

AUDIT REPORT

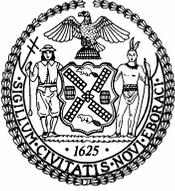


CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL AUDIT
WILLIAM C. THOMPSON, JR., COMPTROLLER

Audit Report on the Financial and Operating Practices of The 18 Brooklyn Community Boards

FP07-117A

June 26, 2008



THE CITY OF NEW YORK
DEPARTMENT OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

WILLIAM C. THOMPSON, JR.
COMPTROLLER

To the Citizens of the City of New York

Ladies and Gentlemen:

In accordance with the Comptroller's responsibilities contained in Chapter 5, §93, of the New York City Charter, my office has audited the compliance of the Brooklyn Community Boards (Boards) with certain purchasing and inventory procedures.

There are 18 Community Boards in the borough of Brooklyn. Each Board is headed by a Chairperson and employs a District Manager to manage the day-to-day operations. Audits such as this provide a means of ensuring that agencies follow City guidelines and that government dollars are used appropriately and in the best interest of the public.

The results of our audit, which are presented in this report, have been discussed with officials of the Boards as well as the Brooklyn Borough President's Office, and their comments have been considered in preparing this report. Their complete written responses are attached to this report.

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please e-mail my audit bureau at audit@Comptroller.nyc.gov or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in cursive script that reads 'William C. Thompson, Jr.'.

William C. Thompson, Jr.

WCT/fh

Report: FP07-117A
Filed: June 26, 2008

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The City of New York
Office of the Comptroller
Bureau of Financial Audit

**Audit Report on the
Financial and Operating Practices of the
18 Brooklyn Community Boards**

FP07-117A

AUDIT REPORT IN BRIEF

There are Community Boards (Boards) for each of the 59 Community Districts throughout the five boroughs of New York City, of which Brooklyn has 18—Boards 1 through 18. Each Community Board (Board) has up to 50 non-salaried members who are appointed by their respective Borough Presidents and a District Manager as its chief executive officer. The Borough President’s Offices provide administrative assistance to their Boards.

This audit determined whether the 18 Brooklyn Boards complied with certain purchasing and inventory procedures as set forth in the New York City Comptroller’s *Internal Control and Accountability Directives* (Comptroller’s Directives) #3, #6 and #24; applicable Procurement Policy Board (PPB) rules; the *Procedural Guidelines for Community Boards*; and the Department of Investigation *Standards for Inventory Control and Management*; and if the Boards received funding from non-City sources, whether they accounted for the receipt and disbursement of those funds.

Audit Findings and Conclusions

The 18 Boards generally adhered to Comptroller’s Directives #3, #6, and 24; applicable Procurement Policy Board (PPB) rules; the *Procedural Guidelines for Community Boards*; and the Department of Investigation *Standards for Inventory Control and Management*. In addition, imprest fund purchases did not exceed \$250; imprest fund checks had the required authorized signatures, designated specified payees, and bore the inscription “void after 90 days”; imprest fund bank accounts were appropriately reconciled; and all major equipment items were on hand.

Lastly, our examination of the Boards’ Other Than Personal Service expenditures disclosed no major instances in which monies were improperly used. However, there were minor instances in which the Boards did not comply with certain purchasing and inventory procedures.

Audit Recommendations

We make twenty-four recommendations to the Boards to address weaknesses found during the audit, including that the Boards should ensure that:

- Miscellaneous vouchers are used only for purposes that are allowable by Comptroller's Directive #24;
- Imprest fund payments are used only for purposes that are allowable by Comptroller's Directive #3.
- All payments are charged to the correct object code;
- Sales tax is not paid to vendors;
- Complete and accurate inventory records are maintained;
- Chairpersons' and former Chairperson's cell phone charges are not paid for by the Boards; and
- Less expensive cell-phone plans are used and stop the practice of making personal calls.

INTRODUCTION

Background

There are Community Boards for each of the 59 Community Districts throughout the five boroughs of New York City. Each Community Board has up to 50 non-salaried members who are appointed by their respective Borough Presidents. Board members reside, work, or have significant interests in their districts. Each Board has a Chairperson and hires a District Manager as its chief executive officer. The District Manager's responsibilities include assisting the Board in hiring the administrative staff, supervising the staff, and managing the daily operations of the district office. Each Borough President's Office provides administrative assistance to its Boards.

There are 18 Brooklyn Boards—Boards 1 through 18. Each Board has a District Manager and at least one full-time clerical staff person.

Table II, below, lists each Board's Other Than Personal Service expenditures for Fiscal Year 2006.

Table I
Summary of Expenditures for the 18 Brooklyn Community Boards
Fiscal Year 2006

Board	Other Than Personal Services
Board 1	81,005
Board 2	64,812
Board 3	102,966
Board 4	61,667
Board 5	19,483
Board 6	37,716
Board 7	7,377
Board 8	45,449
Board 9	72,027
Board 10	32,867
Board 11	42,392
Board 12	41,930
Board 13	77,010
Board 14	74,214
Board 15	26,872
Board 16	39,702
Board 17	88,962
Board 18	46,141
Total	\$962,592

Objectives

The objectives of this audit were to determine whether the 18 Brooklyn Community Boards (Boards) are complying with certain purchasing and inventory procedures as set forth in: the New York City Comptroller's Internal Control and Accountability Directives (Comptroller's

Directives) #3, #6 and #24; certain applicable Procurement Policy Board (PPB) rules; the “Procedural Guidelines for Community Boards”; the Department of Investigation *Standards for Inventory Control and Management*; and the “Handbook For Community Board Members”; and, if the Boards received funding from non-City sources, whether they accounted for the receipt and disbursement of those funds.

Scope and Methodology

This audit covered the period July 1, 2005, through June 30, 2006.

To obtain an understanding of the purchasing and inventory procedures and regulations with which the Boards are required to comply, we reviewed relevant provisions of: Comptroller’s Directives #3, “Procedures for the Administration of Imprest Funds,”; #6, “Travel, Meals, Lodging and Miscellaneous Agency Expenses”; and #24, “Agency Purchasing Procedures and Controls”; applicable Procurement Policy Board (PPB) rules; the “Procedural Guidelines for Community Boards”; the “Handbook For Community Board Members”; and the Department of Investigation *Standards for Inventory Control and Management*. We interviewed staff at the Boards to obtain an understanding of the purchasing procedures, to determine how physical assets are safeguarded, and to determine the controls over funding received from non-City sources.

Tests of Compliance with Comptroller’s Directive #3 and #24 and PPB Rules

We examined all 298 purchase documents issued by the Boards (282 purchase orders; 11 contracts; and 5 requirement contract release orders) and their 923 corresponding vouchers. We also examined all 466 miscellaneous vouchers and all 49 imprest fund vouchers issued by the Boards during our audit period. Each purchase document and voucher was examined for the requisite approvals and authorizations; for evidence that the transactions were for proper business purposes; and for adequate documentation. It was also determined whether the proper purchase document was used to initiate the purchase of goods or services. Each of the 1,438 vouchers was examined to ascertain whether: it was properly coded; an authorized purchase document was on file; sales and excise taxes, if applicable, were properly excluded from payments; and bids were obtained when required by PPB rules. For the 466 miscellaneous vouchers and 49 imprest fund vouchers, we also determined whether the vouchers were issued for only allowable purposes.

To determine whether the Boards were in compliance with imprest fund procedures specified in Comptroller’s Directive #3, we selected all bank statements for the imprest funds for Fiscal Year 2006. All canceled checks listed on the bank statements were examined for the presence of: two authorized signatures; a specific payee (as opposed to “bearer” or “cash”); an endorsement; and a “void after 90 days” inscription. We also determined whether appropriate bank reconciliations were performed and whether individual imprest fund expenditures were within the \$250 allowable amount specified in Directive #3.

Test of Records for Funding from Non-City Sources

Based on our interviews with staff at the Boards, we determined that no Boards received funds from any fundraising events or from a non-City source.

Tests of Inventory Records

We selected all major equipment items (including computers, monitors, printers, scanners, laptops, fax machines, and televisions) listed on each Board's most current inventory records and determined whether they were on hand at each Board's office. We also checked whether all items examined were properly tagged as property of the Board. Finally, we ascertained whether major equipment purchased during our audit period was properly recorded on the Boards' inventory lists.

This audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included tests of the records and other auditing procedures considered necessary. This audit was performed in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

Discussion of Audit Results

The matters covered in this report were discussed with officials of the 18 Brooklyn Community Boards and the Brooklyn Borough President's Office during and at the conclusion of this audit. A preliminary draft report was sent to Board officials and the Brooklyn Borough President's Office and was discussed at an exit conference held on March 31, 2008. On April 18, 2008, we submitted a draft report to Board officials and the Brooklyn Borough President's Office with a request for comments. We received written comments from each of the Boards and the Borough President's Office.

In their responses, the 18 Boards and the Borough President's Office described the steps they have taken or will take to implement the report's recommendations. The full texts of the comments are included as addenda to this report.

FINDINGS AND RECOMMENDATIONS

The 18 Boards generally adhered to Comptroller's Directives #3, #6, and #24; applicable Procurement Policy Board rules; the "Procedural Guidelines for Community Boards"; and the Department of Investigation *Standards for Inventory Control and Management*. In that regard:

- Bids were appropriately obtained for purchases when applicable;
- Imprest fund purchases did not exceed \$250;
- Imprest fund checks had the required authorized signatures, designated specified payees, and had the inscription "void after 90 days";
- Imprest fund bank accounts were appropriately reconciled; and
- All major equipment items were on hand.

In addition, our examination of the Other Than Personal Services (OTPS) expenditures of each Board disclosed no major instances in which monies were improperly used.

However, there were instances of Board noncompliance which did not detract from our overall opinion; the details of these findings are discussed in the remaining sections of this report.

Improper Payments from Imprest Fund

Imprest Fund Used to Pay for Monthly Expenditures and Parking Violation at Board #18

Eighteen of 30 payments made from Board #18's imprest fund were for improper expenditures according to Comptroller's Directive #3. These 18 payments totaled \$790 and were made to pay monthly charges for cable TV and Internet service. According to Directive #3, the imprest fund may not be used for "continuing monthly expenditures (e.g., ongoing rental of office equipment, internet or cell phone services)." Recurring expenditures such as these should not be paid out of the imprest fund, but should be paid using the appropriate purchase document and payment voucher.

