



H. Tina Kim
DEPUTY COMPTROLLER

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

BUREAU OF AUDIT

MUNICIPAL BUILDING
ONE CENTRE STREET, ROOM 1100
NEW YORK, N.Y. 10007-2341

TEL: (212) 669-8459
FAX: (212) 815-8559
TKIM@COMPTROLLER.NYC.GOV

June 10, 2013

The Honorable Salvatore J. Cassano, Commissioner
New York City Fire Department
9 MetroTech Center
Brooklyn, New York 11201

The Honorable Raymond W. Kelly, Commissioner
New York City Police Department
1 Police Plaza
New York, New York 10038

Re: Letter Report on the Public Safety (“Uniformed Services”) 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 7R13-115AL)

Dear Commissioners:

We are sending you this Letter Report regarding the audit of the Public Safety “Uniformed Services” Agencies monitoring of their employees using E-ZPass and/or parking permits while driving City-owned or personally-owned vehicles on City business. These agencies include the:

- Department of Correction (DOC)
- Fire Department (FDNY)
- Police Department (NYPD)

The objective of this audit is to determine if the Public Safety “Uniformed Services” 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.

This report will address the FDNY and NYPD only; DOC will be discussed in separate audit report.

Conclusion

We found that both Public Safety “Uniformed Services” agencies discussed in this audit report, FDNY and NYPD monitored the use of E-ZPasses and permits by their authorized drivers in accordance with applicable rules and regulations. In addition, we specifically noted that NYPD controls were in place to adequately monitor the more than one million E-ZPass transactions.

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 Public Safety Agencies' Monitoring of Their Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business, Audit # 7R12-091AL issued June 25, 2012). The other Public Safety Agencies (Non-Uniformed Services) were covered in a separate audit report (# 7R13-090AL) dated January 7, 2013.

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 E-ZPass usage and parking permits issued in our scope period for two of the three City agencies categorized as "Public Safety" 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 Public Safety

“Uniformed Services” 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) a list of all E-ZPasses issued to each agency and the associated license plate; 2) a copy of the agency’s E-ZPass bills for the calendar year; (3) a copy of all vehicle usage trip logs during our scope; (4) a list of all parking permits and the vehicles they were assigned to; and (5) a 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 logs for each agency where available.

To determine whether Public Safety “Uniformed Services” 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 Public Safety “Uniformed Services” 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 positive conclusion, we have no recommendations and did not see the need for a formal exit conference. On May 8, 2013, we submitted a draft letter providing you with an opportunity to formally respond. The two Public Safety “Uniformed Services” agencies’ responses were received by May 23, 2013. In their written responses both Public Safety “Uniformed Services” agencies agreed with the report.

The full texts for the Public Safety “Uniformed Services” agencies’ comments are included as addenda to this report.

Sincerely yours,



Tina Kim

cc: Domenick F. Loccisano, Executive Director, Fire Department
John K. Donohue, Assistant Chief, Commanding Officer, Police Department
Elizabeth Weinstein, Director, Mayor’s Office of Operations
George Davis III, Deputy Director, Mayor’s Office of Operations



FIRE DEPARTMENT

9 METROTECH CENTER

BROOKLYN, N.Y. 11201-3857

SALVATORE J. CASSANO
Fire Commissioner

Suite 8W-6

May 13, 2013

H. Tina Kim
Deputy Comptroller
Bureau of Audit
The City of New York Office of the Comptroller
1 Centre Street
New York, NY 10007-2341

Re: Draft Letter Report on the Public Safety ("Uniformed Services") 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 7R13-115AL)

Dear Deputy Comptroller Kim:

I write in response to the "Draft Letter Report on the Public Safety ("Uniformed Services") Agencies' Monitoring of Their Employees Who Use an E-ZPass and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business", dated May 8, 2013.

The above audit revealed no recommendations and found that the Fire Department effectively monitors the use of E-ZPasses and parking permits. Please thank your staff for the time and diligence that they put into this audit.

If you have any questions, please contact Domenick Loccisano, Executive Director of Internal Audit and Control, at (718) 999-5180.

Sincerely,

Salvatore J. Cassano
Fire Commissioner

cc: Edward Kilduff, Chief of Department
James Esposito, Chief of Fire Operations
Abdo Nahmod, Chief of EMS Operations
John Benanti, Deputy Commissioner of Support Services
Michael Vecchi, Associate Commissioner of Management Initiatives
Jeffrey Roth, Assistant Commissioner of Management Initiatives
Stephen Rush, Assistant Commissioner of Budget & Finance
Elizabeth Weinstein, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations



POLICE DEPARTMENT

Office of Management Analysis and Planning
 Room 1403
 One Police Plaza
 New York, N.Y. 10038

May 21, 2013

Ms. Tina Kim
 Deputy Comptroller
 New York City Office of the Comptroller
 Bureau of Audit
 One Centre Street
 New York, N.Y. 10007-23412

**Re: Response to Draft Audit Report on the
 Public Safety Agencies' Monitoring of Their
 Employees Who Use an E-Z Pass and Parking
 Permits While Driving on City Business (Audit
 Number 7R13-115AL)**

Dear Ms. Kim:

I am responding on behalf of Police Commissioner Kelly to your communication dated May 8, 2013 requesting a response to an audit report on the "Public Safety 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 (Audit Number 7R13-115AL)". We are pleased that results of this audit have indicated that the Police Department monitors the use of E-Z Passes and permits by authorized drivers in accordance with applicable rules and regulations, and that the Police Department was specifically noted for having controls in place to adequately monitor the more than one million E-Z Pass transactions.

We appreciate the efforts that were made by the NYC Comptroller's Office during the audit process and hope that it found that the Police Department demonstrated its policy of full cooperation throughout the course of its review. If you have any questions concerning this response, please contact the OMAP/Audit Management Unit at 646-610-8366.

Very truly yours,

A handwritten signature in black ink, appearing to read "John K. Donohue".

John K. Donohue
 Assistant Chief
 Commanding Officer

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