

AUDIT REPORT

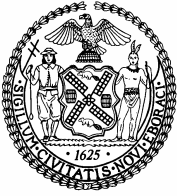


CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL AUDIT
WILLIAM C. THOMPSON, JR., COMPTROLLER

Audit Report on the Monitoring of the Private Carting and Public Wholesale Market Industries by the Business Integrity Commission

FK07-089A

June 30, 2008



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

WILLIAM C. THOMPSON, JR.
COMPTROLLER

To the Citizens of the City of New York

Ladies and Gentlemen:

In accordance with the Comptroller's responsibilities contained in Chapter 5, §93, of the New York City Charter, my office has audited the monitoring of the private carting and public wholesale market industries by the Business Integrity Commission.

The Business Integrity Commission is both a law enforcement and regulatory agency. Its mission is to eliminate organized crime and other forms of corruption and criminality from the private carting, public wholesale market, and shipboard gambling industries. We audit City agencies such as this to ensure that regulated industries are properly and effectively monitored.

The results of our audit, which are presented in this report, have been discussed with Business Integrity Commission officials, and their comments have been considered in the preparation of this report. Their complete written response is attached to this report.

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please e-mail my audit bureau at audit@Comptroller.nyc.gov or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in cursive script that reads 'William C. Thompson, Jr.'.

William C. Thompson, Jr.

WCT/fh

Report: FK07-089A
Filed: June 30, 2008

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*The City of New York
Office of the Comptroller
Bureau of Financial Audit*

**Audit Report on the Monitoring of the
Private Carting and Public Wholesale Market
Industries by the Business Integrity Commission**

FK07-089A

AUDIT REPORT IN BRIEF

The Business Integrity Commission (BIC) consolidates under one agency regulatory jurisdiction over the private carting, the public wholesale market, and the shipboard gambling industries. BIC is both a law enforcement and regulatory agency. Its mission is to eliminate organized crime and other forms of corruption and criminality from the industries it regulates. BIC is empowered to investigate applicants, issue licenses and registrations, enforce applicable laws, and promulgate rules and regulations that govern the conduct of the businesses it oversees.

Before a license or registration is granted, BIC conducts background and criminal checks of the applicant business, its principals,¹ and managerial employees for the purpose of determining the good character, honesty, and integrity of the applicant business. By conducting these investigations, BIC prevents individuals and businesses with organized crime connections from being involved in the regulated industries. BIC monitors licensed or registered trade waste businesses by investigating customer complaints. BIC's Trade Waste Enforcement Unit (TWEU) is responsible for handling and resolving trade waste complaints. BIC's uniformed Market Agents patrol the markets and monitor the businesses in them. BIC also monitors trade waste and market businesses through the renewal application process.

BIC officials informed us that there were no businesses operating in the shipboard gambling industry during our audit period.

BIC officials also informed us that as of August 20, 2007, BIC has been undergoing a restructuring that will address many of the issues identified in our report.

¹ The New York City Administrative Code defines a principal as an owner, partner, officer, director, chief operating officer, stockholders with an ownership interest of ten percent or more, and all persons directly or indirectly in control of the business.

Audit Findings and Conclusions

Our review disclosed significant weaknesses in BIC's monitoring of the trade waste and market industries. For example, we noted that BIC:

- Failed to institute standard operating procedures (SOPs) for the investigation and resolution of complaints, as required by the New York City Administrative Code §16-522, and did not review BIC Inspectors' decisions regarding the intake, investigation, and resolution of complaints. In the absence of SOPs and supervisory review, BIC cannot ensure that all complaints that warrant investigation are investigated and that BIC Inspectors conduct investigations appropriately and uniformly.
- Lacks an effective system for tracking the investigation of trade waste complaints because it does not adequately document complaints received; it therefore cannot verify that all complaints received are entered into its database and ultimately resolved.
- Did not regulate all markets or implement a timetable for their regulation, as authorized by the New York City Administrative Code §22-268.
- Does not ensure that its Market Agents are actively patrolling markets and does not ensure that there is adequate coverage of the markets.
- Did not consistently adhere to the New York City Administrative Code and its Policies and Procedures for Processing Trade Waste and Markets Renewal Applications when renewing licenses and registrations.

Audit Recommendations

To address these issues, we make 20 recommendations, including that BIC should:

- Develop and implement standard operating procedures for the investigation and resolution of complaints, as required by New York City Administrative Code §16-522.
- Keep a record of all complaints received and retain original copies of all complaints received by mail, e-mail, and fax.
- Record essential complaint data in its database, including but not limited to—complaint source, action taken to date, status, number of days open, date resolved, and how complaint was resolved.
- Develop a timetable for the sequenced implementation of regulation of the Brooklyn Terminal Market and the Gansevoort Meat Market if it cannot commence regulation of these markets at this time.

- Require Market Agents to make regular entries in their memo books during each shift documenting their actions, as well as the activities and conditions in markets.
- Require Market Supervisors to review memo books, ensure Market Agents make regular entries, and initial memo books during each shift.
- Ensure that background, legal, and criminal checks are conducted on all businesses applying for renewals and all their principals and managerial employees.

INTRODUCTION

Background

In November 2001, a revision of the New York City Charter created the Organized Crime Control Commission, later renamed BIC to consolidate under one agency regulatory jurisdiction over the private carting, the public wholesale market, and the shipboard gambling industries. Previously, these industries were regulated by the Trade Waste Commission, the Department of Small Business Services, and the Gambling Control Commission, respectively.

BIC consists of a Chair appointed by the Mayor; the Commissioners of the Police Department (NYPD), the Department of Investigation, the Department of Sanitation (DOS), the Department of Consumer Affairs, and the Department of Small Business Services (DSBS). It has more than 60 BIC employees and also includes officers from the NYPD Organized Crime Intelligence Division (OCID) and DOS. The BIC Chair has administrative management responsibility for the agency.

BIC is both a law enforcement and regulatory agency. Its mission is to eliminate organized crime and other forms of corruption and criminality from the industries it regulates. BIC is empowered to investigate applicants, issue licenses and registrations, enforce applicable laws, and promulgate rules and regulations that govern the conduct of the businesses it oversees. The New York City Administrative Code requires that businesses operating in the trade waste and market industries obtain a license or registration from BIC. Before a license or registration is granted, BIC conducts background and criminal checks of the applicant business, its principals, and managerial employees for the purpose of determining the good character, honesty, and integrity of the applicant business. By conducting these investigations, BIC prevents individuals and businesses with organized crime connections from being involved in the regulated industries. BIC monitors licensed or registered trade waste businesses by investigating customer complaints. BIC's TWEU is responsible for handling and resolving trade waste complaints. BIC's uniformed Market Agents patrol the markets and monitor the businesses in them. BIC also monitors trade waste and market businesses through the renewal application process. Licenses and registrations must be renewed every two years, except for those issued to businesses operating in the produce and meat markets, which must be renewed every three years.