In addition, the imprest fund was used to pay for a parking violation totaling \$165. In accordance with the Comptroller's Directive #6, §14.11, "Parking tickets and motor vehicle violations incurred during the conduct of City business are never reimbursable regardless of whether obtained in connection with the operation of a City owned, personal or rental vehicle at a Local, Long Distance or Overnight Travel destination."

Recommendations

Board #18 should:

1. Ensure that imprest fund payments are used only for purposes that are allowable by Comptroller's Directive #3.

Board 18 Response: "Monthly charges for cable TV have not been paid by Imprest Fund as of March/April 2006 – 3/14/06 was the last Imprest Fund payment. – and Internet service were paid by the Imprest Fund to AOL as an automatic monthly bank transfer. AOL would not accept any other method of payment. As of March 7, 2008 AOL was cancelled."

2. Ensure that the City is reimbursed a total of \$165 for a parking violation paid from its imprest fund.

Board 18 Response: "Parking violation totaling \$165.00 was reimbursed on March 6, and paid to The City of New York."

Invoice Did Not Describe Items Purchased at Board #11

Board #11 made a purchase using the imprest fund totaling \$53. The receipt for this purchase had no description indicating what item was purchased. According to Comptroller's Directive #3, §5.4.5, "Invoices should properly describe the items purchased and provide quantities and separate prices for each item."

Recommendation

3. Board #11 should obtain receipts with proper descriptions of the items purchased before payments are made to vendors or reimbursement to employees.

Board 11 Response: Board 11's response did not address this recommendation.

Noncompliance with Purchasing Procedures and Controls

Payments Lacked Proper Documentation on File at Boards #1 and #13

Our review of payment vouchers at Board #13 revealed that the District Manager was reimbursed \$80 without providing any invoices that supported the claimed expenses. The Personal Expense Form indicated that one expense of \$60 on July 18, 2005, was for "miscellaneous moving expenses to new office." On July 19, 2005, the District Manager recorded an additional expense of \$20 for "office move—soda, snacks, other." In addition, the Brooklyn Borough President's Office staff did not obtain copies of the invoices for the \$80 prior to approving the payment. Directive #24 requires the submission of supporting receipts along with payment or reimbursement requests.

In addition, Board #13 made nine miscellaneous vouchers payments totaling \$282 even though the receipts had no description of the items purchased.

Our review of payment vouchers at Board #1 revealed that one vendor was paid a total of \$375 without having provided supporting documentation, such as a daily time sheet, to document that the services were performed. The only documentation provided was four invoices for set-up services for Board meetings. The invoices had the person's name with the Community Board's address on the letter head and did not detail the hours the person worked. There was no documentation that this person did perform the services on the invoice. Additionally, as detailed in the next section, this vendor received payment prior to rendering the services. Therefore, it appears the undated invoices were prepared before the services were rendered.

In addition, Board #1 made 13 miscellaneous vouchers payments totaling \$294 even though the receipts had no description of the items purchased.

Directive # 24, §6.0, requires adequate "supporting documentation" to be present before payment vouchers can be approved.

Recommendations

4. Board #13 should require that its District Manager either provide an invoice to document the expenses incurred or reimburse the \$80 to the Board.

Board 13 Response: "Board members and volunteers were on hand for the hot summer days during which this long-delayed move was accomplished. And, yes there were refreshments and drinks offered. . . . There were receipts for at least some of these purchases, and they were sent. This activity was three years ago, and the paperwork appears to be gone or misplaced elsewhere."

5. Board #1 should obtain from vendors completed time sheets or supporting documentation of work performed prior to paying the vendors.

Board 1 Response: "The caretaker has submitted this same invoice for the past 30 years, however, it has been revised . . . to comply with the Comptroller's wishes. In addition, the Board no longer uses a cleaning service due to the extreme budget cuts implemented by this Administration."

6. Board #1 and #13 should obtain receipts with proper descriptions of the items purchased before payments are made to vendors.

Board 1 Response: "The caretaker has submitted this same invoice for the past 30 years, however, it has been revised and attached (A) to comply with the Comptroller's wishes."

Board 13 Response: "Nine miscellaneous vouchers were noted totaling \$282. A check of back issues finds that these amounts related to expenses that concerned the monthly

Board Cabinet meetings, which are vital to community operations. It has been said that the receipts did not indicate the amounts delineated for which were the costs for the bagels, the milk, the juice, the butter and cheese. Our understanding is that, at such a meeting, the cost of \$3 is allowed for those attending. Indeed, the individual sums do not equate with this figure-they are much less.”

Advance Payment to Vendors at Board #1

Our review of payment vouchers revealed that at Board #1, two vendors were paid a total of \$1,632 in advance of performing services. Directive #24, §6.0, states, the goods or services must be received prior to the approval of the payment voucher.

One vendor received \$375 for Board meeting set-up services using four vouchers. The payment vouchers for this vendor were submitted as follows: on August 4, 2005, for the full month of services for August; on October 27, 2005, for services performed November 9, 2005, and December 6, 2005; on January 10, 2006, for services performed on January 11, 2006, and February 7, 2006; and on March 15, 2006, for work performed on March 21, 2006, April 10, 2006, May 9, 2006, and June 13, 2006.

The second vendor received \$1,257 for cleaning services using six vouchers in advance of rendering services. Vouchers were submitted for payment on October 25, 2005, for the months of October, November, and December 2005; on January 5, 2006, for the month of January 2006; February 8, 2006, for the month of February 2006; March 8, 2006, for the month of March 2006; on April 28, 2006, for the months of April and May 2006; and on May 10, 2006, for the month of June 2006.

Recommendation

7. Board #1 should ensure that services are performed prior to submitting a voucher for payment.

Board 1 Response: “The Board no longer uses a cleaning service due to the extreme budget implemented by this Administration.”

Unnecessary Sales Tax Paid to Vendor by Board #17

Board #17 unnecessarily paid sales tax totaling \$319 to one of its vendors. Comptroller’s Directive #24, §6.0 states “Payment voucher approvers must ensure that: . . . Taxes from which the City of New York is exempt are not included (such as New York State sales tax).” Board #17 representatives did not exclude sale tax on five invoices before filling out the payment vouchers. In addition, the Brooklyn Borough President’s Office staff did not correct this error when processing the vouchers to pay this vendor.

Recommendations

8. Board #17 should obtain a refund or credit from the vendor of \$319 for the sales taxes it paid.

Board 17 Response: “Community Board #17 received a credit from the Vendor ‘Quill’ in the amount of \$319 for the sales taxes it paid.”

9. The Borough President’s Office should ensure that sales tax is excluded from all payments made to vendors of the Community Boards.

Borough President Response: “Please be advised that the Office of the Brooklyn Borough President will not process any future purchases that include sales tax. A reminder memo will be prepared and sent out to all Community Boards reminding them of the City’s tax exempt status.”

Employees’ Daily Commuting Charges Improperly Paid for by Board #15

Board #15 paid \$440 for a parking permit for the District Manager and three other employees for the parking lot connected with the building in which Board #15’s office is located. According to Comptroller’s Directive #6, §4.2, “Transportation costs incurred for Commuting between an employee’s residence and Primary Work Station are not reimbursable.”

Recommendation

10. Board #15 should recover the parking permit fees paid on behalf of its employees.

Board 15 Response: “After the exit conference at Borough Hall, as per your recommendation I wrote to each of the employees a letter requesting reimbursement for the parking permits.”

Personal Calls Billed to Board #5’s Cell Phone

While on personal business, the District Manager of Board #5 made seven personal phone calls from Montreal, Canada, on Board #5’s cell phone to his home during off-business hours. These calls resulted in charges of \$59. These charges were included in the October 2005 cell phone bill and paid for by the Board.

When an employee is on job-related business away from the office and requests expense reimbursements for telephone calls, Directive #6, §14.9.4, states, “Reimbursement claims must indicate date, name of party, telephone number and place called and the purpose of the call and must attach an itemized receipt.” However, in this case, the employee was not on job-related business; therefore, reimbursement for personal use of the cell-phone is not allowed.

Recommendation

11. Board #5 should require its District Manager to reimburse the \$59 in personal-call charges made to his home during non-business hours from out of the country.

Board 5 Response: “I am reimbursing the board the amount of \$59.00.”

Duplicate Payments Made by Board #13

Our review of payment vouchers revealed that a vendor was paid twice for the same purchases at Board #13. Comptroller’s Directive #24, §6.0, states that “Payment Voucher approvers must ensure that the appropriate invoice is being paid.”

Specifically, in the case of Board #13, two vouchers were processed and a vendor was paid a total of \$350 for invoices for office-cleaning services. However, we found that the Board had previously paid the vendor for the services rendered on these invoices.

It appears that the Boards and the Brooklyn Borough President’s Office were unaware of the duplicate payments and that their respective staff did not review and examine the invoices for duplication.

Recommendations

12. Board #13 should obtain a refund of the \$350 duplicate payment or receive a credit against future services, if applicable.

Board 13 Response: “The total of \$350 for what appears to be duplicate cleaning figures may well have happened during the aforementioned period. At any rate, the vendor is no longer associated with CB 13, and, it must be noted, there were times during the pre-and immediately post period of moving that two offices may have been cleaned. Nonetheless, this duplication will not occur again.”

Use of Incorrect Purchase Documents for the Purchase of Goods and Services from External Vendors

City agencies use purchase documents to reserve or encumber funds from their budget for the purchase of goods or services from external vendors. Payment vouchers written against a purchasing document liquidate the encumbrance and record the expenditure. On April 15, 2004, the Comptroller’s Office reissued its Directive #24, “Agency Purchasing Procedures and Controls,” which introduced new purchase documents that should be used to “replace the generic agency encumbrance, the Purchase Order (PO).” The updated directive states that for contracts of \$10,000 or less (using other than capital funds) agencies should use a PC purchase document instead of a PO. For micro-purchases, which are purchases of \$5,000 or less, agencies should use a PD purchase document. According to the directive, POs should be used only for “a general

agency encumbrance for special, non-procurement expenditures for which a contract or Purchase Document is not required.”

