AUDIT AT A GLANCE

Management Practices of the Kings County Public Administrator

What questions did the audit look at?

- Did the Kings County Public Administrator's Office (KCPA) adequately research, identify, and secure decedents' assets?

Why does it matter for New Yorkers?

Every borough has a Public Administrator who is responsible for administering the estates of people who die intestate. In certain cases, when a person without a will dies, or if no heir is willing or able to administer the estate, the Public Administrator steps in. These officials have a fiduciary responsibility to estates that require them to conduct thorough investigations to identify, account for, and safeguard all assets (real and personal property), pay outstanding debts and taxes, maintain documentation, and distribute estate proceeds to heirs. KCPA serves this role in Kings County (Brooklyn).

The audit found that KCPA did not adequately identify, collect, or safeguard decedents' assets on a consistent basis, which put them at risk. Additionally, KCPA's management practices were inadequate, with more than 70% of active estates remaining open for more than five years. In fact, KCPA has an active backlog of over 14,000 cases. This is due in part to the fact that KCPA does not maintain all necessary case-related information in its electronic case management system, which makes monitoring and tracking estates challenging. Finally, KCPA failed to adequately comply with State and City reporting requirements.

These deficiencies put the assets of decedents at risk of loss, depreciation, and theft. As of June 2023, these gross assets totaled over $94 million. This is a sizable sum, and KCPA has a fiduciary duty to carefully manage the estates of decedents with care and attention. A key factor contributing to the identified deficiencies was KCPA's lack of sufficient policies and procedures to govern its estate administration processes.

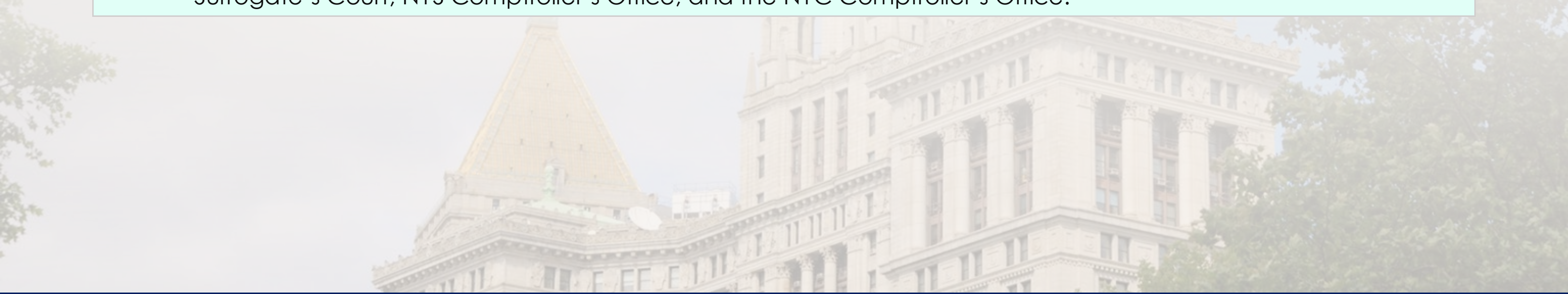
What changes did the agency commit to make following the audit?

- KCPA agreed to work to clear its backlog of 14,000 cases.
- KCPA agreed to improve its oversight of the search, collection, and safeguarding of decedents' personal property and financial assets.
- KCPA agreed to improve its recordkeeping and inventory practices, as well as its controls over the accounting, closing, and reporting of estates.

AUDIT FINDINGS

- KCPA did not adequately document searches of decedents' residences.
- KCPA failed to identify and claim estate assets as required.
- More than 70% of estates active during the audit scope period have been open for more than five years.
- KCPA does not maintain all necessary case information in its electronic case management system.
- KCPA's backlog totals over 14,000 cases.
- KCPA does not adequately comply with reporting requirements.

	Audit Recommendations	Agency Response
1	Develop a systematic process for clearing the backlog of pending cases.	AGREED
2	If feasible, consider hiring vendors to facilitate the clearing of the backlog of cases.	AGREED
3	Consider requesting OMB to increase the KCPA budget to support the hiring of additional needed staff.	AGREED
4	Maintain an accurate and detailed master inventory listing of all decedents' personal property (historical and present information) and record all personal property in the decedents' accounts in CompuTrust.	AGREED
5	Ensure that all personal property is inventoried and tagged with the PA number or decedents' names when placed into the vault and warehouse, stored in an organized manner, and safeguarded against damage.	AGREED
6	Ensure KCPA staff adhere to policies and procedures over its estate administration.	AGREED
7	Employ a locksmith to open the safe with the unknown combination to ensure that the inventoried coins are accounted for and to identify other stored decedent personal property (if any).	AGREED
8	As funding levels allow, consider obtaining appraisals for decedents' personal property and record the appraised value in the inventory records and in CompuTrust.	AGREED
9	Ensure that it routinely checks the New York State Comptroller's Office of Unclaimed Funds.	AGREED
10	Collect and record all personal and real properties known to the decedents in CompuTrust.	AGREED
11	Obtain appraisal for properties prior to selling to determine the fair market values and record and maintain documentation in CompuTrust.	AGREED
12	Maintain all relevant documentation pertaining to funds and other assets in CompuTrust.	AGREED
13	Maintain an accurate and running master property list of all decedents' real estate properties and record all real estate properties in the appropriate estate case files in CompuTrust.	AGREED
14	Ensure that all legal documents are correctly completed during real property sales and that the sales are accurately recorded in the appropriate real property database.	AGREED
15	Maintain all case-related documents and information in the estate case files and in CompuTrust.	AGREED
16	Establish written policies and procedures that include detailed guidance to staff.	AGREED
17	Ensure that it collects the necessary information and utilize its electronic case management system to track cases to better monitor lengthy delays.	AGREED
18	Ensure that it accurately reports the requisite estate information to the Surrogate's Court, NYS Comptroller's Office, and the NYC Comptroller's Office.	AGREED



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