



MICHAEL G. BRESLIN  
COUNTY EXECUTIVE

COUNTY OF ALBANY  
DEPARTMENT OF MANAGEMENT AND BUDGET  
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JOHN W. RODAT  
COMMISSIONER

September 1, 2009

Mr. Michael Conners  
Comptroller  
County of Albany  
112 State St.  
Albany, NY 12207

Dear Mr. Conners:

As you are aware, the County Charter (Section 603.b) prescribes that agencies have until July 1 of each year to "submit to the County Executive and County Legislature estimates of revenues and appropriations required for their respective Administrative Unit for the ensuing year ..." That section also provides that "in the event any Administrative Unit Head fails to submit an estimate by July 1<sup>st</sup>, the Commissioner of Management and Budget shall prepare an estimate for that Administrative Unit." In essence, departments, including the Department of Audit and Control, have until the end of June to complete their budget requests. After that date, agency requests are at the discretion of this Department while it prepares the County Executive's Proposed Budget.

As you are also aware, the County Charter (Section 502.i) prescribes that the Commissioner of Management and Budget shall "have responsibility for the provision of information services in support of the County's departments and administrative units." Using that authority the Department's Division of Information Services has published a list of agencies that are the primary custodians or "owners" for each information system and/or module that the County uses. The primary custodians are responsible for determining who has access to each system and for what purposes. The Division has also published a series of directives aimed at maintaining the security and integrity of the County's information systems.

Among this Department's most important concerns are information system security and integrity. System security and integrity is a function of both technological and human functions and characteristics.

MUNIS is by far the County's most important information system, encompassing among other functions General Ledger, Accounts Receivable, Accounts Payable, Payroll, Budget, and others. It has been the County's historical practice to assign two persons with "Administrator" privileges to the MUNIS system. One of those persons works in this Department in the Division of Information Services. The other works in your Department. Among other things, Administrator privileges mean that those assigned this role have the ability to enable or disable permissions to use the system and modules within it.

In this respect it is essential to distinguish between technical *ability* to give permissions and *authority* to give permissions and to perform other functions. Because "Administrators" may give others permissions,

they obviously have the technical ability to give themselves permissions even in cases where they do not have authority to do so. Obviously, this is the human side of information technology security and it requires trustworthiness and constant diligence to ensure the integrity and security of the system.

On August 2, 2007 at 9:49:50 AM, unbeknownst to Budget and Information Services staff, Mr. Anthony Fontanelli of your staff, used his "Administrator" privileges to give himself the highest level (level 5) of permissions to the Budget module (see Attachment 1). He also gave those permissions to John Branigan and John Camadine of your staff. Among other things, this permission level meant that Mr. Fontanelli had given himself permission to change agency budget requests and change the County Executive's proposed Budget. This was highly inappropriate, no more appropriate than a staff person from Information Services giving a Budget staff person comparably high permissions in the General Ledger.

On July 24, 2009 from 10:35:56 AM to 10:52:34 AM and on July 27, from 1:35:09 PM to 1:41:47 PM, over three weeks after the deadline for completing your budget request, Mr. Fontanelli added \$80,000 and a new position, Director of Municipal Affairs to your budget request. He did this after Audit and Control staff, including Mr. Fontanelli, presented your agency's budget request for 2010 to this Department on July 22. At that time, the request did not include a new position. Subsequent to that meeting on July 29 at 1:03 PM, Mr. William Curran of your staff sent me an e-mail and a screenshot (Attachment 2) purporting to show the position was in the budget. The fact that the screenshot was taken was in itself evidence that Mr. Fontanelli had inappropriate access to the MUNIS budget module. You will note that the date and time of document Mr. Curran sent to me are July 27, 2009 at 13:42 (1:42 PM) and that it was prepared by Mr. Fontanelli.

We have reviewed every single change to the Budget module since the beginning of 2008 and have not found a single other person who made inappropriate or unauthorized changes to the Budget module.

During our investigation, we have also found indications that Mr. Fontanelli gave himself the highest level permissions to the payroll module. He also made changes to the 2010 budget requests of the Sheriff's and the Probation Departments. In the former case, he added \$275,000 in revenue and added \$1,500 to revenue in the Probation Department. We have not yet completed our review of these cases.

At a minimum, Mr. Fontanelli abused his position as MUNIS System Administrator giving himself permission to use an information system module in a manner for which he had no authority and he did so to increase your agency's budget request well after the County Charter's deadline. Given the permissions he gave himself, there was nothing to preclude him from changing any agency's budget at any time except adherence to policy and behaving in a trustworthy manner, both of which he failed to do. Clearly, he abused his role as a MUNIS System Administrator giving himself access to MUNIS modules where he had no right to be and thus brings into question the security and integrity of the entire system as well as compromising the budget process.