Based on our testing of purchase documents issued during Fiscal Year 2006, we determined that the Boards are not adhering to Comptroller’s Directive #24. Specifically, the Boards issued POs for 265 of the 282 purchase documents tested instead of using the new PC and PD purchase documents when required. By not using the correct purchasing documents to encumber funds for the purchase of goods and services, the Boards are not properly representing their payment activities on the City’s Financial Management System.

Recommendation

13. All Boards should ensure that proper purchasing documents are used only for purposes that are allowable by Comptroller’s Directives #24.

Board 1 Response: Board 1’s response did not address this recommendation.

Board 2 Response: “Community Board 2 modified its internal procedures to comply with Comptroller’s Directive #24.”

Board 3 Response: “We have noted which forms are allowable and now use the correct purchasing documents allowable.”

Board 4 Response: “Community Board #4 will use only the purchasing documents that is allowable by the Comptroller’s Directive #24.”

Board 5 Response: “Community Board 5 is now using the correct vouchers”.

Board 6 Response: “Recommendation #13 has been implemented completely.”

Board 7 Response: “At our pre-audit conference, every community Board that attended was surprised to learn that Comptroller’s Directive #24 required the use of a different form for purchasing. Every last one of us stated that we did not receive this directive two years earlier and were informed, by your staff, that it was sent to the Borough President’s office. We all noted that we are separate agencies and the responsibility for informing us should fall to the Comptroller’s office. The failure to acknowledge your own office’s communication mistake make it seem as if your agency is looking to blame its mistake on the Community Boards. I will not accept this blame and I call on you to correct this absolutely intentional and grievous mistake before the final report is issued. I would also like proof that Brooklyn Community Boards were informed by your office of Comptroller’s Directive #24, since I am responsible for this office’s ‘failure’ to comply with it. I do not take this false accusation of professional dereliction lightly.”

Auditor Comment: Attached to this report (Addendum III) are two letters from the Borough President’s Office. The first letter dated September 27, 2005, which was addressed to the Community Boards, states that “Comptroller’s Directive #24, which

covers agency purchasing and controls” was enclosed; the second letter, dated October 6, 2005, addressed to Community #15, states that copies of Directive #24 “were recently provided to all Community Boards for their use.”

Board 8 Response: “Please be advised that the correct purchase documents are currently being used and will continue to be used.”

Board 9 Response: “Community Board 9 is in compliance with Comptroller’s Directive #24 by ensuring that the proper purchasing documents are used for the purposes that are allowable by the Directive.”

Board 10 Response: “We reviewed the report and have no objections to the report.”

Board 11 Response: Board 11’s response did not address this recommendation

Board 12 Response: Board 12’s response did not address this recommendation.

Board 13 Response: Board 13’s response did not address this recommendation.

Board 14 Response: Board 14’s response did not address this recommendation.

Board 15 Response: Board 15’s response did not address this recommendation.

Board 16 Response: “Prior to this audit, we were unaware of Comptroller Directive 24. When we became aware of Directive 24, we began to use the appropriate vouchers for the purposes that are allowable by the Comptroller Directive 24. We accept the report as written.”

Board 17 Response: Board 17’s response did not address this recommendation.

Board 18 Response: Board 18’s response did not address this recommendation.

Improper Use of Miscellaneous Vouchers

The 18 Boards improperly processed 258 of the 466 miscellaneous vouchers according to Comptroller’s Directive #24. These vouchers were issued for payment of postage, utility expense, telephone, supplies, and real estate tax. Directive #24 states that “Miscellaneous Payment Vouchers (PVMs) may be used only when estimated or future liability is not determinable, or a contract or a Purchase Document is not required or applicable.” Directive #24 also states that miscellaneous vouchers should not be used for payments for postal services. Recurring monthly expenditures for which the future liability is determinable, such as telephone and temporary services expense, should not be paid by the use of miscellaneous vouchers. Improper use of miscellaneous vouchers contributes to the distortion of the City’s book of accounts by misstating the City’s outstanding obligations.

Recommendation

14. All Boards should ensure that miscellaneous vouchers are used only for purposes that are allowable by Comptroller's Directives #24.

Board 1 Response: Board 1's response did not address this recommendation.

Board 2 Response: "Community Board 2 accepts the finding. . . . Community Board 2 modified its internal procedures to comply with Comptroller's Directive #24."

Board 3 Response: "According to the Comptroller's Directive #24 and in compliance with your recommendation, we have noted which forms are allowable and now use the correct purchasing documents allowable."

Board 4 Response: "Community Board #4 ensures that miscellaneous vouchers will be used only for purposes that is allowable by Comptroller's Directive #24."

Board 5 Response: "Miscellaneous vouchers' are used only for purposes that are allowed. Community Board 5 is now using the correct vouchers."

Board 6 Response: "We did not intend to use the incorrect miscellaneous vouchers. Once this information was brought to our attention we immediately began using the proper forms. Recommendation #14 has been implemented completely."

Board 7 Response: See Board 7's response and the corresponding auditor's comments to recommendation #13.

Board 8 Response: "As recommended, we will be more vigilant in efforts to comply with directives established by the Comptroller's Office."

Board 9 Response: "Community Board 9 will ensure that miscellaneous vouchers are used only for purposes allowable by Comptroller's Directive #24."

Board 10 Response: "We reviewed the report and have no objections to the report."

Board 11 Response: Board 11's response did not address this recommendation.

Board 12 Response: Board 12's response did not address this recommendation.

Board 13 Response: Board 13's response did not address this recommendation.

Board 14 Response: Board 14's response did not address this recommendation.

Board 15 Response: Board 15's response did not address this recommendation.

Board 16 Response: “Prior to this audit, we were unaware of Comptroller Directive 24. When we became aware of Directive 24, we began to use the appropriate vouchers for the purposes that are allowable by the Comptroller Directive 24. We accept the report as written.”

Board 17 Response: Board 17’s response did not address this recommendation.

Board 18 Response: Board 18’s response did not address this recommendation.

Excessively Expensive Cell-Phone and Internet-Service Packages

Our review of payment vouchers revealed weaknesses at Boards #3, #5, #9, #11, #13, #17, and #18. The District Managers of these boards selected excessively expensive cell-phone packages while making a minimal number of calls. The total excess cost to these Boards was \$7,807 for cell-phone calls, and \$339 for Internet service. Less expensive packages with the same providers could have been used, which would have resulted in savings to the Boards. In a few instances, some District Managers did not obtain the City employee discount on the plan to which they were entitled. Directive #24, §6.0, states payment voucher approvers must “verify that the expenditure is necessary and reasonable.” Furthermore, §6.1 states, “Agencies must make every effort to obtain rebates and discounts from vendors when economical.” Paying higher fees than necessary for services is non-economical and does not provide any additional benefit to the Boards.

Also, some District Managers were using cell phones for personal calls within the plans’ minutes. Although the District Manager of Board #11 contributed \$35 per month to offset the expense of personal calls, we could not determine whether the \$35 was sufficient to reimburse the City for all his personal calls.

Recommendation

Boards #3, #5, #9, #11, #13, #17, and #18 should:

15. Obtain less expensive cell-phone plans and stop the practice of making personal calls.

Board 3 Response: “As a corrective measure, Community Board #3 has discontinued its cell-phone services.”

Board 5 Response: “Effective April 4th, 2008 we obtained a less expensive package.”

Board 9 Response: “Community Board 9 has obtained a less expensive cell-phone plan. The practice of making personal calls has ceased.”

Board 11 Response: Board 11’s response did not address this recommendation.

Board 13 Response: “CB 13 is now arranging for cell phone use at a lesser price.”

Board 17 Response: “Community Board #17 has obtained a Monthly Access Plan in the amount of \$39.099 with 450 Anytime Minutes.”

Board 18 Response: “As of December 8, 2006 CB 18 has T-Mobile Cell-Phone Plan for \$29.99 per month and have since obtained a further Government Discount of 12% for a total of \$26.39 per month.”

Excessively Expensive Cable Packages

District Managers of Boards #9, #11, #13, and #18 obtained excessively expensive cable packages. Directive #24, §6.0, states payment voucher approvers must “verify that the expenditure is necessary and reasonable.” Specifically, the District Managers selected cable service that included the family package at a higher cost than the basic service package. These four boards paid a total of \$2,670 for packages that provided additional channels. There was no justification in the purchasing documents for purchasing any package exceeding the cost of the basic service. Paying higher fees than necessary for services is non-economical and does not provide any additional benefit to the Boards.

Recommendation

16. Boards #9, #11, #13, and #18 should use only the basic cable plan.

Board 9 Response: “Community Board 9 does not consider the current cable package to be excessively expensive. Community Board 9’s cable plan is the basic plan + the all-news channels.”

Board 11 Response: Board 11’s response did not address this recommendation.

Board 13 Response: “CB 13 . . . has limited its use of Cable to a smaller figure as well.”

Board 18 Response: “CB 18 contracted for the Family Package since the Basic Package does not provide for Channel 1 News or CNN. Because of the findings in the Comptroller’s Preliminary Draft, as of March 7, 2008 we reduced to Basic Package Plan for \$22.02 per month. However, your Preliminary Draft report was incorrect – the basic service package **does not** provide for Channel 1 News. **We ask that the Comptroller’s Office revisit their recommendation and allow expenditure for the Family Package.**” (Emphasis in original.)

Payment for Unused Service

Our review of payment vouchers revealed that the District Manager of Board #11 purchased memberships at BJ’s and Costco discount retail clubs, totaling \$92. The Board intended to take advantage of discounts and save funds. A review of their payment vouchers

showed that no purchases were made at Costco and only one purchase of \$107 was made at BJ's during the entire fiscal year. Directive #24, §6.0, states that payment voucher approvers must "verify that the expenditure is necessary and reasonable." Paying for services that are not used or only used once (incurring a \$43 membership fee to obtain discounts on \$107 worth of purchases) is non-economical and does not provide any additional benefit to the Board.

Recommendation

17. Board #11 should not purchase membership in discount retail clubs unless it intends to make purchases at the clubs.

Board 11 Response: Board 11's response did not address this recommendation.

