



PR10-02-018
Contact: Sharon Lee, (212) 669-3747

February 8, 2010
Page(s): 2

DOT OUT OF CONTROL IN DISABILITY PARKING PERMIT PROGRAM

Comptroller's Audit of DOT Process Reveals 22,000 Official Seals Missing

NEW YORK, NY - The New York City Department of Transportation (DOT) is not properly tracking its inventory and issuance of disability parking permits, according to an audit initiated by former Comptroller William C. Thompson, Jr. and just completed by Comptroller John C. Liu. The poor controls in place could mean the issuance of thousands of fraudulent permits.

"People with disabilities should be afforded opportunities and mechanisms to remain independent and contributing," Comptroller Liu said. "One way we help is by allowing mobility-impaired individuals to park their cars at most curbsides on City-owned streets. The application process for these permits is rigorous, and necessarily so, according to the DOT. Unfortunately, the agency's own procedures fall far short of rigorous. This double standard sometimes creates an unreasonable burden for applicants, sometimes invalidates permits inadvertently, and leaves the City vulnerable to the issuance of fraudulent permits."

The audit found that DOT's controls for its handling of permit seals is grossly deficient. Of the 100,500 permit seals reportedly on hand when the auditors performed a count, at least 22,000 -- or 22 percent -- were unaccounted for. This is problematic since fraudulent permits are easily created using these seals, and loose controls facilitate an environment where fraudulent permits could be issued without detection. DOT officials generally agreed with the audit's recommendations, through they disagreed in part with the findings related to the missing seals. The audit had scrutinized a sample of 250 permits out of the 24,369 total City disability parking permits issued by the NYC DOT's Parking Permits for People with Disabilities (PPPD) unit during Fiscal Year 2008.

Comptroller Liu credited H. Tina Kim, Deputy Comptroller for Audit, and her team in the Bureau of Management Audit for the findings, chief of which are:

- DOT's recordkeeping practices over its inventory of permit seals are grossly deficient. With 22,000 seals unaccounted for, the potential for fraud is substantial, undermining DOT's efforts to ensure that only those who need and qualify for permits receive them and would also result in lost revenue to the City;

- DOT does not monitor the permits it generates, nor does it reconcile the generated permits with applicants' files to ensure that all printed permits are valid and warranted;
- PPPD personnel share user identifications and passwords in e-Permits (DOT's computerized processing system). As a result, DOT is unable to determine whether the applicants' medical certification assessment information was recorded only by authorized personnel;
- Permits of living individuals were deactivated by the PPPD unit because DOT's match procedure to identify deceased permit holders is inadequate.

The recommendations made by Comptroller Liu to the DOT include:

- Conduct an immediate investigation to determine the disposition of 22,000 official seals that were unaccounted for, as identified in the report, and ensure that inventory records of the disability parking permit seals are accurately maintained and that all seals and their storage location are included in its inventory records;
- Periodically monitor e-Permits data (e.g., compare permits issued to applications) to ensure the accuracy and legitimacy of the permits being issued;
- Ensure that user identifications and passwords are not shared by its employees. User-specific identifications should be created for each employee authorized to record the certification assessment information in the e-Permits system.

###