BIC officials informed us that there were no businesses operating in the shipboard gambling industry during our audit period.

Objective

The objective of this audit was to determine whether the Business Integrity Commission is properly and effectively monitoring the City's trade waste and market industries.

Scope and Methodology

This audit covered the period July 1, 2005, through June 30, 2007.

To obtain an understanding of BIC's responsibilities regarding the regulation and enforcement of the trade waste and market industries, we reviewed relevant provisions of the New York City Administrative Code: Title 16-A, Chapter 1, "New York City Trade Waste Commission"; Title 22, Chapter 1-A, "Fulton Fish Market Distribution Area and Other Seafood Distribution Areas"; and Title 22, Chapter 1-B, "Other Public Markets. We reviewed the Rules of the City of New York: Title 17, "Trade Waste Commission"; and Title 66, Chapter 1, Subchapter A-1, "Public Wholesale Markets," Subchapter B, "Fulton Fish Market," Subchapter C, "Wholesale Seafood Business Outside Fulton Fish Market," and Subchapter D, "Market Businesses." We also reviewed BIC's standard operating procedures and the New York City Comptroller's Internal Control and Accountability Directives, Directive #1, "Principles of Internal Controls."

We met with BIC officials and requested copies of their standard operating procedures to gain an understanding of the policies and procedures for monitoring the trade waste and market industries. BIC officials provided us written policies and procedures for processing applications for the renewal of trade waste and market licenses and registrations, and informed us that there are no such written policies and procedures regarding the monitoring of the trade waste and market industries.

Tests of the Monitoring of Trade Waste Businesses

We interviewed BIC officials to gain an understanding of BIC's procedures for the intake, assignment, investigation, and resolution of complaints and investigations, and assessed whether there was adequate segregation of duties among the individuals responsible for these functions. We also met with BIC officials to gain an understanding of its system for recording, tracking, and resolving complaints and investigations and evaluated these systems.

According to BIC officials, BIC received 1,632 complaints and opened 222 investigations based on those complaints during Fiscal Year 2006. We could not determine whether these 1,632 complaints and 222 investigations represented all complaints received and all investigations that should have been opened because of inadequate documentation. BIC does not adequately document complaints it receives and actions it takes to immediately resolve complaints; nor does BIC document its decisions to either immediately resolve or investigate complaints. Although we could not attest to the completeness of the population of investigations for Fiscal Year 2006, we judgmentally selected 24 out of the 222 investigations (about 10 percent) opened during that year and looked for evidence that BIC took action and resolved complaints in a timely manner. We selected our sample of 24 investigations as follows: we randomly selected one complaint from each of 17 trade waste businesses that had three or more complaints lodged against them; and we randomly selected 7 of 68 investigations in which the trade waste business was not identified in BIC's database.

Tests of Wholesale Market Monitoring

As mentioned, BIC does not have written policies and procedures for monitoring the markets. Therefore, we met with BIC officials to gain an understanding of the policies and procedures in place to monitor the markets. According to BIC officials, BIC uniformed Market

Agents patrol the markets and monitor the businesses in them. To determine whether BIC properly and effectively monitored the markets, we examined timekeeping and administrative records documenting agents' activities. BIC officials informed us that the markets are busiest in the last two weeks of December. Therefore, we selected and reviewed records for these periods in 2005 and 2006—December 18 through 31, 2005, and December 17 through 31, 2006. We examined daily roll call sheets, memo books, and Squad Daily Activity Reports to determine whether Market Agents were actively patrolling and their activities documented. We also checked to see that Squad Daily Activity Reports were completed for each tour and contained evidence of supervisory review. We discussed inconsistencies in documentation with BIC officials.

We also analyzed market coverage by determining whether Market Agents were actively patrolling all designated public markets. For those markets that BIC actively patrolled, we determined whether Market Agents were present in markets during all operating hours and how many Market Agents were patrolling at any given time.

Tests of Trade Waste and Market License and Registration Renewal Applications

We interviewed BIC officials and reviewed BIC's policies and procedures for processing trade waste and market license and registration renewal applications to gain an understanding of the procedures for processing renewal applications and assess whether there was adequate segregation of duties among the individuals preparing, authorizing, and issuing the licenses and registrations.

To determine whether BIC processed renewal applications appropriately and promptly, we examined 111 of 279 approved renewal applications processed during Fiscal Year 2006. There were 256 trade waste renewal applications and 23 market renewal applications. We initially planned to test the entire population. However after examining 101 of the 256 approved trade waste renewal applications, we determined that further testing in this area was not necessary due to the nature and frequency of the issues we noted. We randomly selected 10 of the 23 market renewal applications that were approved during Fiscal Year 2006.

To determine whether applications were properly approved, we reviewed files for the 111 approved applications and checked to see if they contained evidence that all required background checks were performed; whether results of background checks were reviewed; whether disclosure forms were filed when necessary; whether applications were signed by all persons directly and indirectly in control of the business; and whether applicants had an address or phone number in New York City, as required by the Administrative Code. We also ascertained whether supervisors reviewed files and applications for completeness and renewed licenses or registrations were issued prior to their effective date.

According to BIC officials, five applications were denied during Fiscal Year 2006. For the five denied applications, we checked that the application files contained documentation to support BIC's decision and that the applicant was notified of BIC's decision.

The results of the above tests, while not statistically projected to their respective populations, provided a reasonable basis to determine whether BIC is properly and effectively monitoring the City's trade waste and market industries.

This audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included tests of the records and other auditing procedures considered necessary. This audit was performed in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

Discussion of Audit Results

The matters covered in this report were discussed with BIC officials during and at the conclusion of this audit. A preliminary draft report was sent to BIC officials and discussed at an exit conference held on May 14, 2008. On May 30, 2008, we submitted a draft report to BIC officials with a request for comments. We received a written response from BIC on June 13, 2008. In BIC's response, the Commissioner/Chair stated:

I participated in an Exit Conference with your staff on May 14, during which we discussed some factual issues that I thought would be cleared-up in the report, and the restructuring of the Agency I have undertaken since my arrival last summer. As I said in May, I believe the changes I have made address many of the concerns raised by your office, and feel strongly that they need to be considered in conjunction with the draft Audit Report recommendations. Below is a broad overview of these reforms followed by individual responses to the draft Audit Report recommendations. . . .