System Administrators have high levels of permission to manipulate the systems they are responsible for. They have the technical ability to perform a function that they are not authorized to perform and thus should be of unquestionable integrity. At a minimum, Mr. Fontanelli's actions violate the following County Information Services Directives:

- "Access to MUNIS. An account can be created, however access to specific modules is controlled by the Departments having ownership of the functionality. Separate communications from the module owner to the MUNIS System Administrator will be needed to grant permissions."  
(<http://alconet/dis/directives/NewAccountCreation.pdf>)

- “Users may not attempt to circumvent the County’s data protection measures or uncover security loopholes or bugs. Users may not gain or attempt to gain unauthorized access to restricted areas or files on the computer system. Users should not tamper with any software protections or restrictions placed on computer applications, files or directories. Users who have reason to believe the security of their computer has been breached must immediately report such belief to their supervisor.” (<http://alconet/dis/directives/ComputerUseDirective.pdf>)
- “... before setting system access permissions to authorize user access to a system owned by an Albany County department, we require that permission be granted by the owner department.” (<http://alconet/dis/directives/SystemAccessApproval.pdf>).

From both the perspective of financial protocol and that of information system security, Mr. Fontanelli’s actions comprise a significant breach, especially by a person entrusted with the highest level of Administrator privileges in the County’s most important information system. Even had Mr. Fontanelli never made any changes to any budgets, he clearly had inappropriate access to MUNIS modules. He could easily have made changes to your or another agency’s budget after completion of the County Executive’s Proposed Budget, and I can only assume that he has been viewing preparation of the County Executive’s Budgets at least since 2007. Since we concluded that the security and integrity of the system had been compromised, it has taken several weeks and considerable staff time to investigate this breach and to prepare an alternative security structure. Moreover since we knew the security and integrity of the system had been compromised Budget staff has been unable to use the Budget module, significantly hampering our preparation of the 2010 Budget.

Information Services Directives also provide for the following:

- “The County reserves the right to remove a User account and/or eliminate or restrict User privileges at any time without notification.” (<http://alconet/dis/directives/ComputerUseDirective.pdf>)
- “Always use standard security principles of least required access to perform a function.” (<http://alconet/dis/directives/HardwareSoftwareSecurityPolicy.pdf>)

As a result of the above, I have taken the following actions:

- Directed Division of Information Services staff to re-configure the structure of MUNIS Administrator privileges.
- Directed Division of Information Services staff to limit Administrator privileges for Audit & Control staff to the MUNIS modules for which you are responsible, namely General Ledger, Accounts Payable and Accounts Receivable.
- Directed Division of Information Services to conduct a daily review of changes in permissions and other MUNIS Administrative functions and report the results to me directly.
- Directed Division of Information Services staff to prepare a RFP for an information security evaluation.
- Begun consultations with the Commissioner of Human Resources regarding the level of permissions required by Audit and Control staff to the payroll module and whether Mr. Fontanelli should be permitted any access at all.

Further, as a result of the above, I strongly recommend that you:

- Re-evaluate Mr. Fontanelli's role in your Department, particularly as to whether he should continue to have any role in MUNIS.
- Assign Mr. Fontanelli's responsibilities to another person or persons in your Department.
- Determine the role Mr. Curran played in adding a new \$80,000 position to your budget request well after the deadline, in particular whether he knowingly participated in Mr. Fontanelli's attempted deception.
- Determine whether anyone else on your staff or the staff of the Division of Information Services played a role in or was aware of the addition of the new \$80,000 position or any other misuse of MUNIS Administrator privileges.

I would appreciate knowing the results of your review of this matter as quickly as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "WRodat", with a long horizontal stroke extending to the right.