Incorrect Object Codes Charged

Except for Boards #11 and #18, the Boards charged the wrong object code for some of the vouchers processed during our audit period. Directives #24, §6.0, states, "Payment Voucher approvers must ensure that the appropriate accounting and budget codes are being charged. This includes charging the correct unit of appropriation and correct object code within that unit of appropriation." Of the 1,438 voucher packages we reviewed, there were 99 instances in which vouchers were charged to the wrong object code. Using incorrect object codes can distort accurate reporting of the type and amount of a particular expense item during the fiscal year. This can compromise management's ability to plan future budgets.

Recommendation

18. The Boards should ensure that all vouchers processed and payments made are charged to the correct object code.

Board 1 Response: Board 1's response did not address this recommendation.

Board 2 Response: Board 2's response did not address this recommendation.

Board 3 Response: Board 3's response did not address this recommendation.

Board 4 Response: Board 4's response did not address this recommendation.

Board 5 Response: Board 5's response did not address this recommendation.

Board 6 Response: "We did not intend to use incorrect object codes. Once this information was brought to our attention we immediately began using the proper object codes. Recommendation #18 has been implemented completely."

Board 7 Response: Board 7's response did not address this recommendation.

Board 8 Response: “Please be advised that we will seek to use the correct object codes in the future on all vouchers processed for payments.”

Board 9 Response: Board 9’s response did not address this recommendation.

Board 10 Response: “We reviewed the report and have no objections to the report.”

Board 12 Response: Board 12’s response did not address this recommendation.

Board 13 Response: Board 13’s response did not address this recommendation.

Board 14 Response: Board 14’s response did not address this recommendation.

Board 15 Response: Board 15’s response did not address this recommendation.

Board 16 Response: Board 16’s response did not address this recommendation.

Board 17 Response: Board 17’s response did not address this recommendation.

Inventory Control Weaknesses at 12 Boards

Our review of Board inventory controls revealed weaknesses at Boards #3, #4, #5, #6, #7, #9, #11, #12, #13, #14, #15, and #18. Specifically, a total of 28 major equipment items were not on the inventory lists of Boards #3, #4, #5, #9, #11, #12, #13, #15 and #18.

We also determined that the inventory lists for Boards #3 and #14 did not contain complete information, such as serial numbers. Board #3 did not have correct serial numbers on its inventory list. We also noted that Boards #3, #6, #7, and #12 did not have identification tags on the inventory equipment. The Department of Investigation *Standards for Inventory Control and Management* states that as part of the minimum requirements for the physical inventory, records should include: type of equipment, manufacturer, serial number, and location.

Recommendations

Boards #3, #4, #5, #6, #7, #9, #11, #12, #13, #14, #15 and #18 should:

19. Ensure that complete and accurate inventory records are maintained for major equipment.

Board 3 Response: “We have complied with your recommendation by having our inventory listed with correct serial numbers and all community board equipment has been tagged with etching from NYPD.”

Board 4 Response: “Community Board #4 ensure that a complete and accurate inventory records are and will be maintained for all major equipment in the future.”

Board 5 Response: “We corrected the inventory list and have now listed everything as per the Department of Investigation Standards for Inventory Control and Management.”

Board 6 Response: “We are currently in the process of reviewing the Department of Investigation’s *Standards for Inventory Control and Management* to ensure compliance. We have already updated our inventory records, implementing Recommendation #19. If they are in fact required by the *Standards for Inventory Control and Management*, we intend to purchase inventory tags in the forthcoming fiscal year assuming we have the wherewithal to do so given our uncertain budget situation. We intend to comply with Recommendation #20 at our earliest opportunity as soon as our budgetary situation allows for it.”

Board 7 Response: Board 7’s response did not address this recommendation.

Board 9 Response: “Community Board 9 has updated its inventory record and tagged the **one single** Hewlett Packard printer that was not tagged and inventoried in a timely manner.”

Board 11 Response: Board 11’s response did not address this recommendation.

Board 12 Response: “We will continue to maintain a complete and accurate inventory list and will tag each new item purchased for our Office.”

Board 13 Response: Board 13’s response did not address this recommendation.

Board 14 Response: “Effective immediately, Community Board 14 will maintain complete and accurate inventory records, including serial numbers for all office equipment. The board will properly tag each item for identification purposes.”

Board 15 Response: “We have improved the inventory list and it is quite accurate.”

Board 18 Response: “Computer monitors, (2) cameras, and a lap-top computer have been added to the inventory control, and properly were tagged as property of CB 18.”

Boards #3, #6, #7 and #12 should:

20. Tag equipment as property of the specific community board.

Board 3 Response: “We have complied with your recommendation by having our inventory listed with correct serial numbers and all community board equipment has been tagged with etching from NYPD.”

Board 6 Response: “We are currently in the process of reviewing the Department of Investigation’s *Standards for Inventory Control and Management* to ensure compliance. We have already updated our inventory records, implementing Recommendation #19. We intend to comply with Recommendation #20 at our earliest opportunity as soon as our budgetary situation allows for it.”

Board 7 Response: Board 7 did not respond to this recommendation.

Board 12 Response: “We will continue to maintain a complete and accurate inventory list and will tag each new item purchased for our Office”

Improper Payment of Non-City Employee’s Cell Phone

Our review of payment vouchers revealed weaknesses at Boards #9, #13, and #15. During Fiscal Year 2006, these Boards paid a total of \$2,662 for non-employees to have cell phones. The cell phones were given to two Chairpersons and one former Chairperson. These Chairpersons are considered non-City employees. According to the “Handbook For Community Board Member,” Chapter 70, §2800(c), “Members of community boards shall serve as such without compensation but shall be reimbursed for actual and necessary out-of-pocket expenses in connection with attendance at regularly scheduled meetings of the community board.” According to the Handbook, reimbursable cell-phone calls would be those calls made while attending Board meetings. The cell-phone calls not related to Board meetings are not reimbursable.

Recommendations

Boards #9, #13 and #15 should:

21. Stop paying the Chairpersons’ and former Chairperson’s cell phone charges.
22. Obtain a refund for the paid cell-phone charges from the Chairpersons and former Chairperson for all the years that the Community Board paid this expense.

Board 9 Response: “Cell phone used by Chairperson has been disconnected and discussion is taking place for reasonable compliance with the audit recommendations.”

Board 13 Response: “CB 13 is now arranging for cell phone use at a lesser price, and has limited its use of Cable to a smaller figure as well. The cell phone use by a previous Chairman of the Board took place due to an obvious misunderstanding with a now-deceased former Chair. Should we be given the figures for the use of the cell phone by the most recent Chair, we will seek payment from him.”

Board 15 Response: “As per your recommendation, a detailed letter was sent to the former Chairperson, Jeremiah P. O’Shea for reimbursement. As of today, the Board has not received any response. Community Board No. 15 will strive in the future to comply with every directive from the Comptroller’s Office.”

Other Issues

Incorrect Charges Posted to Board #6

Our review of payment vouchers found that Board #6 was charged a total of \$163 for water expense that was incurred by Board #15. Staff at Boards #6 did not verify that these charges were for obligations for goods and services for their Board.

Recommendation

23. Board #6 should verify that expense postings are accurate to ensure that it is charged only for expenses it incurs.

Board 6 Response: “We have verified that the expense postings in question were incorrectly charged to our budget and will continue to verify that only appropriate expense postings are charged to our budget in the future. Recommendation #23 has been implemented completely.”

Possible Conflict of Interest

A miscellaneous voucher of \$245 for cleaning services was prepared by the Community Associate at Board #5 and approved by the District Manager. The invoice for the cleaning services listed a person with the same last name, address, and telephone number as the Community Associate. Chapter 68, §2604 (a), of the City Charter states, “no regular employee shall have an interest in a firm which such regular employee knows is engaged in business dealings with the City.” Therefore, the above may represent a conflict of interest.

Recommendation

24. Board #5 should not engage vendors who are relatives of Board employees to avoid the appearance of a conflict of interest.

Board 5 Response: “Effective immediately we will no longer engage in vendors who are possible relatives to Board employees.”



COMMUNITY BOARD No. 1

435 GRAHAM AVENUE - BROOKLYN, N.Y. 11211-2429

PHONE: (718) 389-0009

FAX: (718) 389-0098

Email: bk01@cb.nyc.gov

Website: www.cb1brooklyn.org

HON. MARTY MARKOWITZ
BROOKLYN BOROUGH PRESIDENT



RABBI JOSEPH WEBER
FIRST VICE-CHAIRMAN

VINCENT V. ABATE
CHAIRMAN

HON. DAVID S. YASSKY
COUNCILMEMBER, 33rd CD

WARD S. DENNIS
SECOND VICE-CHAIRMAN

GERALD A. ESPOSITO
DISTRICT MANAGER

HON. DIANA REYNA
COUNCILMEMBER, 34th CD

DEL TEAGUE
THIRD VICE-CHAIRPERSON

EMMA TOWNSEND-WRIGHT
FINANCIAL SECRETARY

ISRAEL ROSARIO
RECORDING SECRETARY

CHRISTOPHER H. OLECHOWSKI
MEMBER-AT-LARGE

April 25, 2008

Mr. John Graham
Deputy Comptroller
Audits, Accountancy & Contracts
The City of New York
Office of the Comptroller
Executive Offices
1 Centre Street
New York, NY 10007-2341

RE: Audit report
FP07-117A

Dear Mr. Graham:

We would like to begin by addressing Page 2, Table 1 Summary of Expenditures.

Of the \$81,005 OTPS stated as pertaining to Community Board #1, it is necessary to break it down to the actual costs:

- \$ 59,646.00 Rent -- set by DCAS and not subject to Community Board oversight
- \$ 6,352.00 Heat/Light Power set by DCAS
- \$ 15,007.00 Total budget under supervision of the Community Board

Page 6, refers to payments of \$25.00 per diem to the caretaker at the Senior Citizen Center at 211 Ainslie Street where the Community Board holds all of its Board Meeting and some of its Committee Meetings. The caretaker is not on the clock at the senior center and submits his bill for said meeting. For a mere \$25.00 the caretaker sets up the room, refreshment tables, sits around for hours and waits for the meeting to end so he can clean up after the meeting, which includes in many cases, having to sweep and wash the floor, so that the seniors have a clean venue for breakfast.

The caretaker has submitted this same invoice for the past 30 years, however, it has been revised and attached (A) to comply with the Comptroller's wishes.

In addition, the Board no longer uses a cleaning service due to the extreme budget cuts implemented by this Administration.