First, we have created the position of Chief Investigator to oversee all of the Agency's regulatory enforcement staff and patrol function. With centralized authority over all regulatory enforcement agents, the Chief Investigator has broad power to allocate enforcement resources and provides structured supervision over the daily activity of the agents in both the trade waste and market functions. Second, we have implemented a new complaint processing procedure and database to ensure that all complaints are efficiently handled and properly tracked within the Agency. Third, we have created a Background/Intelligence Unit under the supervision of the newly created position, Assistant Commissioner for Intelligence, to serve as a central repository of intelligence information and to conduct thorough and timely background investigations.

We acknowledged that BIC is restructuring and making improvements that will address the weaknesses cited in our report. However, these changes were made after our audit period or are still in the process of being implemented. Therefore, we cannot attest to the effectiveness of these changes to BIC's monitoring of the trade waste and market industries.

The full text of the BIC response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

The trade waste and market industries have a history of being controlled or influenced by organized crime. BIC's mission is to eliminate organized crime and other forms of corruption and criminality from these industries. BIC accomplishes this mission through background and criminal checks of businesses applying for a license or registration, by investigating customer complaints against trade waste businesses, and by monitoring the markets through the use of uniformed Market Agents. Our review disclosed significant weaknesses in BIC's monitoring of the trade waste and market industries. For example, we noted that BIC:

- Failed to institute SOPs for the investigation and resolution of complaints, as required by the New York City Administrative Code §16-522, and did not review BIC Inspectors' decisions regarding the intake, investigation, and resolution of complaints. In the absence of SOPs and supervisory review, BIC cannot ensure that all complaints that warrant investigation are investigated and that BIC Inspectors conduct investigations appropriately and uniformly.
- Lacks an effective system for tracking the investigation of trade waste complaints because it does not adequately document complaints received; it therefore cannot verify that all complaints received are entered into its database and ultimately resolved.
- Did not regulate all markets or implement a timetable for their regulation, as authorized by the New York City Administrative Code §22-268.
- Does not ensure that its Market Agents are actively patrolling markets and does not ensure that there is adequate coverage of the markets.
- Did not consistently adhere to the New York City Administrative Code and its Policies and Procedures for Processing Trade Waste and Markets Renewal Applications when renewing licenses and registrations.

BIC officials informed us that as of August 20, 2007, BIC has been undergoing a restructuring that will address many of the issues identified in our report.

These issues are discussed in detail in the following sections of the report.

Weaknesses in Monitoring of Trade Waste Businesses

BIC Did Not Institute Required Standard Operating Procedures For the Investigation and Resolution of Complaints

BIC failed to institute SOPs for the investigation and resolution of complaints as required by law. New York City Administrative Code §16-522 states that BIC "shall by rule establish a procedure for the investigation and resolution of complaints by commercial establishments regarding overcharging and other problems related to the collection, removal or disposal of

waste.” SOPs are a set of written instructions that detail the work processes that are to be conducted or followed within an organization. SOPs provide all employees with the information needed to perform a job properly and facilitate consistency in the quality of services provided. Written policies and procedures are needed that adequately and specifically address the duties and responsibilities of key employees responsible for the intake, assignment, investigation, and resolution of complaints.

BIC officials informed us that its primary means of monitoring is investigating complaints against trade waste businesses. According to BIC officials, complaints are received on its hotline, general, or other telephone lines; by e-mail, mail, and fax; from 311; and in person. One BIC Inspector receives all complaints and decides whether they warrant investigation. BIC officials informed us that complaints can be resolved immediately or investigated. According to BIC officials, many complaints, such as excessive noise and missed pick-ups, can be resolved immediately by calling trade waste businesses. However, there are no written guidelines or instructions that dictate which types of complaints can be resolved with a phone call and which types require investigation. Further, the decisions by the BIC Inspector are neither documented nor reviewed. Without having SOPs and exercising supervisory review, BIC cannot ensure that all complaints that warrant investigation are investigated.

Complaints that are not resolved immediately are recorded on an Opening/Closing Case Report and an investigation file is created. BIC’s Director of Regulatory Compliance assigns those complaints deemed to require investigation to one of four BIC Inspectors. There are no written guidelines or instructions that detail how these Inspectors should conduct investigations and resolve complaints. Further, the Director of Regulatory Compliance does not review ongoing investigations or approve the manner in which complaints are resolved. Without having SOPs and exercising supervisory review, BIC cannot ensure that BIC Inspectors conduct investigations appropriately and uniformly. Given that BIC’s primary means of monitoring the activities of trade waste businesses is investigating complaints, it is critical that BIC institute SOPs.

During the course of our audit, we repeatedly requested SOPs, and BIC officials repeatedly informed us that BIC is in the process of writing SOPs for the investigation and resolution of complaints. At the exit conference, held on May 14, 2008, BIC officials informed us that BIC did in fact have SOPs and provided us with a “Complaint Intake and Processing Procedure,” dated May 23, 2006. We do not understand why this document was not provided to us when we initially requested it on October 18, 2006, or upon each subsequent request. Moreover, this document is not akin to SOPs since it does not adequately and specifically detail work processes to be conducted or followed by BIC Inspectors responsible for the intake, investigation, and resolution of complaints.

Recommendations

BIC should:

1. Develop and implement standard operating procedures for the investigation and resolution of complaints, as required by New York City Administrative Code §16-522.

2. Ensure that appropriate personnel review ongoing investigations and approve the manner in which complaints are resolved.

BIC Response: “Since my arrival, the Agency has implemented an enhanced standard operating procedure to improve the processing and tracking of all complaints, inquiries and investigations. See Attached Enhanced Complaint Tracking Workflow. Integral to this procedure are a series of supervisory reviews to ensure that matters are properly entered into the database, assigned to appropriate staff and, ultimately, resolved. ... The Deputy Commissioner for Investigations or, when appropriate, the Chief Investigator reviews all pending investigations and complaints to ensure that they are handled properly and efficiently. The ultimate resolution of any complaint must be approved by supervisory staff.”

BIC Lacks Segregation of Duties over Complaints

BIC violates the segregation of duties principle because one BIC Inspector receives and records complaints, decides whether complaints warrant investigation, and can also investigate and resolve complaints. Comptroller’s Directive #1 states, “Key duties and responsibilities need to be divided or segregated among different staff members to reduce the risk of error or fraud.” By not dividing these responsibilities, BIC cannot ensure all complaints that are received are ultimately resolved and resolved appropriately.

Recommendation

BIC should:

3. Ensure that different staff members perform the functions of receiving and recording complaints and determining whether complaints warrant investigation.

BIC Response: “Since my arrival, the Agency has implemented an enhanced standard operating procedure to improve the processing and tracking of all complaints, inquiries and investigations. . . . Separate staff members receive, enter and make jurisdictional decisions about every complaint, inquiry and investigation.”

