



# City of New York

## OFFICE OF THE COMPTROLLER

Scott M. Stringer  
COMPTROLLER



## MANAGEMENT AUDIT

**Marjorie Landa**

Deputy Comptroller for Audit

Audit Report on the New York City  
Department for the Aging's Compliance  
with Comptroller's Directive #24  
Regarding the Use of Miscellaneous  
Payment Vouchers

MD17-108A

**December 1, 2017**

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
1 CENTRE STREET  
NEW YORK, NY 10007

SCOTT M. STRINGER  
COMPTROLLER

December 1, 2017

To the Residents of the City of New York:

My office has audited the New York City Department for the Aging (DFTA) to determine whether the agency is in compliance with Comptroller's Directive #24 regarding the use of miscellaneous payment vouchers, and Comptroller's Directive #6 regarding expenditures for employee travel, agency-provided meals and refreshments and other miscellaneous agency expenses. We perform audits such as this to ensure that agencies comply with established regulations and properly account for their expenses.

The audit found that DFTA did not consistently comply with Comptroller's Directives #6 or #24 regarding the use of miscellaneous payment vouchers. Although the files reviewed generally contained documentation to support the expenses paid, DFTA inappropriately used miscellaneous vouchers to pay more than a third of the vouchers sampled. The ineligible expenses included payments for contracted services, imprest fund-type expenditures and reimbursement for commuting expenses. The audit also found that several invoices were not stamped "paid" as required and that reimbursement claims were not submitted timely. Finally, we found that DFTA used incorrect object codes to categorize expenses for some of the sampled vouchers.

The audit made four recommendations, that DFTA should reiterate to staff the need to comply with its guidelines regarding the appropriate use of miscellaneous vouchers; ensure that employees are not reimbursed for commuting expenses except in limited circumstances where it is allowed by Comptroller's Directive #6; establish and enforce an agency policy mandating the maximum time period for the submission of reimbursement claims; and ensure that all invoices paid by DFTA are stamped "paid" and all payments are charged to the correct object codes.

The results of the audit have been discussed with DFTA officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my Audit Bureau at [audit@comptroller.nyc.gov](mailto:audit@comptroller.nyc.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott M. Stringer".

Scott M. Stringer

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**CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
MANAGEMENT AUDIT**

**Audit Report on the New York City Department for the  
Aging's Compliance with Comptroller's Directive #24  
Regarding the Use of Miscellaneous Payment  
Vouchers  
MD17-108A**

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**EXECUTIVE SUMMARY**

The objective of this audit was to determine whether the Department for the Aging (DFTA) is in compliance with Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*; Section 6.3, *Miscellaneous Payment Vouchers* and Directive #6, *Travel, Meals, Lodging and Miscellaneous Agency Expenses*.

DFTA's mission is "to work for the empowerment, independence, dignity, and quality of life of New York City's diverse older adults and for the support of their families through advocacy, education and the coordination and delivery of services."<sup>1</sup> DFTA primarily contracts with community-based organizations throughout the five boroughs to provide services for seniors.

For Fiscal Year 2016, DFTA's Other Than Personal Services (OTPS) expenditures totaled \$281,044,163.<sup>2</sup> Of that amount, \$225,889 in expenses was paid through the use of miscellaneous vouchers. Those payments included reimbursements to DFTA employees for expenses such as phone calls, out-of-town travel, seminars, and train fare and meals for volunteers in DFTA's Foster Grandparent program.<sup>3</sup>

Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*, provides guidance on the appropriate use of miscellaneous vouchers. Section 6.3 of Comptroller's Directive #24 stipulates that "Miscellaneous Payment Vouchers (PVMs) may be used only when estimated or actual future liability is not determinable, or a contract or a purchase document is not required or applicable." In addition, Directive #6, *Travel, Meals, Lodging and Miscellaneous Agency*

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<sup>1</sup> "About DFTA," *New York City Department for the Aging*, accessed February 7, 2017, <http://www.nyc.gov/html/dfta/html/about/about.shtml>.

<sup>2</sup> OTPS is funding for expenses other than salaries, such as supplies, equipment, and contractual services. *Understanding the Budget*, at 13, New York City Independent Budget Office, July 2017, <http://www.ibo.nyc.ny.us/iboreports/understandingthebudget.pdf>.

<sup>3</sup> DFTA administers a Foster Grandparent Program where volunteers provide mentoring services to low income children in schools and in foster homes.

*Expenses*, governs expenditures for employee travel, agency-provided meals and refreshments and a variety of other miscellaneous agency expenditures.