Community Board No. 1 strives to best serve our District with a meager OTPS budget of \$15,007.

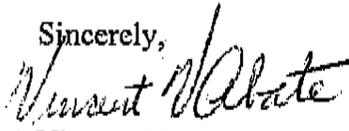
However, we are deeply aggrieved that this Administration intends to sever this Budget in half with a proposed by budget cut of \$10,000 to be implemented on July 1st, 2008.

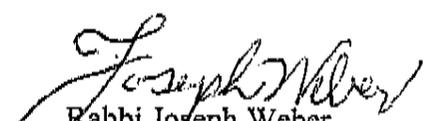
Community Boards provide a vital function for the districts they are designated to serve and consequently stand as valuable assets to the City as well. There is need for increased funding as moneys were lost in previous budget crunches (also lost were the Board's assigned youth coordinators and promised planners to aide with development never materialized).

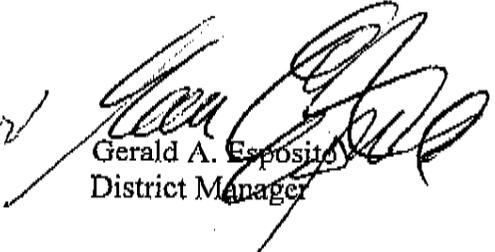
Our internal budget is not sufficient enough to meet the ever escalating costs of necessary office operations and staffing. The rapid changes in communications, media and computers, plus the costly upgrading of various programs and equipment hinder a Board's meager budget, which covers a small staffing of only three persons and miniscule operating (OTPS) budget.

As previously noted, Community Board No. 1 has learned from the Office of Management and Budget that they plan to implement a budget cut in 2009 that would slash \$10,000 from our already small budget thus resulting in a Board controlled OTPS of approximately \$5,007. We must continue to note that such a cut is devastating to our operation as this move would actually cleave our Other Than Personnel Services (OTPS) in half and/or require staffing cut backs.

Sincerely,


Vincent V. Abate
Chairman


Rabbi Joseph Weber
First Vice Chairman


Gerald A. Esposito
District Manager

[REDACTED]
[REDACTED] STREET
BROOKLYN, NEW YORK 11211
TEL. [REDACTED]

INVOICE

For set-up charges for Community Board Meetings held at 211 Ainslie Street. Set-up includes room use, setup of tables, chairs, microphone system, coffee pot, refreshment placement, clean up et al. (Custodian is not on the clock for Swinging 60's Senior Center at this time).

Month of:

___ Meeting(s) @ x \$25 per meeting

Total: \$ _____

Submitted by:

[REDACTED]
[REDACTED]



CITY OF NEW YORK
Community Board No. 2

350 JAY STREET - 8TH FL.

BROOKLYN, N.Y. 11201

(718) 596-5410 FAX (718) 852-1461

cb2k@nyc.rr.com

MARTY MARKOWITZ
Borough President

JOHN DEW
Chairperson

ROBERT PERRIS
District Manager

May 6, 2008

Deputy Comptroller John Graham
Office of the Comptroller
Executive Offices
1 Centre Street, Fifth Floor
New York, New York 10007

by facsimile: (212) 669-8109

Dear Deputy Comptroller Graham:

Community Board 2 has reviewed the final draft of the Audit Report on the Financial and Operating Practices of the 18 Brooklyn Community Boards, report FP07-117A.

Community Board 2 accepts the finding by the Comptroller's Office that the Brooklyn community boards, including Community Board 2, were not adhering to Comptroller's Directive #24. The directive was a major topic of discussion at a meeting between the Office of the Comptroller, the Brooklyn Borough President's Office and the Brooklyn community boards at the commencement of the audit. Community Board 2 modified its internal procedures to comply with Comptroller's Directive #24 immediately following that meeting.

Sincerely,

Robert Perris
District Manager

cc: Melody V. Ruiz, Director of Administration
Brooklyn Borough President's Office



The City of New York
Community Board No. 3
Bedford Stuyvesant Restoration Plaza
1360 Fulton Street, 2nd Floor ■ Brooklyn, New York 11216

718/622-6601 Phone ■ 718/857-5774 Fax ■ www.cb3bedstuy.org Website

MARTY MARKOWITZ
BOROUGH PRESIDENT

BRENDA FRYSON
CHAIRPERSON

CHARLENE PHILLIPS
DISTRICT MANAGER

May 7, 2008

Mr. John Graham, Deputy Comptroller
Audits, Accountancy & Contracts
NYC Office of the Comptroller, Executive Offices
1 Center Street
New York, NY 10007-2341

RE: Response to Audit Report FP07-117A

Dear Mr. Graham:

Please find here written, the response from Community Board #3 of the Audit Report. There is no dispute in the findings of the Auditors. The following corrective measures have been taken since the Exit Interview held on March 31, 2008 at Brooklyn Borough Hall:

Page 10 Recommendation: All Boards should ensure that proper purchasing documents are used only for purposes that are allowable by Comptroller's Directives #24

According to the Comptroller's Directive #24 and in compliance with your recommendation, we have noted which forms are allowable and now use the correct purchasing documents allowable (Improper Use of Miscellaneous Vouchers).

Page 11 Recommendation: Obtain less expensive cell-phone plans, and stop the practice of making personal calls.

As a corrective measure, Community Board #3 has discontinued its cell-phone services.

Page 12 Recommendation: Ensure that complete and accurate inventory records are maintained for major equipment and to tag equipment as property of the specific community board.

We have complied with your recommendation by having our inventory listed with correct serial numbers and all community board equipment has been tagged with etching from NYPD.

Community Board #3 wishes to thank the Comptroller's Office for its recommendations to direct us in maintaining appropriate compliance with all of the Comptroller's Directives that pertain to our community board.

Sincerely,

Brenda Fryson
Chairperson, Community Board #3



telephone: 718-628-8400 • FAX: 718-628-8619
email: bk04@cb.nyc.gov
website: qeocities.com/cb4brooklyn

Ms. Julie Dent - Chairperson
Ms. Nadine Whitted - District Manager

BUSHWICK

ELECTED OFFICIALS

Hon. Marty Markowitz
Brooklyn Borough President
Hon. Diana Revna
7th Council District
Hon. Erik Martin Dizan
8th Council District

OFFICERS

MARTHA BROWN
1st Vice Chairperson
AUSTEN MARTINEZ
2nd Vice Chairperson
BRENDA LEE TRAMBLE
Recording Secretary
BENJAMIN VALENTIN
Financial Secretary
AveLLar HANSLEY
Treasurer
VIRGIE JONES
Correspondence Secretary
ODOLPH WRIGHT
Parliamentarian

April 28, 2008

The City of New York
Office of the Comptroller
Executive Offices
1 Centre Street
New York, NY 10007-2341

Re: Audit Report on the Financial & Operating Practices of the 18 Brooklyn
Community Boards

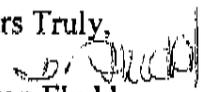
Dear Mr. Lawrence Welgrin,

In reference to Community Board's #4 Operating and Financial practices,
Community Board #4 Brooklyn will comply with the following:

- 1) The Inventory Control weakness was due to us having two very old broken copying machines that was not tagged nor was it listed on our inventory list. These two copying machines are now listed on our inventory list & tagged. Community Board #4 ensure that a complete and accurate inventory records are and will be maintained for all major equipment in the future.
(This was item # 19 on the audit report)
- 2) In regards to the proper purchasing document: Community Board #4 will use only the purchasing documents that is allowable by the Comptroller's Directives #24.
Community Board #4 now has the appropriate documents that are needed for such transactions.
(This was item # 13 on the audit report)
- 3) In regards to the improper use of the miscellaneous vouchers: Community Board #4 ensures that miscellaneous vouchers will be used only for purposes That is allowable by Comptroller's Directives #24.
A miscellaneous voucher will be used only when estimated or future liability is Not determinable or a contract or a purchase document is not required or applicable.
(This was item #14 on the audit report)

If you have any questions regarding this letter please feel free to give me a call.

Yours Truly,



Sharon Fludd
Community Associate

Cc: Marty Markowitz, Borough President
Melody V. Ruiz, Director of HR Administration

The
Borough
of
Brooklyn



COMMUNITY BOARD NO. 5

The City of New York
127 Pennsylvania Avenue • Brooklyn, NY 11207
Telephone: (718) 498-5711 Fax: (718) 345-0501
(E-Mail) bklcb5@Verizon.net

MARTY MARKOWITZ
Borough President

May 2, 2008

Mr. Lawrence Welgrin, Audit Mgr.
Office of the Comptroller
1 Centre Street
New York, New York 1007-2341

NATHAN BRADLEY
Chairman

WALTER CAMPBELL
District Manager

Re: Audit Report FP07-117A

Dear Sir:

I am responding to your audit report that refers to Community Board #5.

Item number 10, personal calls billed to cellular phone. A charge of \$59.00, I am reimbursing the board the amount of \$59.00. (copy of check payable to City of New York)

Item number 14, miscellaneous vouchers' are used only for purposes that are allowed. Community Board 5 is now using the correct vouchers.

Item number 15: obtain less expensive cell phone plan. Effect April 4th, 2008 we obtained a less expensive package.

Item number 18: inventory control weaknesses. We corrected the inventory list and have now listed everything as per the Department of Investigation Standards for Inventory Control and Management.

Item number 24: possible conflict of interest. Effective immediately we will no longer engage in vendors who are possible relatives to Board employees.

Thanking you in anticipation.

Sincerely,

Walter Campbell, Dist. Mgr.
District Manager
Community Board #5

c: Melody V. Ruiz, Director of Human Resources Administration
Nathan Bradley, Chairman Community Board #5



THE CITY OF NEW YORK COMMUNITY BOARD SIX

Marty Markowitz
Borough President

Richard S. Bashner
Chairperson

Craig Hammerman
District Manager

May 12, 2008

John Graham
Deputy Comptroller
Office of the Comptroller
Executive Offices
1 Centre Street
New York, NY 10007-2341

Re: Audit Report on the Financial and Operating Practices of
the 18 Brooklyn Community Boards, FP07-117A

Dear Deputy Comptroller Graham:

I have received and reviewed the above-reference draft report and would offer the following responses to the audit findings as pertains to Brooklyn Community Board 6:

Use of Incorrect Purchase Documents for the Purchase of Goods and Services from External Vendors, Recommendation #13

All Brooklyn Community Board 6 budget documents, including purchase documents, are processed by the Administrative Unit at the Brooklyn Borough President's Office. We rely on their expert advice and guidance on how to comply with the City's standards and protocols with regard to the administration of our budget. We did not intend to use the incorrect purchase documents. Once this information was brought to our attention we immediately began using the proper forms. Recommendation #13 has been implemented completely.

