



H. Tina Kim  
DEPUTY COMPTROLLER

CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
JOHN C. LIU

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BUREAU OF AUDIT

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September 18, 2012

The Honorable Shari C. Hyman  
Commissioner/Chair  
New York City Business Integrity Commission  
100 Church Street, 20<sup>th</sup> Floor  
New York, New York 10007

The Honorable Patricia L. Gatling  
Commissioner/Chair  
New York City Commission on Human Rights  
40 Rector Street  
New York, New York 10006

Ms. Joan M. Thompson  
Executive Director  
New York City Civilian Complaint Review Board  
40 Rector Street, 2<sup>nd</sup> Floor  
New York, New York 10006

The Honorable Michael A. Cardozo  
Corporation Counsel  
New York City Law Department  
100 Church Street  
New York, New York 10007

The Honorable Suzanne A. Beddoe  
Chief Administrative Law Judge  
New York City Office of Administrative Trials and Hearings  
40 Rector Street, 6<sup>th</sup> Floor  
New York, New York 10006

**Re: Letter Audit Report on the Legal Affairs Agencies' Monitoring of Their Employees  
Who Use an E-ZPass and Parking Permits While Driving City-Owned or  
Personally-Owned Vehicles on City Business  
(Audit Number 7R13-069AL)**

We are sending you this Letter Report regarding the audit of the Legal Affairs agencies' monitoring of their employees who use an E-ZPass and parking permits while driving City-owned or personally-owned vehicles on City business. The Legal Affairs agencies include the:

Business Integrity Commission  
Civilian Complaint Review Board  
Commission on Human Rights  
Law Department  
Office of Administrative Trials and Hearings

The objective of this audit is to determine if the Legal Affairs agencies are effectively monitoring their employees who use an E-ZPass and parking permits while driving City-owned or personally-owned vehicles on City business in accordance with applicable rules and regulations.

## **Conclusion**

We found that all five Legal Affairs agencies monitor their authorized drivers' use of E-ZPasses and permits in accordance with applicable rules and regulations. However, we found a minor weakness in the completion of the driver vehicle trip logs; of the 5005 E-ZPass transactions, we found that 58 transactions (1 percent) which had been included in the E-ZPass statements were not recorded in the driver vehicle trip logs. We confirmed that these transactions, which primarily affected the Business Integrity Commission, had been appropriately authorized and approved by management. This 1 percent omission did not affect our conclusion that all five agencies effectively monitored E-ZPass usage. We are bringing this matter to the attention of all the Legal Affairs agencies so that they can ensure all transactions are recorded in the driver vehicle trip log and are properly authorized.

This opinion and report does not include our review of your agencies' controls regarding your drivers' driving behavior, which was addressed in a prior report (Letter Report on the Legal Affairs Agencies' Monitoring of Their Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business, Audit # 7R12-133AL, issued June 25, 2012).

## **Background**

As you are aware, 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.

E-ZPasses should be issued only to authorized drivers, thus allowing said Agency personnel to perform their responsibility in an effective manner. E-ZPasses are issued by the Metropolitan Transportation Authority/Bridges and Tunnels (MTA). All E-ZPass usage must be reported to the ATC. Drivers are allowed to use a City-sponsored E-ZPass only when conducting official City business and in connection with the approved use of a City government vehicle. Subsequently, the driver must fill out a vehicle trip log detailing what the vehicle was used for and why it needed to be used so that accurate agency vehicle trip log books can be maintained. The MTA sends detailed summary reports on travel to the designated agency E-ZPass representative for review.

Drivers must be aware of their agency's in-house procedures regarding the use of parking permits, including areas where City government vehicles are permitted to park. Parking permits must be properly displayed to ensure visibility through the windshield. Permits may only be used for official City business in connection with the assigned City government vehicle and only as described by the parking permit and any other accompanying instructions.

## **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, 2011, through December 31, 2011. Our audit reviewed all E-ZPass usage and parking permits issued in our scope period for the five City agencies categorized as “Legal Affairs” in the Fiscal Year 2011 Mayor’s Management Report.

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 Legal Affairs agencies monitor their drivers’ E-ZPass usage and issued parking permits in accordance with the City’s Regulations, we obtained and reviewed the following: 1) list of all E-ZPasses issued to each agency and the associated license plate; 2) copy of the agency’s E-ZPass bills for the calendar year; (3) copy of all vehicle usage trip logs during our scope; (4) list of all parking permits and the vehicles they were assigned to; and (5) list of all employees for each agency who were authorized to drive on City business during the scope period.