BIC Lacks an Effective System for Tracking Trade Waste Complaints

BIC lacks an effective system for tracking trade waste complaints. It does not adequately document complaints received and therefore cannot verify that all complaints are recorded in its database; it records such limited information in the database that the system is incapable of tracking essential data or generating useful management reports; and the system is not used exclusively for complaints and does not isolate or properly identify record types.

According to BIC officials, BIC received 1,632 complaints and opened 222 investigations based on those complaints during Fiscal Year 2006. We could not determine whether these 1,632 complaints and 222 investigations represented all complaints received and all investigations that should have been opened because of inadequate documentation. BIC does

not adequately document complaints it receives and actions it takes to immediately resolve complaints; nor does BIC document its decisions to either immediately resolve or investigate complaints.

As mentioned, complaints are received on BIC's hotline, general, or other telephone lines; by e-mail, mail, and fax; from 311; and in person. A BIC Inspector records complaints received on BIC's hotline or general telephone number on a Daily Voicemail Log. However, BIC does not maintain logs for complaints received from other sources. Further, BIC does not consistently retain original copies of complaints received by mail, e-mail, and fax. Since BIC does not maintain records of all complaints received and does not retain all supporting documentation for complaints, it cannot verify that all complaints received are entered into its database and ultimately resolved.

BIC's database does not contain basic data including complaint source (e.g., hotline), action taken to date, status, number of days open, date resolved, or how the complaint was resolved. In the absence of this information, BIC cannot track essential data, such as the number of unresolved complaints and the length of time to resolve complaints, or generate useful management reports. In fact, BIC does not generate any reports from the system; nor does it use the database to monitor TWEU activities and ensure that complaints are resolved efficiently and effectively.

Further, BIC's database is not used exclusively for complaints, and it does not isolate or properly identify record types. In addition to complaints, BIC's database contains information regarding inquiries, self-initiated investigations, and investigations resulting from complaints. Record types are not maintained separately in the database. And although BIC's database has a field for record type, data in the field is not accurately recorded and cannot be relied upon. If BIC is unable to easily identify complaints within its database, it cannot effectively monitor them and ensure they are ultimately resolved. Given that BIC's primary means of monitoring the activities of trade waste businesses is investigating complaints, it is critical that BIC implement an effective system for tracking complaints.

Recommendations

BIC should:

4. Keep a record of all complaints received and retain original copies of all complaints received by mail, e-mail, and fax.
5. Verify that all complaints received are entered into its database.

BIC Response: "Since my arrival, the Agency has implemented an enhanced standard operating procedure to improve the processing and tracking of all complaints, inquiries and investigations. . . . Integral to this procedure are a series of supervisory reviews to ensure that matters are properly entered into the database, assigned to appropriate staff and, ultimately, resolved. In addition to entering all matters into the database, the Agency creates and retains a paper file which includes original documents. . . .

“Contrary to the draft Audit Report’s conclusion, the Agency’s complaint operating procedure during the Audit Period did ensure that all complaints were properly entered, handled and resolved.”

Auditor Comment: BIC receives complaints on its hotline, general, or other telephone lines; by e-mail, mail, and fax; from 311; and in person. However, BIC personnel recorded only complaints received on BIC’s hotline or general telephone number on a log. BIC did not record complaints received from other sources—other telephone lines, e-mail, mail, fax, 311 referrals, and in person—on a log. Further, BIC did not consistently retain original copies of complaints received by mail, e-mail, and fax. Again, since BIC did not maintain records of *all* complaints received and did not retain *all* supporting documentation for complaints, it could not verify that all complaints received were entered in its database and ultimately resolved.

6. Record essential complaint data in its database, including but not limited to—complaint source, action taken to date, status, number of days open, date resolved, and how complaint was resolved.

BIC Response: “The Agency has added fields to its database to track complaint source, current status, date resolved and manner of resolution.”

7. Monitor TWEU handling of complaints and ensure that complaints are resolved efficiently and effectively.

BIC Response: “Since my arrival, the Agency has implemented an enhanced standard operating procedure to improve the processing and tracking of all complaints, inquiries and investigations. . . . The Deputy Commissioner for Investigations or, when appropriate, the Chief Investigator reviews all pending investigations and complaints to ensure that they are handled properly and efficiently.”

BIC Does Not Track Self-Initiated Investigations

As previously stated, BIC officials informed us that they primarily monitor trade waste businesses by investigating the complaints. According to BIC officials, BIC Inspectors do not actively patrol the City looking for violations; however, if BIC Inspectors observe trade waste businesses engaging in illegal practices, they may initiate an investigation. Although BIC records self-initiated investigations in its database, it does not track them. As with complaints, self-initiated investigations are not maintained separately in the database, and they are not readily identifiable. Again, if BIC is unable to easily identify self-initiated investigations within its database, it cannot accurately determine the number of self-initiated investigations, effectively monitor investigations, and ensure that they are resolved appropriately and promptly.

Recommendation

BIC should:

8. Track self-initiated investigations and ensure that they are resolved appropriately and promptly.

BIC Response: “During the audit period, the Agency did track all self-initiated investigations through its hard files. However, that information was not inputted into the complaint database in a manner that was easily retrievable. The Agency has modified the database to capture self-initiated investigations.”

Weaknesses in Market Monitoring

BIC Is Not Regulating All Public Wholesale Markets

BIC is not regulating all public wholesales markets and has not implemented a timetable for their regulation. Currently, there are six designated public wholesale markets operating in the City: the Hunts Point Produce Market, the Hunts Point Meat Market, the New Fulton Fish Market, the Brooklyn Wholesale Meat Market, the Brooklyn Terminal Market, and the Gansevoort Meat Market. However, BIC is regulating only four of these markets—the Hunts Point Produce Market, the Hunts Point Meat Market, the New Fulton Fish Market, and the Brooklyn Wholesale Meat Market. BIC does not require businesses operating in the remaining two markets—the Brooklyn Terminal Market and Gansevoort Meat Market—to be licensed or registered and does not patrol these markets. Unless it vets these businesses through its license and registration process, BIC cannot prevent individuals and businesses with organized crime connections from being involved in market businesses and without actively patrolling markets, BIC cannot enforce laws and regulations governing market businesses.

Although BIC has the authority to regulate designated public wholesale markets and to develop a timetable for the sequenced implementation of regulation of those markets, it has not done so for the Brooklyn Terminal Market and the Gansevoort Meat Market. Since BIC took over regulatory jurisdiction of the markets from DSBS in November 2001, it has not developed a timetable delineating when regulation of these two markets will begin. Further, BIC did not regulate the now defunct Bronx Terminal Market from 2001 until it closed in 2006.