Improper Use of Miscellaneous Vouchers, Recommendation #14

All Brooklyn Community Board 6 budget documents, including miscellaneous vouchers, are processed by the Administrative Unit at the Brooklyn Borough President's Office. We rely on their expert advice and guidance on how to comply with the City's standards and protocols with regard to the administration of our budget. We did not intend to use the incorrect miscellaneous vouchers. Once this information was brought to our attention we immediately began using the proper forms. Recommendation #14 has been implemented completely.

Incorrect Object Code Charged, Recommendation #18

All Brooklyn Community Board 6 budget documents are processed by the Administrative Unit at the Brooklyn Borough President's Office. We rely on their expert advice and guidance on how to comply with the City's standards and protocols with regard to the administration of our budget. We did not intend to use incorrect object codes. Once this information was brought to our attention we immediately began using the proper object codes. Recommendation #18 has been implemented completely.

Inventory Control Weaknesses at 12 Boards, Recommendation #19 & 20

We are currently in the process of reviewing the Department of Investigation's *Standards for Inventory Control and Management* to ensure compliance. We have already updated our inventory records, implementing Recommendation #19. If they are in fact required by the *Standards for Inventory Control and Management*, we intend to purchase inventory tags in the forthcoming fiscal year assuming we have the wherewithal to do so given our uncertain budget situation. We intend to comply with Recommendation #20 at our earliest opportunity as soon as our budgetary situation allows for it.

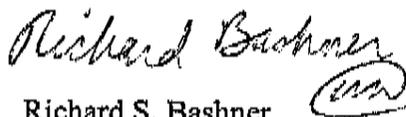
Incorrect Charges Posted to Board #6, Recommendation #23

We have verified that the expense postings in question were incorrectly charged to our budget and will continue to verify that only appropriate expense postings are charged to our budget in the future. Recommendation #23 has been implemented completely.

Please do not hesitate to contact our District Manager should you require anything further.

Thank you for the opportunity to comment.

Sincerely,



Richard S. Bashner
Chairperson



NEW YORK CITY
COMMUNITY BOARD #7

2008 MAY -9 PM 1:53

Randolph Peers
Chairperson

Jeremy Laufer
District Manager

THE CITY OF NEW YORK
BOROUGH OF BROOKLYN
COMMUNITY BOARD #7

MARTY MARKOWITZ
Borough President

May 2, 2008

Hon. William C. Thompson
Comptroller
City of New York
1 Centre Street
New York, New York 10007-2341

Dear Comptroller Thompson:

As District Manager of Community Board #7/Brooklyn, I am greatly angered by the Audit Report on the Financial and Operating Practices of the 18 Brooklyn Community Boards (FP07-117A), which has found financial disclosure errors by every Community Board, but fails to mention your office's responsibility with this failure.

At our pre-audit conference, every Community Board that attended was surprised to learn that Comptroller's Directive #24 required the use of a different form for purchasing. Every last one of us stated that we did not receive this directive two years earlier and were informed, by your staff, that it was sent to the Borough President's office. We all noted that we are separate agencies and the responsibility for informing us should fall to the Comptroller's office.

It appears that your agency now disputes this fact, although I am certain there were numerous witnesses, as this was never mentioned within the report. The report eliminates your failure, but sure mentions ours. Community Boards used the wrong forms an astonishing 94% of the time. Also left out was the fact that the Borough President's office and your office failed to catch this 94% error rate, even though you were aware of this policy change, unlike Community Boards.

The failure to acknowledge your own office's communication mistake make it seems as if your agency is looking to blame its mistake on the Community Boards. I will not accept this blame and I call on you to correct this absolutely intentional and grievous mistake before the final report is issued. I would also like proof that Brooklyn Community Boards were informed by your office of Comptroller's Directive #24, since I am responsible for this office's "failure" to comply with it. I do not take this false accusation of professional dereliction lightly.

4201 Fourth Avenue, Brooklyn, NY 11232 (718) 854-0003 FAX (718) 436-1142

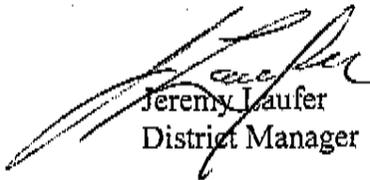
E-mail: Communityboard7@yahoo.com

Serving Sunset Park, Greenwood and Windsor Terrace

In my mind, this report does a grave injustice to Brooklyn Community Boards at a time when we are fighting draconian budget cuts. Not only does this report erroneously accuse all of us of improper documentation, and smugly suggests corrective action, but it undercuts our argument that Community Boards are vital, important and competent.

Thank you so much.

Sincerely,



Jeremy Laufer
District Manager

(718) 467-5620



Community Board No. 8

1291 ST. MARKS AVENUE, BROOKLYN, NEW YORK 11213

MARTY MARKOWITZ
Borough President

April 23, 2008

ROBERT MATTHEWS
Chairman

DORIS A. ALEXANDER
District Manager

Mr. John Graham
Deputy Comptroller for
Audits, Accounting, & Contracts
NYC Comptroller's Office
1 Centre Street
New York, NY 10007

**Re: Audit Report on the Financial
and Operating Practices of
18 Brooklyn Community Boards
FP 07-117A**

Dear Mr. Graham,

We have received the preliminary draft audit report and am submitting this response letter to the findings of the aforementioned report:

- 1. Use of Incorrect Purchase Documents for the purchase of goods and services from external vendors:** Please be advised that the correct purchase documents are currently being used and will continue to be used.
- 2. Improper use of Miscellaneous Vouchers:** As recommended, we will be more vigilant in efforts to comply with directives established by the Comptroller's Office.
- 3. Incorrect Object Codes Charged:** Please be advised that we will seek to use the correct object codes in the future on all vouchers processed for payments.

Thank you for the opportunity to comment on the draft audit analysis. If you have any questions, please do not hesitate to contact me at the District office.

Sincerely,

Doris A. Alexander
District Manager



COMMUNITY BOARD NO. 9

Marty Markowitz
Borough President

Rabbi Jacob Goldstein
Chairman

Pearl R. Miles
District Manager

May 2, 2008

Mr. John Graham
Deputy Comptroller
Audits, Accountancy & Contracts
Office of the Comptroller
1 Centre Street
New York, NY 10007-2341

Dear Mr. Graham:

Outlined below is Community Board 9's response to the findings and recommendations contained in the "Audit Report on the Financial and Operating Practices of the 18 Brooklyn Community Boards FP07-117A" as these findings and recommendations pertain to Community Board 9.

Use of Incorrect Purchase Documents for the Purchase of Goods and Services from External Vendors

Community Board 9 is in compliance with Comptroller's Directive #24 by ensuring that the proper purchasing documents are used for the purposes that are allowable by the Directive.

Improper Use of Miscellaneous Vouchers

Community Board 9 will ensure that miscellaneous vouchers are used only for purposes allowable by Comptroller's Directive #24.

Excessive Expensive Cell-Phone and Internet-Service Packages

Community Board 9 has obtained a less expensive cell-phone plan. The practice of making personal calls has ceased.

Excessively Expensive Cable Packages

Community Board 9 does not consider the current cable package to be excessively expensive. Community Board 9's cable plan is the basic plan + the all-news channels.

Mr. John Graham
May 2, 2008
Page 2

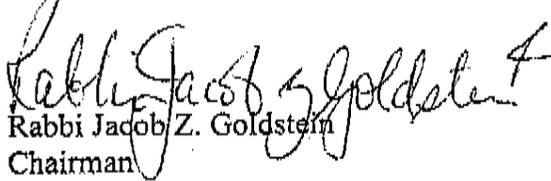
Inventory Control Weakness at 12 Boards

Community Board 9 has updated its inventory record and tagged the **one single** Hewlett Packard printer that was not tagged and inventoried in a timely manner.

Improper Payment of Non-City Employee's Cell Phone

Cell phone used by Chairperson has been disconnected and discussion is taking place for reasonable compliance with the audit recommendations.

Sincerely,


Rabbi Jacob Z. Goldstein
Chairman

Sincerely,


Pearl R. Miles
District Manager



Community Board Ten

621 - 86 Street • Brooklyn, N.Y. 11209
(718) 745-6827 • Fax (718) 836-2447
Communitybd10@nyc.rr.com

MARY ANN WALSH
Vice Chairperson
ELEANOR PETTY
Secretary
BRIAN KIERAN
Treasurer

DEAN RASINYA
Chairperson

JOSEPHINE BECKMANN
District Manager

May 6, 2008

Hon. William Thompson
Comptroller
One Centre Street Rm 530
New York, NY 10007

Re: Audit Report on the Financial and Operating Practices
Of the 18 Brooklyn Community Boards
FP07-117A

Dear Comptroller Thompson:

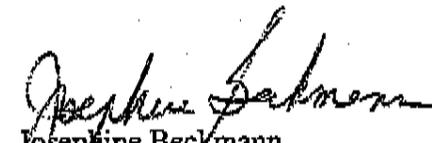
This letter is in response to findings in the Comptroller's Audit dated April 18, 2008.

We reviewed the report and have no objections to the report.

Thank you for your attention.

Sincerely,


Dean Rasinya
Chairperson


Josephine Beckmann
District Manager

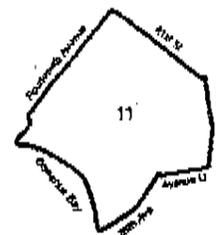
I am writing regardi

Tel. (718) 266-8800
Fax (718) 266-8821



WILLIAM R. GUARINELLO
Chairman

THE CITY OF NEW YORK
COMMUNITY BOARD No. 11
2214 BATH AVENUE
BROOKLYN, NEW YORK 11214



HOWARD FEUER
District Manager

May 6, 2008

Mr. Lawrence Welgrin
Office of the Comptroller
1 Centre Street
New York, NY 10007

RE: Audit Report on the Financial and Operation Practices of
the 18 Brooklyn Community Boards
FP07-117A

Dear Mr. Welgrin,

I have read the above captioned draft report regarding the findings
as they relate to Community Board 11.

