.A.A. grant on the correctional information system. Besides the installation at the Pueblo data center, which already exists, the four installations will be at the penitentiary, the reformatory, adult parole, and the central department (Corrections Division) office. The exact location has not been decided at this time.</p> <p>Future installations at other locations will depend primarily upon availability of the funds, the increased participation of the line operating divisions in the data processing activity. As resources become available for this purpose, such installations will be implemented.</p>
10	<p>The Department will initiate meetings with the Personnel Department and the Controller to coordinate and integrate systems development.</p> <p>It should be understood, however, that the establishment of personnel information in all of the agencies for accumulation of information for the division and department level has been placed in very high priority for systems development for the next fiscal year. The Department is considering expansion of the present personnel system now in use in the four agencies served by the Pueblo ADP Center. The recommendation to again determine the availability of information from the central personnel office is good and we would comply before progressing further in this system expansion.</p>
11	We agree with this recommendation. Our 1975-76 budget request included a request for a management analyst, but we were not funded.
12	We are currently analyzing the structure of the Departments accounting functions and this includes the best means for providing for the interface between accounting and ADP. Any change in structure will take this into consideration and provide for the necessary communication.

DEPARTMENT OF INSTITUTIONS  
STATE ADP PERFORMANCE EVALUATION REPORT DATED DECEMBER 1974

Short Statement of Recommendation	See Report for full Statement	See Comments	Implemented	In Process	In Fiscal Year	Deferred	Rejected
1. Replace the DOI ADP Advisory Committee.		XX		XX			
2. Establish a DOI ADP Planning and Control Committee.		XX		XX			
3. Develop and implement an Approved ADP plan.		XX	XX				
4. Reorganize the DOI ADP organizational structure.		XX					XX
5. Require ADP cost accounting reports.		XX	XX				
6. Require users to provide daily, weekly, monthly and annual workload projects.		XX	XX				
7. Request adequate funds to implement the Approved ADP Plan.		XX	XX				
8. Develop a uniform Chart of Accounts and Coding structure.		XX		XX			
9. Install ADP user terminals.		XX		XX			
0. Evaluate State Controllers and Department of Personnel systems.		XX		XX			
1. Consider the use of Management Analysts to interface with DOI ADP staff and users.		XX				XX	
2. Continue Accounting interface among DOI accounting systems and ADP staff.		XX	XX				

