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AUDIT: CITY'S AUTOMATED PUBLIC ASSISTANCE SYSTEM FULLY OPERATIONAL

Agency Largely Complied with Comptroller's Recommendations

NEW YORK, NY - The Human Resources Department (HRA) has largely met its commitment to get its automated public assistance system fully operational, according to a follow-up audit initiated under former Comptroller William C. Thompson, Jr. and just completed by Comptroller John C. Liu.

"This follow-up audit indicates that HRA is now on the right track with major improvements in the way New Yorkers apply for benefits," Comptroller Liu said. "HRA has made marked progress in its POS which Comptroller Thompson had previously determined to be years late and millions of dollars over-budget. This progress is welcome news for New Yorkers, especially in this time of economic duress when many people are in need of benefits. With this system now fully operational, needy residents have an easier, more dignified process and, at the same time, the City has a more cost-effective and error-free process."

HRA provides financial support and social services to the City's needy residents by managing entitlement programs such as income support, food stamps and medical assistance. HRA first initiated the Paperless Office System (POS) in 1993 upon reviewing the agency's own benefit application process and finding it labor-intensive, inefficient and prone to errors. HRA's goal for POS was to provide a single data-entry point for several programs and to automate the process of determining and re-certifying public assistance eligibility.

In May 2005, Comptroller Thompson's audit found the HRA's POS to be a decade overdue, had cost the agency \$47 million, and was not fully operational and thus incomplete. The May 2005 audit had directly attributed the delays to HRA, and the Comptroller at the time issued a series of recommendations to get POS fully operational.

The follow-up audit completed today was initiated to review HRA's progress since 2005.

Comptroller Liu credited Deputy Comptroller for Audit H. Tina Kim and her team in the Bureau of Audit for presenting the findings. The full April 2010 audit report is available at www.comptroller.nyc.gov.

Chief among the findings:

- HRA has implemented changes and incorporated a tracking system to monitor POS enhancements; and
- HRA has an adequate disaster recovery plan and includes a written policy and procedure for POS; and
- HRA is in compliance with the City's procurement rules.

Citing the progress made thus far, Comptroller Liu issued a few recommendations in the interest of further improving the system.

The recommendations made by Comptroller Liu in the follow-up audit and agreed to by HRA are:

- HRA employ an independent quality-assurance consultant in future systems developments to oversee and monitor HRA's entire systems development process from its inception; and
- Periodically review the status of inactive user accounts and terminate access where appropriate.

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