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September 20, 2012

The Honorable Nancy G. Chaffetz
Commissioner
Civil Service Commission of New York City
1 Centre Street, Room 2300
New York, New York 10007

Mr. Mark Davies
Executive Director
NYC Conflicts of Interest Board
2 Lafayette St, Suite 1010
New York, New York 10007

Re: Letter Report on New York City's Administrative Oversight Entities' Monitoring of Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business (Audit Number 7R13-062AL)

We are sending you this Letter Report regarding the audit of New York City's Administrative Oversight Entities' monitoring of their employees who drive City-owned or personally-owned vehicles on City business. These Oversight entities include the Civil Service Commission and the Conflicts of Interest Board. This is one of a series of reports on this subject.

The objective of this audit was to determine if the Administrative Oversight Entities are effectively monitoring their employees who drive City-owned or personally-owned vehicles on City business.

Conclusion

We found that these Administrative Oversight Entities do not require their employees to use a City-owned or personally-owned vehicle to conduct City business and, as of June 30, 2012, did not own or have a contractor-leased vehicle. In addition, these Entities did not own or have any vehicles registered to their agency or use a leased or contractor-provided vehicle as of June 30, 2012. The Administrative Oversight Entities are aware of the City's Regulations concerning the effective monitoring of the driving behavior of authorized drivers. They are also aware of how to subscribe to the New York State Department of Motor Vehicles' (DMV) License Event Notification System (LENS) program and how to receive updates and revoke the privileges of those drivers who have a suspended or revoked license in a timely manner as prescribed by regulations. Additionally, they are also familiar with the regulations to ensure that employees who drive their personal vehicles for City business have the proper insurance. They are also aware of the regulation to provide their employees with the required safety awareness program.

Background

New York City requires that only those employees who exercise reasonable care in operating City-or personally-owned vehicles be allowed to use them to conduct City business. This requirement is outlined in the City of New York's "City Vehicle Driver Handbook" (Regulations). All agency heads through the Agency

Transportation Coordinator (ATC) must ensure that all employees assigned a City-owned vehicle either for full-time use or temporary use are authorized to drive. It is also the ATC's responsibility to ensure that these drivers have valid licenses and insurance (if they are driving their personal vehicles). The driver's license should be a New York State License unless the employee is exempt from City residency requirements. If this is the case, then the authorized driver must have a valid license from the state where he/she resides and must have the appropriate classification for the vehicle which he/she is driving on City business. The Regulations further specify that City agencies must establish programs that promote safety along with proper training in the use of motor vehicles.

In following these criteria, City agencies use the DMV's LENS. The ATC is responsible for notifying DMV of all agency-authorized drivers. This enables the DMV's LENS program to notify the ATC of any event that affects the driver's license. This includes: if a license is expiring; points accrued; accidents; driving while impaired; or driving while under the influence. This enables the ATC to ensure that only employees with valid licenses are driving on City business. The City's policy recommends that agencies participate in LENS to monitor the driving behavior of their employees.

Scope and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93 of the New York City Charter.

The scope period of this audit was from January 1, 2010, through July 30, 2012.

To meet our objectives, we obtained and reviewed the City of New York "City Vehicle Driver Handbook" issued February 2009 and the subsequent addendum. To determine whether the Administrative Oversight Entities possessed a City vehicle, we accessed the DMV Dial-In-Inquiry to determine if any vehicles were registered to the Administrative Oversight Entities as of June 25, 2012. In addition, we contacted the Department of Citywide Administration Services (DCAS) to determine if DCAS had purchased any vehicles for them as of June 30, 2012. We further checked to ensure that the Entities and their employees did not have fuel/gas cards.

To determine whether the Administrative Oversight Entities had a contract with a contractor vendor to supply a vehicle, we checked the Comptroller's Office Omnibus Automated Image Storage and Information System (OAISIS) as of June 30, 2012. In addition, we checked the City's Financial Management System and Comptroller's MY CHECKBOOK to determine if the Administrative Oversight Entities paid any vendors for the use of a vehicle as of June 30, 2012.

Based on our conclusion, we did not see a need for a formal exit conference. On August 23, 2012, we submitted a draft letter providing you with an opportunity to formally respond. The New York City's Administrative Oversight Entities' responses were received by September 17, 2012. Both the Administrative Oversight Entities agencies agreed with the report.

Sincerely yours,



Tina Kim

- c. Alina Garcia, Executive Director, General Counsel
- Varuni Bhagwant, Director, Administration
- Elizabeth Weinstein, Director, Mayor's Office of Operations
- George Davis III, Deputy Director, Mayor's Office of Operations
- Vince Liquori, Director, Financial Audit



New York City

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Alina A. Garcia
Director and General Counsel

September 17, 2012

H. Tina Kim, Deputy Comptroller
City of New York – Office of the Comptroller
One Centre Street, Room 1100
New York, NY 10007

RE: Letter Report on New York City's Administrative Oversight Entities' Monitoring of
Employees Who Drive City-Owned or Personally-Owned Vehicles on City
Business
Audit No.: 7R13-062AL

Dear Ms. Kim;

The Civil Service Commission is in receipt of your letter report dated August 23, 2012 and referenced above.

The Civil Service Commission agrees with the conclusions reached in the report.

Very truly yours,

Alina A. Garcia, Esq.
Executive Director and General Counsel
New York City Civil Service Commission



CITY OF NEW YORK
CONFLICTS OF INTEREST BOARD

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August 28, 2012

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Ms. Tina Kim
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One Centre Street, Room 1100
New York, NY 10007

**RE: DRAFT LETTER REPORT ON NEW YORK CITY'S
ADMINISTRATIVE OVERSIGHT ENTITIES' MONITORING OF
EMPLOYEES WHO DRIVE CITY-OWNED OR PERSONALLY-OWNED
VEHICLES ON CITY BUSINESS (AUDIT NUMBER 7R13-062AL)**

Dear Ms. Kim:

The Conflicts of Interest Board is in receipt of your Draft Letter Report dated August 23, 2012. While the Report does not have any recommendations, we concur with its findings that the Conflicts of Interest Board does not require its employees to use a City-owned or personally-owned vehicle to conduct City business and, as of June 30, 2012, did not own or have a contractor-leased vehicle.

Sincerely,

A handwritten signature in black ink that reads "Mark Davies".

Mark Davies
Executive Director

c: Elizabeth Weinstein, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations
Vince Liquori, Director, Financial Audit
Varuni Bhagwant, Director, Administration