BIC officials informed us that it recently began regulating the Brooklyn Wholesale Meat Market. According to BIC officials, BIC published its intent to start regulation of the Brooklyn Wholesale Meat Market in April 2006 and required wholesaler registration applications be submitted by August 2006; however, only 12 of 21 applications were approved as of March 2008. Of the remaining nine applications, eight are pending and one was withdrawn. Further, although BIC requires Brooklyn Wholesale Meat Market businesses to be registered, BIC Market Agents do not actively patrol that market and when they do, it is on a random basis according to BIC officials. However, we did not see evidence in the timekeeping and administrative records of agents’ activities that agents patrolled the Brooklyn Wholesale Meat Market. Unless agents patrol the market, BIC cannot enforce applicable laws and regulations by

having its agents issue civil or administrative violations or make arrests for violations of these laws and regulations.

Recommendations

BIC should:

9. Require the vetting of all businesses and their principals, managerial employees, and key employees, as well as labor unions and their officials, and trade associations and their officers in the Brooklyn Wholesale Meat Market, the Brooklyn Terminal Market, and the Gansevoort Meat Market.
10. Develop a timetable for the sequenced implementation of regulation of the Brooklyn Terminal Market and the Gansevoort Meat Market if it cannot commence regulation of these markets at this time.
11. Evaluate the enforcement needs of all six designated public wholesale markets and deploy staff accordingly.

BIC Response: “I respectfully disagree with the draft Audit Report’s recommendations that the Agency commence regulating the Brooklyn Terminal Market and the Gansevoort Meat Market or develop a timetable for the sequenced implementation of regulation of these markets. During the audit period, the Agency continually assessed the enforcement and policy rationales for implementing a timetable for regulation and determined that it was not appropriate.¹

¹ The Agency continues to assess these rationales to ensure that a timetable is implemented when appropriate.

“Under A.C. §22-268, the Agency is empowered, but not obligated, to develop a timetable for the sequenced implementation of regulation of all public wholesale markets, including the Brooklyn Terminal Market and Gansevoort Meat Market. The unambiguous meaning of the statute is that the Agency has the power to determine when a public wholesale market should be subject to the Agency’s regulation. The statute clearly envisions that the Agency has the unique ability to assess the enforcement needs and policy rationales for regulating each public wholesale market. As a result of this assessment, during the audit period the Agency exercised its discretion and chose not develop a timetable for sequenced implementation of regulation with respect to the Brooklyn Terminal Market and the Gansevoort Meat Market. As the Agency should only develop a timetable for implementation when it determines that regulation is appropriate, the recommendation in the draft Audit Report to develop such a timetable and deploy enforcement staff accordingly is misplaced.”

Auditor Comment: BIC’s mission is to eliminate organized crime and other forms of corruption and criminality from the industries it regulates; it accomplishes this mission through background investigation, criminal investigation, and regulatory

enforcement. Therefore, we do not understand BIC's unwillingness to regulate the Brooklyn Terminal Market and the Gansevoort Meat Market or implement a timetable for their regulation. Further, BIC's failure to regulate these markets seems at odds with New York City Administrative Code §22-253, which requires *all* businesses operating in public wholesale markets to register with BIC. Again, unless BIC vets businesses through its licensing and registration process, BIC cannot prevent individuals and businesses with organized crime connections from being involved in market businesses. Also, without actively patrolling markets, BIC cannot enforce laws and regulations governing market businesses.

BIC Does Not Adequately Monitor Market Agents

BIC does not adequately monitor Market Agents and ensure that they are actively patrolling markets. As previously stated, BIC Market Agents patrol markets and enforce applicable laws and regulations by issuing civil or administrative violations or making arrests for violations of these laws and regulations. Market Agents must sign in at the start of each shift; make entries during each shift in memo books to document their actions, as well as the activities and conditions in markets; and sign out at the end of each shift. Market Supervisors initial Market Agents' memo books during each shift to verify that agents are on patrol. Memo books are issued by BIC's Desk Agent and returned to her upon completion.

We could not verify that Market Agents were actively patrolling markets because BIC could not provide us with memo books for all agents, and Market Agents did not make entries in their memo books for all shifts indicated as worked. Specifically,

- Two of 20 Market Agent memo books were missing for the sample period December 18 through 31, 2005.
- Two of 18 Market Agent memo books were missing for the sample period December 17 through 31, 2006.
- Market Agents did not make entries in their memo books for 48 of 236 tours indicated as worked for the periods tested in 2005 and 2006. Furthermore, for all of these instances, there were no supervisory signatures verifying that agents were on patrol.

In the absence of complete and accurate entries in agents' memo books, we cannot be assured that Market Agents are actively patrolling and effectively carrying out their duties in the markets.

Recommendations

BIC should:

12. Require Market Agents to make regular entries in their memo books during each shift documenting their actions, as well as the activities and conditions in markets.

BIC Response: “The Agency is committed to ensuring that memo books are properly completed and reviewed. Since the audit period, the Agency has sent several written reminders to enforcement staff about the need to make regular entries in their memo books and to review memo books. In addition, the Agency has disciplined several employees for failing to make regular entries in their memo books.”

13. Require Market Supervisors to review memo books, ensure Market Agents make regular entries, and initial memo books during each shift.

BIC Response: “In November of 2007, we established the position of Chief Investigator with overarching responsibility for the supervision and administration of regulatory enforcement agents, including agents working in the markets. The unit was restructured, prioritizing patrol work within the wholesale markets and with a greater emphasis on good order and discipline. Accountability of the supervisory staff is emphasized with a requirement that supervisors regularly monitor market agent activity through reviews of logs and memo books. Agents’ assignments, patrols, duties and performance are strictly monitored by multiple methods including review of memo books, observation of patrols and on-site inspections.”

BIC Does Not Monitor Markets Efficiently and Effectively

BIC does not monitor the three Hunts Point markets—the Hunts Point Produce Market, the Hunts Point Meat Market, and the New Fulton Fish Market—efficiently and effectively because its Market Enforcement Unit is headquartered in lower Manhattan and not in or near the markets. Market Agents are assigned to one of two shifts—7:30 p.m. to 3:30 a.m., or 2:00 a.m. to 10:00 a.m.—and are supposed to patrol from Sunday night through Friday morning. Agents must report to lower Manhattan where they sign-in, receive patrol and vehicle assignments, and pick up radios. Agents must then get their vehicles from a garage and drive to the markets. At the end of their shift, agents return vehicles to the garage and report back to headquarters where they return radios, complete any necessary paperwork, and sign out. As a result, agents spend only half of their working hours actively patrolling the markets. Based on our review of Market Agent memo books we found that:

- Market Agents working the 7:30 p.m. to 3:30 a.m. shift generally arrived at the markets at 9:00 p.m. and left at 1:30 a.m. Agents are entitled to a one-hour meal break, which they take while at the markets. Therefore, agents assigned to the first shift would only actively patrol for just three and a half hours, between the hours of approximately 9:00 p.m. and 1:30 a.m.
- Market Agents working the 2:00 a.m. to 10:00 a.m. shift generally arrived at the markets at 3:00 a.m. and left between 7:30 a.m. and 8:00 a.m. Agents are entitled to a one-hour meal break, which they take while at the markets. Therefore, agents assigned to the second shift would only actively patrol for just three and a half to four hours between the hours of approximately 3:00 p.m. and 8:00 a.m.

