



MARJORIE LANDA
DEPUTY COMPTROLLER FOR
AUDIT

CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

BUREAU OF AUDIT

June 30, 2014

By Electronic Mail

Commissioner Steven Banks
Human Resources Administration/
Department of Social Services
180 Water Street, 25th Floor
New York, New York 10038

Re: Final Letter Audit Report on the Human Resources Administration's Monitoring of Its Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business (Audit Number 7R14-065AL)

Dear Commissioner Banks:

This Letter Report concerns the audit of the Human Resources Administration's ("HRA") monitoring of its employees who drive City-owned or personally-owned vehicles on City business. The objective of this audit was to determine if HRA is effectively monitoring its employees who drive City-owned or personally-owned vehicles on City business. The audit found that HRA effectively monitors the driving behavior of its authorized drivers.¹ A detailed discussion of our opinion and this audit follows below.

Background

New York City requires that only those employees who exercise reasonable care in operating City-owned 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" (the "Handbook"). Agency heads, through their agency's Agency Transportation Coordinator ("ATC"), must ensure that all employees assigned a City-owned vehicle either for full-time use or temporary use have been authorized to drive. It is also the ATC's responsibility to ensure that these drivers have a valid license. The driver's license must be a New York State License unless the employee is exempt from City residency requirements. In that case, 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 Handbook further specifies that City agencies must establish programs that promote safety along with proper training in the use of motor vehicles.

¹ This opinion does not include our review of your agency's controls regarding your drivers' vehicle usage which will be discussed in a separate report.

City agencies are encouraged to enroll in the New York State Department of Motor Vehicles (“DMV”) License Event Notification System (“LENS”) program, whereby the ATC will be notified of any event that affects the driver’s license, such as an expired license, the accumulation of points, an accident, and charges against a driver for driving while impaired or driving under the influence. This enables the ATC to ensure that only employees with valid licenses are driving on City business.

Conclusion

We found that HRA effectively monitors the driving behavior of its authorized drivers. HRA subscribes to the DMV’s LENS and receives its updates and revokes the privileges of those drivers who have suspended or revoked licenses in a timely manner as prescribed by regulations. In addition, HRA provided its employees with a required safety awareness program.

Scope and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards (“GAGAS”). 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 June 6, 2014. Our audit reviewed all 1,406 HRA drivers in our scope period.

To meet our objectives, we obtained and reviewed the City’s Handbook issued February 2009 and its subsequent update. To determine whether HRA monitors its drivers in accordance with the City’s Handbook, we obtained and reviewed the following: 1) a list of all HRA employees who were authorized to drive on City business during our scope period, which included whether a license was necessary to maintain employment; 2) a copy of HRA’s annual LENS report, which lists all the individuals who the agency has authorized to drive on behalf of City business; 3) copies of the monthly LENS reports for October 2012 through December 2012; 4) copies of the weekly LENS reports from October 2013 through January 2014; 5) documentation that the agency periodically checks the driver’s licenses and insurance coverage of all employees who use a personally-owned vehicle; 6) documentation regarding disciplinary action (if necessary) for DMV notifications of changes in driver’s license status; and 7) a copy of policies and procedures concerning driving a City-owned or personally-owned vehicle on City business. In addition, we completed DMV inquiries on April 4, 2014 of the driving status of all the HRA drivers.

To determine the accuracy of the database of authorized drivers received from HRA, we

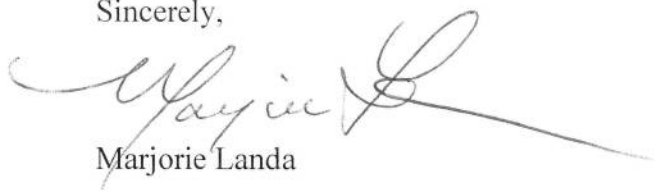
verified the number of drivers with LENS.

To determine whether HRA offered driver's safety programs according to the Handbook, we requested and reviewed documentation regarding its safety programs. We also accessed the DMV's Dial-In Inquiry to determine the driving status of those employees who resided outside of New York State. We also performed DMV searches for the driving records of those employees.

Based on our positive conclusion we recommend that you continue your current processes in accordance with the applicable regulations. On June 18, 2014, we submitted a draft letter report providing you with an opportunity to formally respond. HRA's response was received by June 26, 2014. In their written response HRA agreed with the report.

The full text of HRA's comments is included as an addendum to this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Marjorie Landa", with a long horizontal flourish extending to the right.

Marjorie Landa

cc: Hope Henderson, Director, Bureau of Audit Coordination
Jane Corbett, Executive Deputy Commissioner, General Counsel
Stanley Ruszkowski, Director of Fleet Administration
Mindy Tarlow, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations



Human Resources
Administration
Department of
Social Services
Office of
Audit Services

Steven Banks
Commissioner

June 25, 2014

Jane Carben
Executive Deputy
Commissioner

180 Water Street
New York, NY 10038
929 221 7126

Marjorie Landa
Deputy Commissioner for Audits
The City of New York
Office of the Comptroller
Centre Street, Room 1100
New York, NY 10007

Re: Draft Audit Report on HRA's Monitoring of its
Employees Who Drive City-Owned or Personally-
Owned Vehicles on City Business Audit Number
7R14-0065AL

Dear Deputy Commissioner Landa:

We have reviewed the referenced draft report dated June 19, 2014 concerning your Audit on the Human Resources Administration's Monitoring of Its Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business. The objective of the audit was to examine whether ERA effectively monitored its employees who drive City-owned or personally-owned vehicles on City business.

We were pleased that the audit acknowledges HRA's effective monitoring of the driving behavior of authorized drivers and that the Agency subscribes to the DMV's License Event Notification System (LENS) and takes timely and appropriate action based on its reports.

Thank you for such a positive report. We assure you that we will continue following the City's policies and procedures for driving a City-owned or personally-owned vehicle on City business. We will also continue taking the steps necessary to ensure that our drivers are properly licensed, and trained in deploying appropriate safety measures while working to achieve HRA's mission of service to the City's neediest population.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jane Corbett".

Jane Corbett

cc: Commissioner Banks