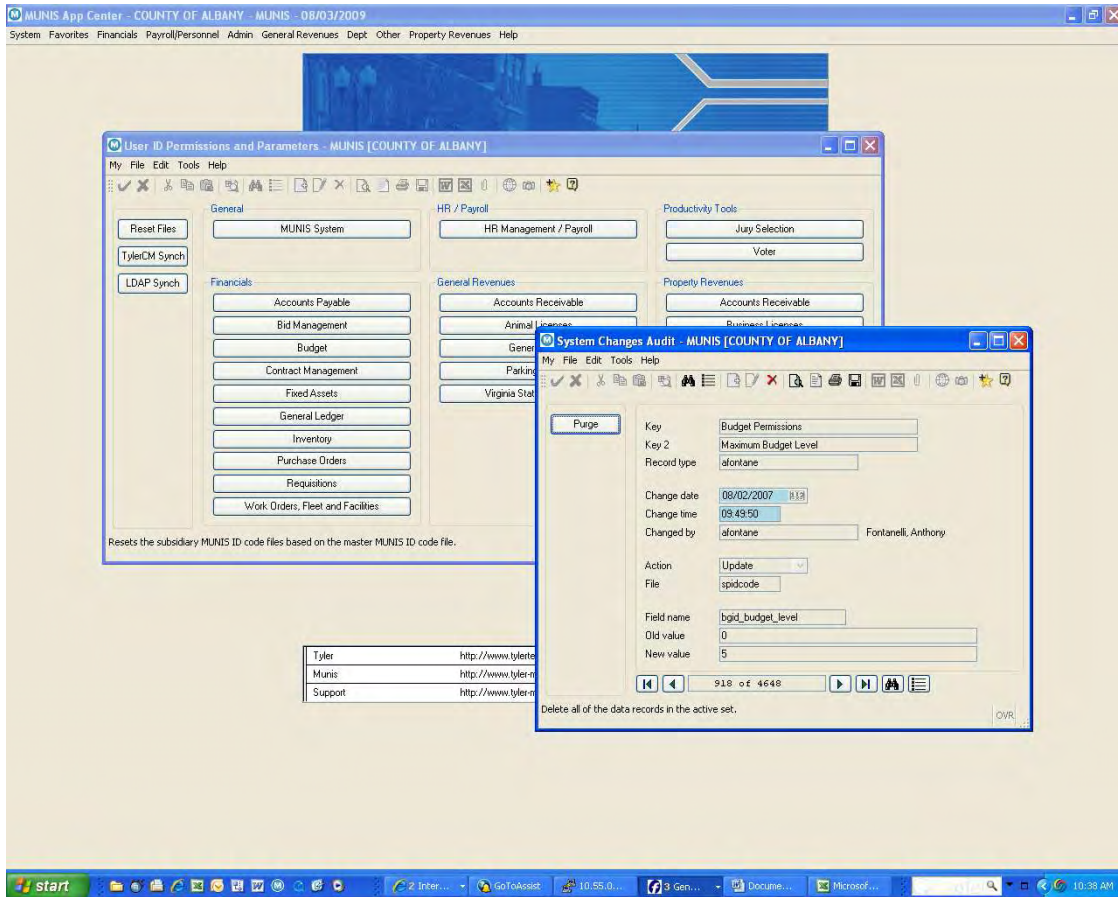
John W. Rodat

Encl.

Copies:

Michael G. Breslin  
Charles Houghtaling, Chair, Albany County Legislature  
Frank Commisso, Chair, Committee on Audit and Finance  
Christine Benedict, Ranking Minority Member, Committee on Audit and Finance  
James Campbell, Sheriff  
Robert Conway, Commissioner of Human Resources  
Patricia Aikens, Director of Probation

## Attachment 1



Attachment 2

Sent by William Curran to John Rodat

July 29, 2009 at 1:03 PM



# COUNTY OF ALBANY

07/27/2009 13:42  
afontane

COUNTY OF ALBANY  
DEPARTMENT BUDGET REQUESTS

PG 1  
bgdept.rq

## BUDGET PROJECTION 20101 20101 - 2010 Budget Projection V. 1

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPARTMENT	PERCENT CHANGE
A91315	10110	10000 Comptroller	105,337.00	105,337.00	105,337.00	.00
A	-11-00-1315-000-10110	-10000				
	CONNERS MICHAEL		1.00	105,337.00	105,337.00	
	CONNERS II, MICHAEL F(2095)					
A91315	11000	10000 Personal Services	.00	.00	.00	.00
A	-11-00-1315-000-11000	-10000				
A91315	11135	10000 Director of Municipal Affairs	.00	.00	80,000.00	.00
A	-11-00-1315-000-11135	-10000	.00	80,000.00	80,000.00	
	Coordinate cooperative governm					
	Generation of revenues					
	Interface with County Executive, County					
	Legislature, Sheriff, Clerk					
A91315	11145	10000 Exec. Deputy Comptroller	174,478.00	174,478.00	174,478.00	.00
A	-11-00-1315-000-11145	-10000	1.00	87,239.00	87,239.00	
	DOTT EDWARD					
	DOTT, EDWARD L(1248)					
	CURRAN JOHN		1.00	87,239.00	87,239.00	
	CURRAN, JOHN W(3753)					
A91315	11380	10000 Deputy Comptroller	.00	.00	.00	.00
A	-11-00-1315-000-11380	-10000				
A91315	11381	10000 Assoc. Operations Supervisor	87,239.00	87,239.00	87,239.00	.00
A	-11-00-1315-000-11381	-10000	1.00	87,239.00	87,239.00	
	FONTANELLI ANTHONY					
	FONTANELLI, ANTHONY J(785)					
A91315	12048	10000 Attorney PT	.00	.00	.00	.00
A	-11-00-1315-000-12048	-10000				
A91315	12511	10000 Accountant I	.00	.00	.00	.00
A	-11-00-1315-000-12511	-10000				
A91315	12513	10000 Accountant II PT	51,200.00	51,200.00	51,200.00	.00
A	-11-00-1315-000-12513	-10000	1.00	51,200.00	51,200.00	
	JOHN BRANIGAN					