And although there is an hour and a half overlap between the two shifts, the markets are unmanned or minimally staffed by Market Agents between the hours of 1:00 a.m. to 3:30 a.m. These are peak operating hours. Again, unless agents actively patrol the market, BIC cannot enforce applicable laws and regulations by having agents issue civil or administrative violations or make arrests for violations of these laws and regulations.

Recommendation

BIC should:

14. Investigate the feasibility of relocating its Market Enforcement Unit Headquarters in or near the Hunts Point Food Distribution Center.

BIC Response: “On May 5th, 2008, the market enforcement unit headquarters was moved to 1595 Washington Avenue in the Bronx, a ten minute drive from Hunts Point, this has doubled active patrol times throughout all the Bronx Markets, effectively making the operation that much more efficient.”

BIC Did Not Institute SOPs for Market Monitoring

BIC failed to institute SOPs instructing Market Agents how to perform their duties and responsibilities. As previously stated, SOPs are a set of written instructions that detail the work processes that are to be conducted or followed within an organization. SOPs provide all employees with the information needed to perform a job properly and facilitate consistency in the quality of services provided. Written policies and procedures are needed that adequately and specifically address the duties and responsibilities of key employees responsible for monitoring the markets.

During the course of our audit, we repeatedly requested BIC’s SOPs, and BIC officials repeatedly informed us that BIC did not institute SOPs for the monitoring of markets. At the exit conference, held on May 14, 2008, BIC officials informed us that BIC did in fact have SOPs and provided us with its “Markets Standard Operations Procedural Manual.” We do not understand why this document was not provided to us when we initially requested it on October 18, 2006, and when we made each subsequent request. The manual includes instructional information and procedures related to certain aspects of the Market Agents’ duties and responsibilities—issuing parking violations, testifying at hearings, and making memo book entries. However, the manual addresses only a limited number of ancillary duties and responsibilities. It does not detail the fundamental work processes to be conducted or followed.

Recommendation

BIC should:

15. Develop and implement standard operating procedures that adequately and specifically address the fundamental duties and responsibilities of key employees responsible for monitoring the markets.

BIC Response: “Prior to and throughout the audit period the Agency had implemented and promulgated the “*Markets Standards Operating Procedural Manual*.”⁴ The *Manual*, along with frequent written addenda and field trainings, constitutes a comprehensive guide to all key areas of operation, including memo books, incident reports and photo identification inspections. While the Agency does have standard operating procedures, since my arrival at the Agency, we have tasked the Chief Investigator with conducting a systematic review of these procedures with an eye towards revising and adding to these procedures where appropriate.

⁴ Miscommunication between the Agency and the Comptroller’s Office seems to have caused an inadvertent delay in providing the written standard operating procedures for the market agents.”

Auditor Comment: We do not understand how BIC can characterize our repeated, straightforward requests for SOPs and BIC’s repeatedly informing us that it did not institute SOPs as a “miscommunication” that “caused an inadvertent delay” in eventually providing us SOPs at the exit conference, held on May 14, 2008. We formally requested that BIC provide us with SOPs on five different occasions, between October 18, 2006, and September 27, 2007, and BIC officials consistently informed us that BIC did not have SOPs. In response to our last request, BIC’s Deputy Commissioner for Administration and Operations stated:

SOPs for any other BIC departments or areas have not been written. (We assume that these ‘other SOPs’ refer to BIC’s monitoring of the trade waste industry and the businesses and wholesalers operating in the City’s public wholesale markets, which is the focus of this audit.)

Further, as previously stated, the manual provided at the exit conference addresses only a limited number of ancillary duties and responsibilities. It does not detail the fundamental work processes to be conducted or followed.

Weaknesses in the Processing Of Renewal Applications

The New York City Administrative Code requires businesses operating in the trade waste and wholesale market industries to obtain a license or registration from BIC. Licenses and registrations must be renewed every two years, except for those issued to businesses operating in the produce and meat markets, which must be renewed every three years. Renewal applications must be submitted at least 45 calendar days prior to the expiration date of the current license or registration and must include disclosure forms for all newly appointed principals and managerial employees.

Before licenses and registrations are renewed, BIC performs background and criminal checks on all principals and managerial employees to determine whether they have a criminal history or links to organized crime, and conducts legal checks on the business and its key employees to identify connections to organized crime, outstanding judgments, liens, violations,

and property and vehicle ownership. Additionally, NYPD officers search relevant NYPD databases for all principals and managerial employees of applicant businesses applying for their third renewal. BIC uses a Renewal Application Checklist and Legal Renewal Checklist/Worksheet to ensure that all required investigative steps are performed during the renewal process and to note findings. BIC's Assistant Commissioner for Licensing reviews renewal application packages and signs checklists to indicate that all required steps were performed.

We found that BIC did not consistently adhere to the New York City Administrative Code and its Policies and Procedures for Processing Trade Waste and Markets Renewal Applications when renewing licenses and registrations. Specifically, BIC:

- Did not request NYPD officers to search relevant NYPD databases for principals and managerial employees of all 11 applicant businesses that applied for their third renewal.
- Renewed licenses for two trade waste businesses that did not submit disclosure forms for all newly appointed principals and managerial employees.
- Did not perform criminal background checks on all principals or managerial employees of three businesses.
- Did not perform legal checks on the business and its key employees of three businesses.
- Renewed one license and three registrations that did not contain the signature of BIC's Assistant Commissioner for Licensing on checklists to indicate that all required steps were performed.
- Allowed businesses to operate in the trade waste and market industries without a valid license or registration because it did not process renewal applications in a timely manner.

Unless it performs all background and criminal checks and ensures that all businesses have valid licenses or registrations, BIC cannot prevent individuals and businesses with organized crime connections from being involved in trade waste and market businesses.

Recommendations

BIC should:

16. Request that NYPD officers search relevant NYPD databases for all principals and managerial employees for businesses applying for their third renewal, as stipulated in BIC's Policies and Procedures for Processing Trade Waste and Markets Renewal Applications.

17. Ensure that disclosure forms are submitted for all principals and managerial employees of businesses applying for renewals, as required by the New York City Administrative Code.
18. Ensure that background, legal, and criminal checks are conducted on all businesses applying for renewals and all their principals and managerial employees.
19. Ensure that all renewal checklists are reviewed and approved by authorized BIC personnel.