To assess the reliability of the database of E-ZPasses received from each agency, we matched the MTA E-ZPass billing statements to the vehicle trip log for each agency.

To determine whether Legal Affairs agencies effectively monitored their E-ZPass usage, we determined whether the E-ZPass was used during normal agency business hours. We reviewed the E-ZPass bills and compared the dates to the 2011 calendar to determine if an E-ZPass was used on a weekend or holiday. If an E-ZPass was used, we determined whether proper authorization was given for its use. In addition, we checked the New York City Payroll Management System to determine whether the assigned driver was not on leave and in addition, still an employee of the agency during the period of E-ZPass usage. In addition, we checked to ensure that each E-ZPass was active during the scope period.

To determine whether Legal Affairs agencies effectively monitored their parking permits, we reviewed all parking permits to determine if each parking permit issued by the agency to the employer was attached to a City vehicle. If the parking permit was attached to a personally- owned vehicle, we reviewed the agencies’ authorization to the employee with that parking permit.

Based on our conclusion, we have no recommendations and do not see the need for a formal exit conference. On September 4, 2012, we submitted a draft letter providing you with an opportunity to formally respond. The Legal Affairs agencies’ responses were received on September 13, 2012. In their written responses, all the Legal Affairs agencies agreed with the report.

The full texts for the Legal Affairs agencies’ comments are included as addenda to this report.

Sincerely yours,



Tina Kim

- c: Jennifer Hoo, Director, Budget and Finance, Business Integrity Commission
- Brian Connell, Deputy Executive Director, Civilian Complaint Review Board
- Clifford Mulqueen, Deputy Commissioner, Commission on Human Rights
- Paul Inselmann, Director of Internal Audit, Law Department
- Linda May, Deputy Commissioner, Office of Administrative Trials and Hearings
- Elizabeth Weinstein, Director, Mayor’s Office of Operations
- George Davis III, Deputy Director, Mayor’s Office of Operations
- Vincent Liquori, Director, Financial Audit



Shari C. Hyman  
Commissioner and Chair

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20th Floor  
New York, NY 10007

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September 11, 2012

Ms. Tina Kim  
Deputy Comptroller, Bureau of Audit  
Office of the Comptroller  
Municipal Building  
1 Centre St, Room 1100  
New York, NY 10007

Re: **AGENCY RESPONSE TO DRAFT LETTER AUDIT REPORT ON LEGAL AFFAIRS AGENCIES' MONITORING OF THEIR EMPLOYEES WHO USE AN E-Z PASS AND PARKING PERMITS WHILE DRIVING CITY-OWNED OR PERSONALLY-OWNED VEHICLES ON CITY BUSINESS (#7R13-069AL)**

Dear Ms. Kim:

I write in response to the Office of the Comptroller's Draft Letter Audit Report on *Legal Affairs Agencies' Monitoring of their Employees Who Use an E-Z Pass and Parking Permits while Driving City-Owned or Personally-Owned Vehicles on City Business*. We concur with the findings that the five legal affairs agencies, of which the Business Integrity Commission (BIC) is one, "effectively monitor the driving behavior of their authorized drivers."

Thank you for the opportunity to respond to the draft letter audit report.

Sincerely,

A handwritten signature in black ink that reads "Shari C. Hyman". The signature is written in a cursive style.

Shari C. Hyman  
Commissioner and Chair

cc: Elizabeth Weinstein, Director, Mayor's Office of Operations  
George Davis III, Deputy Director, Mayor's Office of Operations



MICHAEL R. BLOOMBERG  
MAYOR

CIVILIAN COMPLAINT REVIEW BOARD  
40 RECTOR STREET, 2<sup>ND</sup> FLOOR  
NEW YORK, NEW YORK 10006 ♦ TELEPHONE (212) 442-8833  
www.nyc.gov/ccrb

ADDENDUM II

JOAN M. THOMPSON  
EXECUTIVE DIRECTOR

September 13, 2012

Tina Kim  
Deputy Comptroller, Bureau of Audit  
Municipal Building  
One Centre Street – Room 1100  
New York, NY 10007

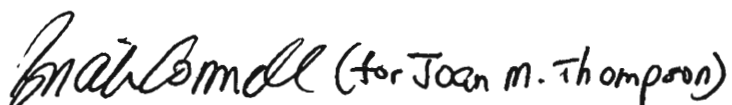
Re: Draft Letter Audit Report on the Legal Affairs Agencies' Monitoring of Their Employees Who Use An EZ-Pass and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business  
(Audit Number 7R13-069AL)

Dear Ms. Kim:

We are in receipt of your September 4, 2012 Draft Letter Report regarding the audit referenced above. We are pleased with the findings of the audit and will continue to provide proper oversight of all our employees who use EZ-pass and parking permits while driving City-owned or personally-owned vehicles on City business.