If any further information is needed, please contact me.

Sincerely,

Marnee Elias-Pavia
Assistant District Manager



THE CITY OF NEW YORK
COMMUNITY BOARD 12

5910 - 13 Avenue, Brooklyn, N.Y. 11219

(718) 851-0800 FAX # (718) 851-4140

email: bk12cb12@optonline.net

Mary Markowitz
Borough President

Alan J. Dubrow
Chairperson

Wolf Sender
District Manager

Moshe Wleder, First Vice Chair

Martin Katz, Second Vice Chair

Roberta Feinstein, Secretary

May 6, 2008

Mr. John Graham, Deputy Comptroller
Deputy Comptroller
Audits, Accountancy & Contracts
The City of New York
Office of the Comptroller
Executive Offices
1 Centre Street
New York, N.Y. 10007-2341

Re: Audit Report

Dear Mr. Graham:

This is in response to your Audit findings. In this report, Community Board 12 was cited for not having identification tags on the inventory equipment. In 2004, Community Board 12 purchased and affixed identification tags on all equipment in the Community Board Office. As new equipment was purchased, tags were also affixed to same. However, on the equipment that the auditors said were not tagged, the ID tags had fallen off and when the inventory list was upgraded, they somehow were omitted.

At the time the auditors were at our Office and noted this lack of ID, both items were tagged and listed on our inventory list in the presence of both auditors. Each and every other item in our Office from computers, to chairs, to coffee pots were tagged and listed on the inventory list.

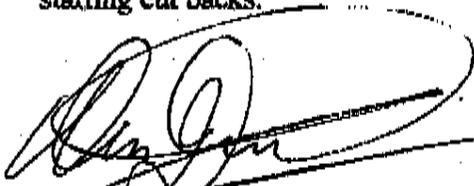
We will continue to maintain a complete and accurate inventory list and will tag each new item purchased for our Office.

Community Boards provide a vital function for the districts they are designated to serve and consequently stand as valuable assets to the City as well. There is a need for increased funding as moneys were lost in previous budget crunches (also lost were the Board's assigned youth coordinators and promised planner to aide with development).

Our internal budget is not sufficient enough to meet the escalating costs of necessary office operations and staffing. The rapid changes in communications, media and computers, plus the costly upgrading of various programs and equipment hinder a Board's meager budget, which covers a small staffing of only three persons and a miniscule operating budget.

We are deeply aggrieved that this Administration intends to sever this budget in half by almost \$16,000. to be implemented on July 1, 2008.

This budget cut would put Community Board 12's operating budget in the negative. It must be noted that such a budget cut is devastating to the Boards operation and would actually require staffing cut backs.



ALAN DUBROW
Chairman

Very truly yours,



WOLF SENDER
District Manager



BROOKLYN COMMUNITY BOARD 13
1201 Surf Avenue – 3rd Fl., Brooklyn, NY 11224
(718) 266-3001 FAX (718) 266-3920
WWW.COMMUNITYBOARD13.ORG

MARTY MARKOWITZ
Borough President

MARION CLEAVER
Chairperson

CHUCK REICHTHAL
District Manager

May 1, 2008

Mr. John Graham
Deputy Comptroller
Audits, Accountancy & contracts
The City of New York
Office of the Comptroller – Executive Offices
1 Centre Street
New York, N.Y. 10007-2341

Re: Audit Report FP07-117A

Dear Mr. Graham:

After careful analysis of the Audit Report, several factors must be addressed and/or clarified. On Page 2 of the Report (Table 1 – Summary of Expenditures...), it must be noted that the C.B. 13 OTPS figure of \$77,010 may be misleading in that there are factors within that overall figure that are not determined by the Board and its Staff i.e. Rent (set by DCAS), etc. The actual OTPS figure is considerably smaller and sometimes difficult for an office with two paid employees and one part-timer. The area covered by C.B. 13 includes Brighton Beach, Coney Island, Sea Gate, Gravesend, and part of the abutting areas of Bath Beach, Homecrest, and Bensonhurst. A considerable amount of activity is involved within these areas, and the OTPS remaining funds must cover computers, contracts, paper, stamps, and scores of other materials.

Page 6 involves a culmination of a particularly dark period in the history of the Board. The C.B. 13 office, for well over a decade, was situated in a space within the bowels of Luna Park Houses. There remained only a front door for ventilation, a constant temperature of approximately 85-90 degrees (heat pipes went through the center of the space), no secondary egress, among other ills. At one point, portions of the ceiling collapsed sending a wave of asbestos into the office and forcing the staff to spend months in a small space, in part of another office, in which work was even more difficult. While all of this was going on, DCAS sought another office for CB 13, and the process went on for years. Some sites were deemed too expensive; others required complete revamping before they could be used. Paper work and drawings floated back and forth, for years, between DCAS and CB 13. The space finally selected was in a building that was not yet ready, and we all waited. Board members and volunteers were on hand for the hot summer days during which this long-delayed move was accomplished. And, yes, there were refreshments and drinks offered. Those in the old office needed liquid to combat the heat. There were receipts for at least some of these

C. B. 13

Fax:17182663920

May 6 2008 4:27 P.03

purchases, and they were sent. This activity was three years ago, and the paperwork appears to be gone or misplaced elsewhere. (Much of the Board's paper was trashed due to the asbestos period) There is not apt to be another move for the Board in the future, and current guest and volunteer expenses are not submitted for repayment.

On the same page, it notes that nine miscellaneous vouchers were noted totaling \$282. A check of back issues finds that these amounts related to expenses that concerned the monthly Board Cabinet meetings, which are vital to the community operations. It has been said that the receipts did not indicate the amounts delineated for which were the costs for the bagels, the milk, the juice, the butter and cheese. Our understanding is that, at such a meeting, the cost of \$3 is allowed for those attending. Indeed, the individual sums do not equate with this figure - they are much less.

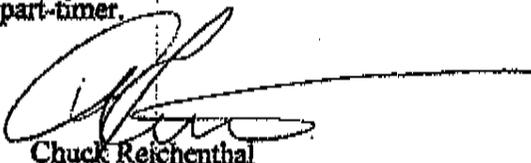
The total of \$350 for what appears to be duplicate cleaning figures may well have happened during the aforementioned period. At any rate, the vendor is no longer associated with CB 13, and, it must be noted, there were times during the pre- and immediately post period of moving that two offices may have been cleaned. Nonetheless, this duplication will not occur again.

CB 13 is now arranging for cell phone use at a lesser price, and has limited its use of Cable to a smaller figure as well. The cell phone use by a previous Chairman of the Board took place due to an obvious misunderstanding with a now-deceased former Chair. Should we be given the figures for the use of the cell phone by the most recent Chair, we will seek payment from him.

All of this is particularly distressful to the Board and the Staff because of the small OTPS budget on which it must run a multitude of activities. It is even harder to comprehend when one realizes that the Administration intends to slash the Board budget even further. A proposed budget cut of \$10,000 added to the already scant fiscal numbers is well nigh a great hindrance to the communities that must be served by CB 13. Community Boards provide a critical need for their neighborhoods, and they provide a valuable service to the entire city. There is a need for an increase in funding as moneys were lost in previous years. Our internal budget is not sufficient now to meet the speeding escalation of costs involved. We know that a \$10,000 cut is potentially devastating to our operation in that it will mean a severe and hazardous cut in services and/or require staffing cuts, the latter most difficult in an office with two paid people and one part-timer.

Sincerely,

Marion Cleaver
Chair



Chuck Reichenthal
District Manager



BROOKLYN COMMUNITY BOARD 14
FLATBUSH-MIDWOOD COMMUNITY DISTRICT
810 East 18th Street
Brooklyn, New York 11230

MARTY MARKOWITZ
Borough President

ALVIN M. BERK
Chairman

DORIS ORTIZ
District Manager

May 7, 2008

John Graham
Executive Assistant
NYC Office of the Comptroller
One Centre Street – Room 1100N
New York, New York 10007

Re: Fiscal Year 2007 Audit # FP07-117A

Dear Mr. Graham:

The following is Brooklyn Community Board 14's response with respect to the recommendations of the Office of the Comptroller in its Audit Report on the Financial and Operating Practices of the 18 Brooklyn Community Boards.

AGREE

Effective immediately, Community Board 14 will maintain complete and accurate inventory records, including serial numbers for all office equipment. The board will properly tag each item for identification purposes.

If you require further information, please do not hesitate to call District Manager Terry Rodie at 718-859-6357.

Sincerely,

Alvin M. Berk
Chairman

cc: Lawrence Welgrin
Marty Markowitz, Brooklyn Borough President
Melody V. Ruiz, Director of Humans Resources Administration



MARTY MARKOWITZ
BOROUGH PRESIDENT

THERESA SCAVO
CHAIRPERSON

OFFICERS

DR. ALAN DITCHEK
FIRST VICE-CHAIRPERSON
RITA NAPOLITANO
SECOND VICE-CHAIRPERSON
JACK ERDOS, ESQ.
TREASURER
HON. ANNE M. DIETRICH
SECRETARY

EXECUTIVE COMMITTEE

ROBERT GEVERTZMAN
MORRIS HARARY, ESQ.
SUSAN JACOBS
DR. OLIVER KLAPPER
SHEILA NELSON
HON. EILEEN M. O'BRIEN
ALLEN POPPER, ESQ.
HELEN SARUBBI
RONALD TAYLOR
IRA TOWER

HON. JEREMIAH P. O'SHEA
PAST CHAIRPERSON

The City of New York
Brooklyn Community Board 15



MICHAEL R. BLOOMBERG
MAYOR

PEARL BURG
DISTRICT MANAGER

May 7th, 2006

The City of New York
Office of the Comptroller
Executive Offices
1 Centre Street
New York, N.Y. 10007-2341
Attn: Mr. Larry Welgrin

Re: Audit Report on the Financial and
Operating Practices of the 18
Brooklyn Community Boards
FP07-117A

Dear Mr. Welgrin,

During the Audit period, I was not Chairperson of Brooklyn Community Board No.15. In certain instances, I believe your recommendations seem harsh.