BIC Response: “One of my highest priorities upon arrival at the Agency was to centralize and regularize the Agency’s intelligence gathering process. Therefore, we created an Intelligence Unit headed by the Assistant Commissioner for Intelligence and staffed by intelligence analysts. The Intelligence Unit has streamlined the backgrounding process. In addition, an Assistant Commissioner and/or Deputy Commissioner personally reviews all new and renewal applications to ensure that all necessary information has been received and all relevant background checks have been completed and approves the recommended disposition.”

20. Process license and registration renewal applications promptly to ensure that trade waste and market businesses do not operate without a valid license or registration.

BIC Response: “While the Intelligence Unit ensures the prompt processing of all applications, including renewal applications, some complex background investigations necessitate that a final determination about a renewal application cannot occur prior to the original expiration date of the registration or license. However, contrary to what is indicated in Recommendation Twenty, this does not mean that those applicants are operating without a valid license or registration. If a registrant or licensee timely files a renewal application, the underlying registration or license is valid until the Commission indicates that the company is no longer authorized to operate.”

Auditor Comment: BIC’s practice of deeming expired licenses and registrations as valid is contrary to New York City Administrative Code §16-506, §22-213, and §22-256, which stipulate that licenses and registrations are valid for a finite period—either two or three years—and do not provide for extensions. Further, our analysis disclosed that in many instances, licenses and registrations issued after their expiration dates did not require complex background investigations. Therefore, BIC should consider increasing the lead time for renewal application submission.



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June 13, 2008

Michael J. Mansfield
Commissioner/Chair

John Graham
Deputy Comptroller
Office of the Comptroller
1 Centre Street
New York, New York 10007-2341

Dear Mr. Graham:

I write in response to the Office of the Comptroller's draft Audit Report on the *Monitoring of the Private Carting and Public Wholesale Market Industries by the Business Integrity Commission*. I participated in an Exit Conference with your staff on May 14, during which we discussed some factual issues that I thought would be cleared-up in the report, and the restructuring of the Agency I have undertaken since my arrival last summer. As I said in May, I believe the changes I have made address many of the concerns raised by your office, and I feel strongly that they need to be considered in conjunction with the draft Audit Report recommendations. Below is a broad overview of these reforms followed by individual responses to the draft Audit Report recommendations.

On August 20, 2007, Mayor Michael Bloomberg appointed me as Commissioner/Chair of the New York City Business Integrity Commission. The Mayor charged me with conducting a systematic review and, where appropriate, revision of the Agency's policies and practices. In keeping with the Mayor's mandate, since coming to the Agency, I have brought together a highly experienced executive team, and we have fundamentally restructured the Agency's organizational scheme and implemented changes to several of the Agency's key processes. See Attached Agency Organizational Chart.

First, we have created the position of Chief Investigator to oversee all of the Agency's regulatory enforcement staff and patrol function. With centralized authority over all regulatory enforcement agents, the Chief Investigator has broad power to allocate enforcement resources and provides structured supervision over the daily activity of the agents in both the trade waste and market functions. Second, we have implemented a new complaint processing procedure and database to ensure that all complaints are efficiently handled and properly tracked within the Agency. Third, we have created a Background/Intelligence Unit under the supervision of the newly created position, Assistant Commissioner for Intelligence, to serve as a central repository of intelligence information and to conduct thorough and timely background investigations.

With respect to the specific recommendations:

Recommendations One through Eight: Trade Waste Investigations and Complaints

As discussed above, since my arrival, the Agency has implemented an enhanced standard operating procedure to improve the processing and tracking of all complaints, inquiries and investigations. See Attached Enhanced Complaint Tracking Workflow. Integral to this procedure are a series of supervisory reviews to ensure that matters are properly entered into the database, assigned to appropriate staff and, ultimately, resolved. In addition to entering all matters into the database, the Agency creates and retains a paper file which includes original documents. Separate staff members receive, enter and make jurisdictional decisions about every complaint, inquiry and investigation. The Deputy Commissioner for Investigations or, when appropriate, the Chief Investigator reviews all pending investigations and complaints to ensure that they are handled properly and efficiently. The ultimate resolution of any complaint must be approved by supervisory staff.

Contrary to the draft Audit Report's conclusion, the Agency's complaint operating procedure during the Audit Period did ensure that all complaints were properly entered, handled and resolved. The draft Audit Report appears to confuse inquiries¹ and complaints when it concludes that not all "complaints" were adequately documented or reviewed by supervisory staff. While the Agency did not track "inquiries" in the complaint database during the audit period, it did effectively track all complaints.

The draft Audit Report recommends that the Agency track all self-initiated investigations. During the audit period, the Agency did track all self-initiated investigations through its hard files. However, that information was not inputted into the complaint database in a manner that was easily retrievable. The Agency has modified the database to capture self-initiated investigations. In addition, the Agency has added fields to its database to track complaint source, current status, date resolved and manner of resolution.

Recommendations Nine through Eleven: Markets Regulation

I respectfully disagree with the draft Audit Report's recommendations that the Agency commence regulating the Brooklyn Terminal Market and the Gansevoort Meat Market or develop a timetable for the sequenced implementation of regulation of these markets. During the audit period, the Agency continually assessed the enforcement and policy rationales for implementing a timetable for regulation and determined that it was not appropriate.²

Under A.C. §22-268, the Agency is empowered, but not obligated, to develop a timetable for the sequenced implementation of regulation of all public wholesale markets, including the Brooklyn Terminal Market and Gansevoort Meat Market. The unambiguous meaning of the statute is that the Agency has the power to determine when a public wholesale market should be subject to the Agency's regulation. The statute clearly envisions that the Agency has the unique ability to assess the enforcement needs and policy rationales for regulating each public wholesale market. As a result of this assessment, during the audit period the Agency exercised its discretion and chose not develop a timetable for sequenced implementation of regulation with respect to the Brooklyn Terminal Market and the Gansevoort Meat Market. As the Agency should only develop a timetable for implementation when

¹ An inquiry is generally something that can be handled without additional action: e.g. a list of all licensed carters. A complaint is generally something that requires further investigation or action.

² The Agency continues to assess these rationales to ensure that a timetable is implemented when appropriate.

it determines that regulation is appropriate, the recommendation in the draft Audit Report to develop such a timetable and deploy enforcement staff accordingly is misplaced.

Recommendations Twelve, Thirteen and Fourteen: Market Agent Supervision

In November of 2007, we established the position of Chief Investigator with overarching responsibility for the supervision and administration of the regulatory enforcement agents, including agents working in the markets. The unit was restructured, prioritizing patrol work within the wholesale markets and with a greater emphasis on good order and discipline. Accountability of the supervisory staff is emphasized with a requirement that supervisors regularly monitor market agent activity through reviews of logs and memo books.