Thank you for the opportunity to respond to the draft letter audit report.

Sincerely,

  
Joan M. Thompson

c: Brian Connell, Deputy Executive Director for Administration  
Elizabeth Weinstein, Director, Mayor's Office of Operations  
George Davis III, Deputy Director, Mayor's Office of Operations



COMMISSION ON HUMAN RIGHTS

40 RECTOR STREET, NEW YORK, NY 10006

Dial 311 [www.nyc.gov/cchr](http://www.nyc.gov/cchr)

PATRICIA L. GATLING

*Commissioner and Chair*

September 6, 2012

Office of the NYC Comptroller  
Bureau of Audit  
One Centre Street: Room 1100  
New York, New York 10007-2341  
Attn: H. Tina Kim  
Deputy Comptroller

Re: Monitoring of E-Z Pass usage and Parking Permits

Dear Ms. Kim:

The New York City Commission on Human Rights is in receipt of your draft letter relating to the above referenced audit.

We acknowledge and accept the audit finding that the Commission properly monitored the usage of E-Z Pass and parking permits for city and personally vehicles used for city business.

Very truly yours,

Clifford Mulqueen  
Deputy Commissioner/General Counsel



THE CITY OF NEW YORK  
**LAW DEPARTMENT**  
100 CHURCH STREET  
NEW YORK, N.Y. 10007-2601

**G. FOSTER MILLS**  
*Managing Attorney*

(212) 788-0300  
FAX: (212) 732-3097  
gmills@law.nyc.gov

September 10, 2012

Ms. H. Tina Kim  
Deputy Comptroller for Audit  
NYC Office of the Comptroller  
1 Centre Street  
New York, NY 10007-2341

Re: **Draft Letter Audit Report on the Legal Affairs  
Agencies' Monitoring of Their Employees Who Use an  
E-ZPass and Parking Permits While Driving City-  
Owned or Personally-Owned Vehicles on City Business  
(Audit Number 7R13-069L)**

Dear Ms. Kim:

Thank you for giving us the opportunity to respond to the above-mentioned draft report. The Law Department was pleased that the Comptroller's Office found that we are effectively monitoring the use of E-ZPasses and permits in accordance with applicable rules and regulations.

If you have any questions please contact Paul Inselmann, Director of Internal Audit at (212) 341-3980.

Sincerely,

G. Foster Mills

cc: Michael A. Cardozo

**OFFICE OF  
ADMINISTRATIVE  
TRIALS AND HEARINGS**  
40 Rector Street, 6<sup>th</sup> Floor, New York, New York 10006

Suzanne A. Beddoe, Esq.  
Commissioner & Chief Administrative Law Judge

September 11, 2012

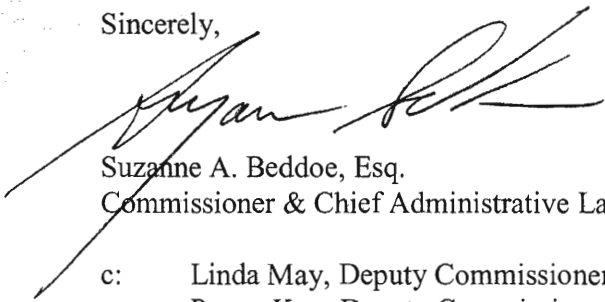
Ms. Tina Kim, Deputy Comptroller  
Bureau of Audit  
Office of the Comptroller  
One Centre Street, Room 1100  
New York, NY 10007

Re: Draft Letter Audit Report on the Legal Affairs Agencies' Monitoring of Their Employees  
Who Drive City-Owned or Personally-Owned Vehicles on City Business  
(Audit Number 7R13-069AL)

Dear Ms. Kim,

We have reviewed the above referenced letter audit report and are pleased with the favorable findings of the audit. OATH is committed to continuing to provide proper oversight of its employees who use E-Z Pass and parking permits while driving city-owned or personally-owned vehicles on City business.

Sincerely,

  
Suzanne A. Beddoe, Esq.  
Commissioner & Chief Administrative Law Judge

c: Linda May, Deputy Commissioner of Administration  
Peggy Kuo, Deputy Commissioner and General Counsel