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AUDIT

BUREAU OF AUDIT

June 30, 2014

By Electronic Mail

Commissioner Anne Roest
New York City Department of Information Technology and Telecommunications
255 Greenwich Street, 9th Floor
New York, NY 10007

**Re: Final Letter Report on the New York City Department of Information
Technology and Telecommunications' Compliance with Local Law 36
(Audit Number 7R14-114AL)**

Dear Commissioner Roest:

This Letter Report contains the findings of our audit of the compliance by the New York City Department of Information Technology and Telecommunication ("DoITT") with Local Law 36, which governs waste prevention, reuse, and recycling by City agencies. The objective of this audit is to determine if DoITT is complying with the local law, which is intended to make City agencies, and ultimately the City as a whole, more sustainable through efforts that promote a clean environment, conserve natural resources, and manage waste in a cost-effective manner. In addition, in the course of the audit, we noted efforts made by DoITT to follow additional recycling rules established by the Department of Sanitation for the City of New York ("DSNY") pursuant to Local Law 36. Our audit of DoITT is one in a series of audits we are conducting of compliance with the local law.

Background

In 1989, New York City established Local Law 19, codified as Administrative Code §§ 16-301, *et seq.*, to establish an over arching "policy of the city to promote the recovery of materials from the New York City solid waste stream for the purpose of recycling such materials and returning them to the economy." The law mandates recycling in New York City by residents, agencies, institutions and businesses, and includes a series of rules to guide implementation. Local Law 19 requires the City to establish environmental policies to conserve natural resources and manage waste in a sustainable and cost-effective manner.

In 2010, the City enacted Local Law 36 by which it amended the recycling provisions of Local Law 19 (Administrative Code § 16-307) to require each City agency to develop a waste prevention, reuse and recycling plan and submit the plan to DSNY for

approval by July 1, 2011, and each year after. Local Law 36 also requires each agency to designate a lead recycling or sustainability coordinator for the agency and, where the agency occupies more than one building, to designate an assistant coordinator for each building the agency occupies. By July 1, 2012 and in each year thereafter, the lead recycling coordinator for each agency is required to submit a report to the head of its agency and to DSNY “summarizing actions taken to implement the waste prevention, reuse, and recycling plan for the previous twelve-month reporting period, proposed actions to be taken to implement such plan, and updates or changes to any information included in such plan.”

In addition, Local Law 36 requires the Commissioner of DSNY to adopt, amend, and implement regulations governing recycling by City mayoral and non-mayoral agencies. DSNY is also responsible for consolidating the information contained in agency reports and including this information in the Department’s annual recycling report.

Findings and Recommendations

Our audit found that DoITT generally complies with Local Law 36. However, we found that DoITT did not submit its waste prevention, reuse and recycling plan to DSNY until the fall of 2013, after this audit had commenced, notwithstanding Local Law 36’s requirement that such a plan be submitted to DSNY by no later than July 1, 2011. We further found that DoITT did not submit its 2012 annual report to its Commissioner or to DSNY as required. While DoITT source-separates its recyclable materials, we noted a lack of receptacles for recycling mixed paper in one of the DoITT’s locations. Our findings are outlined in the following table entitled Compliance Summary below:

COMPLIANCE SUMMARY		
Local Law 36 Criteria	Compliance	Notes
Recycles designated materials	Yes	Overall the program complied
Designates waste prevention, reuse and recycling coordinator	Yes	DoITT designated a lead coordinator and assistant coordinators
Establishes a waste prevention, reuse and recycling plan by July 1, 2011	No	Plan was created in Fall 2013 after engagement of this audit
Submits annual report to agency head and DSNY commissioner	Partial	DoITT did not submit the annual report for fiscal year 2012

In addition to these findings, we observed that DoITT has made additional efforts to address waste prevention, reuse, and safe handling of hazardous waste. Specifically, DoITT has set its printers to double-sided by default and encourages its employees to double-side all copies by placing posters by the copiers. DoITT also participates in a City-wide contract for hazardous waste pickups by an independent contractor. These measures were taken in accordance with DSNY’s additional guidelines developed pursuant to Local Law 36.