Agents' assignments, patrols, duties and performance are strictly monitored by multiple methods including review of memo books, observation of patrols and on-site inspections. Four supervisors are assigned each night of operation, two for each squad of eight agents: a four to one ratio. It should be noted that this ratio far exceeds the International Chief's of Police Association's best practices ratio of eight to one. Supervisors are required to accompany the agents on patrols. The Agency also conducts regular reviews of all agents' performance as measured by the number of regulatory violations issued and inspections completed.

To add to the professionalism of our patrol force, increase their profile and add greater accountability, the agents were provided additional training and resources. All agents participated in trainings on less-than-lethal weapons and body armor. Additionally, all agents have been assigned "marked" patrol vehicles having the BIC designations clearly embossed on the vehicles, providing a visible presence within the wholesale markets and when performing trade waste enforcement.

The Agency did have a written and promulgated policy about how and when to fill out and review memo books.³ The Agency is committed to ensuring that memo books are properly completed and reviewed. Since the audit period, the Agency has sent several written reminders to enforcement staff about the need to make regular entries in their memo books and to review memo books. In addition, the Agency has disciplined several employees for failing to make regular entries in their memo books.

Based on our assessment, the market agent enforcement headquarters location at 137 Center Street in Manhattan was no longer appropriate in light of the Fulton Fish Market's relocation to Hunts Point. Therefore, in November of 2007, I initiated a search for an appropriate space in the Bronx. On May 5th, 2008, the market enforcement unit headquarters was moved to 1595 Washington Avenue in the Bronx, a ten minute drive from Hunts Point, this has doubled active patrol times throughout all the Bronx Markets, effectively making the operation that much more efficient

Recommendation Fifteen: Markets Standard Operating Procedures

Prior to and throughout the audit period the Agency had implemented and promulgated the "*Markets Standards Operating Procedural Manual*."⁴ The *Manual*, along with frequent written addenda and field trainings, constitutes a comprehensive guide to all key areas of operation, including memo books, incident reports and photo identification inspections. While the Agency does have standard

³ The Agency acknowledges that there were some lapses in the memo books during the audit period.

⁴ Miscommunication between the Agency and the Comptroller's Office seems to have caused an inadvertent delay in providing the written standard operating procedures for the market agents.

operating procedures, since my arrival at the Agency, we have tasked the Chief Investigator with conducting a systematic review of these procedures with an eye towards revising and adding to these procedures where appropriate.

Recommendations Sixteen through Twenty: Processing of Renewal Applications

One of my highest priorities upon arrival at the Agency was to centralize and regularize the Agency's intelligence gathering process. Therefore, we created an Intelligence Unit headed by the Assistant Commissioner for Intelligence and staffed by intelligence analysts. The Intelligence Unit has streamlined the backgrounding process. In addition, an Assistant Commissioner and/or Deputy Commissioner personally reviews all new and renewal applications to ensure that all necessary information has been received and all relevant background checks have been completed and approves the recommended disposition.

While the Intelligence Unit ensures the prompt processing of all applications, including renewal applications, some complex background investigations necessitate that a final determination about a renewal application cannot occur prior to the original expiration date of the registration or license. However, contrary to what is indicated in Recommendation Twenty, this does not mean that those applicants are operating without a valid license or registration. If a registrant or licensee timely files a renewal application, the underlying registration or license is valid until the Commission indicates that the company is no longer authorized to operate.

Thank you for the opportunity to respond to the draft Audit Report.

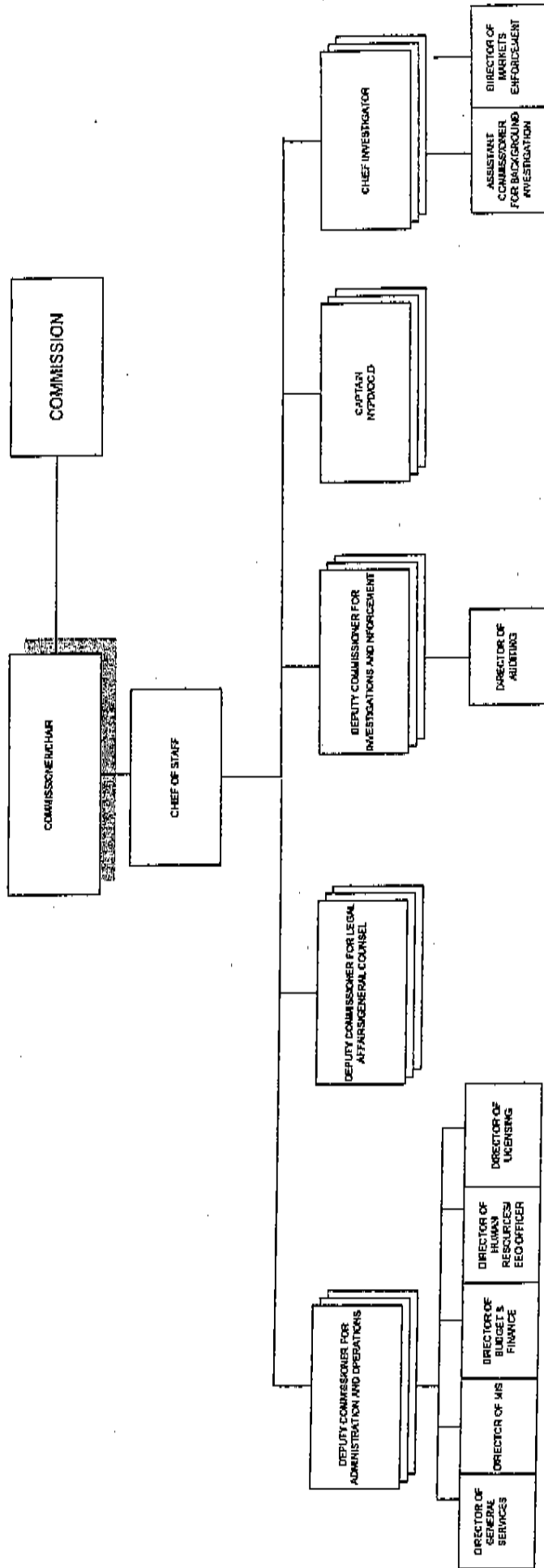
Very Truly,

A handwritten signature in black ink, appearing to read "Michael J. Mansfield", followed by a horizontal line extending to the right.

Michael J. Mansfield
Commissioner/Chair

BUSINESS INTEGRITY COMMISSION

Organizational Chart - Top 3 Levels



Last Edited 8/10/2009



City of New York Business Integrity Commission Enhanced Complaint Tracking Workflow