As for the recommendation regarding the parking permits, Comptroller's Directive #6 4.2 states, "Transportation costs incurred for commuting between an employees residence and primary work station are non reimbursable." Purchasing a parking permit is not a transportation cost. Kingsborough Community College is our host. We do not pay rent nor utilities to the College. However, the College does ask that any employee on the premises purchase parking permits yearly. I believe that the \$440.00 paid for parking is a small price to cover the operating expenses for one year at Kingsborough Community College. I find it ironic how the payment vouchers for the parking permits were signed off by Borough Hall and the Comptroller's Office with no problem. Now, years later after this ongoing practice, it is under scrutiny. After the exit conference at Borough Hall, as per your recommendation I wrote to each of the employees a letter requesting reimbursement for the parking permits.

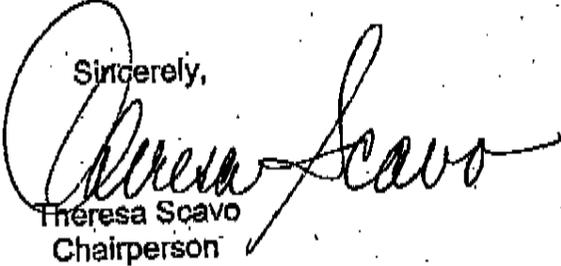
The City of New York
Brooklyn Community Board 15

As for the inventory control, I believe your auditors found weakness only because they did not want to spend the time plowing through the inventory list. As per your recommendation, we have improved the inventory list and it is quite accurate.

As for improper cell phone use by the former Chairperson, I find it ironic how Borough Hall and the Comptroller's Office signed off on payment for said phone and now, years later, is seeking restitution. As per your recommendation, a detailed letter was sent to the former Chairperson, Jeremiah P. O'Shea for reimbursement. As of today, the Board has not received any response. Although I appreciate your efforts, I have gone as far as I can with compliance. Community Board No.15 will strive in the future to comply with every directive from the Comptroller's Office.

If you have any questions please call me at (718) 332-3008.
Thank you.

Sincerely,



Theresa Scavo
Chairperson

MARTY MARKOWITZ
Brooklyn Borough President

Tel: (718) 385-0323/24
Fax: (718) 342-6714



THE CITY OF NEW YORK
COMMUNITY BOARD NO. 16

444 Thomas S. Boyland Street - Room 103
Brooklyn, New York 11212

HAZEL A. YOUNGER
Chairperson

VIOLA D. GREENE-WALKER
District Manager

April 30, 2008

Mr. John Graham
Deputy Comptroller
Audits, Accountancy & Contracts
Office of the Comptroller
1 Centre Street
New York, New York 10007-2342

Re: Audit Report on the Financial and Operating practices
Of the 18 Brooklyn Community Boards
FP07-117A

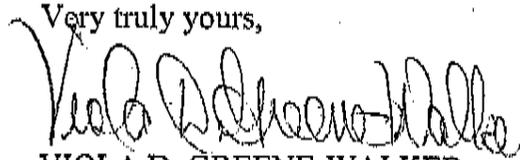
Dear Mr. Graham:

I am responding to your letter to Ms. Hazel Younger regarding the above subject draft report.

Prior to this audit, we were unaware of Comptroller Directive 24. When we became aware of Directive 24, we began to use the appropriate vouchers for the purposes that are allowable by the Comptroller Directive 24.

We accept the report as written.

Very truly yours,


VIOLA D. GREENE-WALKER
District Manager



Community Board 17

39 Remsen Avenue, Brooklyn, NY 11212-1536
PHONE (718) 467-3536 FAX (718) 467-4113

Executive Officers:

April 3, 2008

Ms. Sherif Fraser
District Manager

Mr. Lloyd Mills
Chairperson

Mr. Barrington Barrett
First Vice Chair

Philip Lieberman
Second Vice Chair

Mr. Louis Kilkenny
Treasurer

Ms. Mary Bell-Downes
Secretary

Mr. John Graham
Deputy Comptroller
Audits, Accountancy & Contracts
NYC Office of the Comptroller
1 Centre Street
New York, N.Y. 10007-2341

Dear Deputy Comptroller Graham:

In response to the Audit Report on the Financial and Operating Practices of the 18th Brooklyn Community Boards – Audit Number: FP07-117A, the following is Community Board #17's Implementation Plan for the recommendations made in the Audit:

Recommendation #1, Page 8:

"Board #17 should obtain a refund or credit from the vendor of \$319 for the sales taxes it paid.

Implementation

Community Board #17 received a credit from the Vendor "Quill" in the amount of \$319 for the sales taxes it paid. (see attached)

Recommendation# 16, Page 11

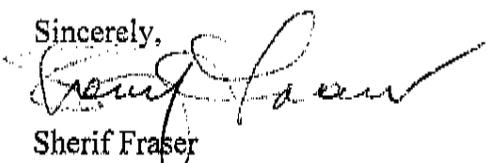
Board 17 should obtain less expensive cell-phone plans, and stop the practice of making personal calls.

Implementation

Community Board #17 has obtained a Monthly Access Plan in the amount of \$39.99 with 450 Anytime Minutes (see attached)

Should you require further information, please do not hesitate to contact me at the Board's office (718) 467-3536.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sherif Fraser". The signature is written in black ink and is positioned above the printed name and title.

Sherif Fraser
District Manager

Attachment:

COMMUNITY BOARD NO. 18



5715 AVENUE H - SUITE 1D • BROOKLYN, NEW YORK 11234-1999
TELEPHONE (718) 241-0422
TOLL FREE 1-800-564-5127
FAX (718) 531-3199
email:bkbrd18@optonline.net

MICHAEL R. BLOOMBERG
Mayor

MARTY MARKOWITZ
Borough President

SAUL NEEDLE
Chairperson

DOROTHY TURANO
District Manager

April 25, 2008

RESPONSES TO DRAFT REPORT - COMPTROLLER'S AUDIT ON THE FINANCIAL AND OPERATING PRACTICES OF THE 18 BROOKLYN COMMUNITY BOARDS - FP07-117A

PLEASE BE ADVISED THAT THESE RESPONSES ARE THE SAME RESPONSES THAT WERE SUBMITTED TO THE COMPTROLLER'S OFFICE ON MARCH 30, 2008 AFTER THE ISSUANCE OF THE PRELIMINARY DRAFT BUDGET AND SHOULD HAVE BEEN CONSIDERED IN THE DRAFT REPORT.

Improper Payments from Imprest Fund - P. 5, 6

1. Monthly charges for cable TV have not been paid by Imprest Fund as of March/April 2006 - 3/14/06 was last Imprest Fund payment. -- and Internet service were paid by Imprest Fund to AOL as an automatic monthly bank transfer. AOL would not accept any other method of payment. As of March 7, 2008 AOL was cancelled.

2. Parking violation totaling \$165.00 was reimbursed on March 6, 2008 and paid to The City of New York. - (see attached)

Excessively Expensive Cell-Phone and Internet-Service Packages -P.11

16. As of December 8, 2006 CB 18 has T-Mobile Cell-Phone Plan for \$29.99 per month (see attached) and have since obtained a further Government Discount of 12% for a total of \$26.39 per month.

Excessively Expensive Cable Packages - P. 11

17. CB 18 contracted for the Family Package since the Basic Package **does not** provide for Channel 1 News or CNN. Because of the findings in the Comptroller's Preliminary Draft, as of March 7, 2008 we reduced to Basic Package Plan for \$22.02 per month. However, your Preliminary Draft report was incorrect -- the basic service package **does not** provide for Channel 1 News. **We ask that the Comptroller's Office revisit their recommendation and allow expenditure for the Family Package.**

Incorrect Object Codes Charged - P. 12

19. All vouchers processed and payments made are and have been charged to the correct object code (1100) as of July 2, 2007.

Inventory Control Weaknesses at 12 Boards - P. 12,13

20.& 21. Computer monitors, (2) cameras, and lap-top computer have been added to the inventory control, and properly were tagged as property of CB 18.



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

May 8, 2008

Mr. Lawrence Welgrin
Audit Manager
NYC Office of the Comptroller
1 Centre Street – Room 1100N
New York, New York 10007

Dear Mr. Welgrin:

In response to your correspondence regarding the Community Board's Audit Report (FP07-117A), please be advised that the Office of the Brooklyn Borough President will not process any future purchases that include sales tax. A reminder memo will be prepared and sent out to all Community Boards reminding them of City's tax exempt status.

If you have any questions, feel free to contact me at (718) 802-4095.

Sincerely,

Melody Ruiz
Director of Administration



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

September 27, 2005

District Managers:

In response to past inquiries, enclosed are the New York City Procurement Guidelines. I have also enclosed a copy of the New York City Comptroller's Directive 24, which covers agency purchasing procedures and controls.

If you require additional Directive information you may visit the NYC Comptrollers website at <http://www.comptroller.nyc.gov/> for more information.

If you any questions, I may be reached at (718) 802-3821.

Thank you for your time.

Sincerely,

Melinda Muniz
Melinda Muniz



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

October 6, 2005

Mr. Jeremiah P. O'Shea
Chairman
Brooklyn Community Board #15
2001 Oriental Boulevard, Rm C124
Brooklyn, New York 11235

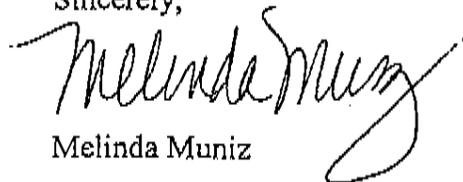
Dear Mr. O'Shea:

In response to your letter dated August 30, 2005, please note the explanation regarding your expenditure was to be directed to Ms. Mickey Josephs at the Office of Management and Budget. An explanation was requested due to the expenditure exceeding \$250 without a purchase order. Based on this information, I contacted Ben Askelrod and suggested that the letter be written to OMB and our office copied.

Copies of The New York City Comptroller's Directive 24, "Agency Purchasing Procedures and Controls" and The New York City Procurement Policy Board "Rules" were recently provided to all Community Boards for their use. If you should require additional copies please contact me at (718) 802-3821.

Thank you for your attention to this matter.

Sincerely,



Melinda Muniz