



Kingsbridge Business Improvement District

What questions did the audit look at?

- ▶ Did the Kingsbridge Business Improvement District (BID) provide supplemental services, adequately oversee expenses, and comply with the terms of its contract with the Department of Small Business Services?

Why does it matter for New Yorkers?

BIDs are public-private partnerships formed for the purpose of maintaining, developing, and promoting commercial districts. Each BID is governed by a board of directors made up of property owners, commercial and residential tenants, public officials, and other interested parties.

The audit examined the financial and operating practices of the Kingsbridge BID—a district located in the Northwest Bronx. The auditors found that the Kingsbridge BID does not comply with the New York State Not-For-Profit Corporation Law (NPCL) as required by its contract. The BID failed to collect conflict of interest disclosure forms from key figures and failed to implement an anti-nepotism policy. As a result, the BID’s Executive Director played a role in hiring, supervising, and discussing the compensation of her own daughter—a conflict of interest.

Additionally, the BID did not require employees to maintain timesheets, approve wages, or verify hours worked, or evaluate employee performance.

The audit also found that the BID did not log member complaints or survey members. It also did not comply with procurement requirements or City sick and safe leave laws.

As representatives of a community’s business interests, BIDs serve important roles in the fabric of New York City. The Kingsbridge BID should manage its resources more effectively and ensure that it complies with all regulations and requirements.

What changes did the agency commit to make following the audit?

- ▶ The Kingsbridge BID agreed to monitor potential conflicts of interest more closely, implement best practices for timekeeping and personnel, regularly survey members and log member complaints, competitively procure goods, and comply with sick and safe leave requirements.
- ▶ SBS agreed to consider the report’s findings when evaluating the Kingsbridge BID’s performance and ensure that the BID cures issues cited in this report. Further, SBS agreed to implement a citywide anti-nepotism policy for BIDs, provide additional training and guidance to BIDs, and require BIDs to submit additional contract documentation.

AUDIT FINDINGS



Kingsbridge BID provided supplemental services.



Kingsbridge BID failed to collect conflict of interest disclosure forms and monitor potential conflicts.



Kingsbridge BID did not implement an anti-nepotism policy, allowing the Executive Director to have a role in hiring her daughter and supervise her work.



Kingsbridge BID did not ensure that personnel expenses were adequately supported or authorized.



Kingsbridge BID did not regularly survey members or log member complaints.



Kingsbridge BID did not competitively procure goods.



Kingsbridge BID did not comply with City Sick and Safe Leave laws.



Kingsbridge BID Recommendations		Agency Response
1	Require the BID Secretary to ensure that all Covered Persons complete annual COI forms and submit completed forms to the Audit Committee.	AGREED
2	Ensure that the Board determines and documents whether conflicts exist and prohibits people with conflicts from being present at, participating in, or improperly influencing Board or Committee deliberation or votes.	AGREED
3	Implement an anti-nepotism policy that addresses family or household members of BID employees being employed, serving as consultant or independent contractor	DID NOT RESPOND
4	The Board should immediately apply the anti-nepotism policy referred to in #2 above to the familial relationship that exists between the Executive Director and Assistant Manager.	DID NOT RESPOND
5	Require written job descriptions for all employees and maintain them in personnel files.	AGREED
6	Conduct annual performance evaluations for all employees and establish clear policies and procedures for the consequences of both positive and negative performance.	AGREED
7	Require employees to record their arrival and departure times for each day worked, accrual of compensatory time, and charges against leave or compensatory time.	AGREED
8	Verify employees' hours and approve wages prior to issuing payment.	AGREED
9	Maintain a log of all complaints received, track complaints and record actions taken and disposition, and systematically analyze complaint data	AGREED
10	Annually or more frequently survey members to determine the current level of satisfaction and support for the BID	AGREED
11	Competitively procure goods and services to the maximum extent practical.	AGREED
12	Update its Procedures and Practices to, at minimum, comply with New York State and New York City sick and safe leave requirements.	AGREED

SBS Recommendations		Agency Response
1	Consider the findings of this report when evaluating the Kingsbridge BID's performance and making future contracting decisions.	AGREED
2	Give written notice to the Kingsbridge BID of any failure, violation, or breach of the material terms, covenants, or provisions of the contract and ensure that the BID cures issues cited in this report within a reasonable period.	AGREED
3	Provide guidance and training to Board members on non-profit governance.	AGREED
4	Require BIDs to implement anti-nepotism policies and best practices as part of their contract terms.	AGREED
5	Require BIDs to submit a list of all contracts detailing whether they were awarded competitively as well as contract amounts, terms, and scope of services.	AGREED
6	Provide information to all BIDs concerning their obligations under the NYC Sick and Safe Leave Law.	AGREED

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