We recommend that DoITT assess its plan each year and submit annual updates to its agency's Commissioner and to DSNY. We also recommend that DoITT provide adequate bins for the collection of mixed paper and cardboard in addition to plain shredded papers bins.

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 for this audit was July 1, 2011; the date Local Law 36 went into effect, through February 28, 2014, the last day of our fieldwork. Our methodology for this audit consisted of the following steps:

- We reviewed applicable laws, rules, policies, and procedures to determine our criteria in accordance with Local Law 36, including Local Law 19, Local Law 36, DSNY's agency waste prevention, reuse and recycling plan template, and DSNY's report submission form and implementation guidelines;
- We sent an electronic survey to DoITT to determine if the agency met the key provisions of Local Law 36 reflected as the core criteria in the table below and analyzed the survey results and other additional materials provided by DoITT;
- We requested and reviewed, as applicable, DoITT's waste prevention, reuse, and recycling plan, list of coordinators, and the agency's 2012 and 2013 annual reports; and
- We conducted interviews with DoITT's recycling/sustainability coordinator to discuss the agency's recycling and waste prevention efforts and visited DoITT to verify its compliance with Local Law 36.

Based on our understanding of the Local Law 36 requirements, we outlined all the criteria necessary for agencies to be in compliance. The table below outlines agencies' core criteria required to achieve compliance under Local Law 36. A summary of these core criteria forms the basis for the compliance summary reported for each audited agency.

CORE CRITERIA	
Compliance	Detailed Criteria
Recycling	Agency source-separates recyclable materials
Coordination	Agency has a lead coordinator
	Agency has assistant coordinator(s) as applicable
WPRR Plan	Agency has a waste prevention, recycling, and reuse plan
Report to Agency Head and DSNY Commissioner	Agency submitted 2012 report
	Agency submitted 2013 report

Because many agencies may have pursued initiatives beyond these core requirements, we recognized agencies' additional actions regarding recycling and sustainability. Our observations are based on the additional actions established by DSNY in its waste prevention, reuse, and recycling plan implementation guidelines and other efforts taken by agencies.

The issues covered in this report were discussed with DoITT officials during and at the conclusion of this audit. On June 17, 2014, we submitted a draft letter report providing DoITT with an opportunity to formally respond. DoITT's response was received on June 27, 2014. In its written response, DoITT stated that it "obtained compliance with our recycling obligations by arrangements with the management of the buildings in which we rent office space. Each building management operates a facility in which recyclable materials are separated. This operation was in place well before your predecessor commenced this audit; our initial omission to file the required documentation of that operation with the Department of Sanitation was purely a procedural oversight that did not impair our adherence to recycling requirements."

The full text for the DoITT's comment is attached as an addendum to this report.

Sincerely,



Marjorie Landa

- c. Charles Fraser, General Counsel
- Cassandra Benito, Records Access Counsel
- Mindy Tarlow, Director, Mayor's Office of Operations
- George Davis, III, Deputy Director, Mayor's Office of Operations

NYC
**Information
Technology &
Telecommunications**

Anne Roest
Commissioner
255 Greenwich Street
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June 26, 2014

The Honorable Marjorie Landa
Deputy Comptroller, Bureau of Audit
Office of the Comptroller
One Centre Street, Room 1100
New York, New York 10007-2341

Re: Draft Letter Report on Audit 7R14-114AL

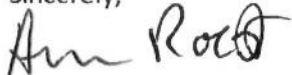
Dear Ms. Landa:

Thank you for the opportunity to respond to the draft report of your audit of compliance by the Department of Information Technology and Telecommunications (DoITT) with Local Law 36, which governs recycling by city agencies. I am pleased that the draft report found that DoITT fully complies with all of our recycling obligations. I am also pleased that the draft report noted DoITT's "additional efforts to address waste prevention."

As you know, DoITT obtained compliance with our recycling obligations by arrangements with the management of the buildings in which we rent office space. Each building management operates a facility in which recyclable materials are separated. This operation was in place well before your predecessor commenced this audit; our initial omission to file the required documentation of that operation with the Department of Sanitation was purely a procedural oversight that did not impair our adherence to recycling requirements.

I look forward to continuing to work together to make New York City greener.

Sincerely,



Anne Roest
Commissioner

c: Mindy Tarlow
George Davis III
Ernestine Rivers-Merritt