## Audit Findings and Conclusion

The audit found that DFTA did not consistently comply with Directive #24 or Directive #6 regarding the use of miscellaneous payment vouchers. Although the payment voucher files we reviewed generally contained documentation to indicate the expenses being paid, some of those expenses should not have been paid through miscellaneous vouchers. Of the 34 vouchers we sampled, totaling \$76,304, we found that 13 vouchers (38 percent of the vouchers sampled) contained ineligible expenses totaling \$10,088 (13 percent of the total dollar amount sampled). Ineligible expenses included payments for contracted services, imprest fund-type expenditures (small purchases under \$250),<sup>4</sup> and reimbursement for commuting expenses. We also found that several invoices were not stamped “paid” as required and that reimbursement claims were not submitted timely. Finally, we found that the object codes used to categorize expenses were incorrect in six of the 34 vouchers sampled.

## Audit Recommendations

Based on the audit we make four recommendations:

- DFTA should reiterate to staff that they must comply with guidelines regarding the appropriate use of miscellaneous vouchers. The required actions include maintaining sufficient funds in the imprest fund account at all times to cover imprest fund-type expenses, and ensuring that miscellaneous vouchers are used only for purposes that are allowed by Comptroller’s Directive #24.
- DFTA should ensure that employees are not reimbursed for commuting expenses except in limited circumstances where expressly permitted by Comptroller’s Directive #6. In such instances, prior approval by the agency head or his or her designee must be obtained and documented in the payment file.
- DFTA should establish and enforce an agency policy, consistent with Comptroller’s Directive #6, mandating the maximum time period for the submission of reimbursement claims, following which reimbursement would not be permitted, to ensure that all claims for reimbursements of authorized expenses incurred are submitted timely.
- DFTA should ensure that all invoices paid by the agency are stamped “paid” and that all payments are charged to the correct object codes.

## Agency Response

In its response, DFTA agreed with the audit’s four recommendations.

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<sup>4</sup> Imprest Funds are agency-controlled checking accounts that can be used for small purchases and petty cash transactions. Comptroller’s Directive #3, *Administration of Imprest Funds*, at December 6, 2016.

# AUDIT REPORT

## Background

DFTA was established in 1968 as the Mayor's Office for the Aging. In 1975, through an amendment of the New York City Charter, the Mayor's Office for the Aging officially became DFTA. DFTA's mission is "to work for the empowerment, independence, dignity, and quality of life of New York City's diverse older adults and for the support of their families through advocacy, education and the coordination and delivery of services."

DFTA primarily contracts with community-based organizations throughout the five boroughs to provide services for seniors. However, a number of services are provided directly by DFTA through its Senior Employment Services Unit, Elderly Crime Victims Resource Center, Alzheimer's and Caregiver Resource Center, Foster Grandparent Program, Grandparent Resource Center, Health Insurance Information Counseling and Assistance Program, and Health Promotion Unit.

For Fiscal Year 2016, DFTA's OTPS expenditures totaled \$281,044,163. Of that amount, \$225,889 in expenses was paid through the use of miscellaneous vouchers. Those payments included reimbursements to DFTA employees for expenses such as phone calls, out-of-town travel, seminars, and train fare and meals for volunteers in DFTA's Foster Grandparent program.

Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*, provides guidance on the appropriate use of miscellaneous vouchers. Section 6.3 of Comptroller's Directive #24 stipulates that "Miscellaneous Payment Vouchers (PVMs) may be used only when estimated or actual future liability is not determinable, or a contract or a purchase document is not required or applicable." In addition, Directive #6, *Travel, Meals, Lodging and Miscellaneous Agency Expenses*, governs expenditures for employee travel, agency-provided meals and refreshments and a variety of other miscellaneous agency expenditures.

## Objective

The objective of this audit was to determine whether DFTA is in compliance with Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*; Section 6.3, *Miscellaneous Payment Vouchers* and Directive #6, *Travel, Meals, Lodging and Miscellaneous Agency Expenses*.

## Scope and Methodology Statement

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 objective. 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 audit scope was July 1, 2015, through January 31, 2017. Please refer to the Detailed Scope and Methodology at the end of this report for specific procedures and tests that were conducted.

## **Discussion of Audit Results with DFTA**

The matters covered in this report were discussed with DFTA officials during and at the conclusion of this audit. A preliminary draft report was sent to DFTA and discussed at an exit conference held October 24, 2017. On October 26, 2017, we submitted a draft report to DFTA with a request for written comments. We received a written response from DFTA on November 16, 2017. In its response, DFTA agreed with the audit's four recommendations.

The full text of DFTA's response is included as an addendum to this report.

## FINDINGS AND RECOMMENDATIONS

The audit found that DFTA did not consistently comply with Directive #24 or Directive #6 regarding the use of miscellaneous payment vouchers. Although the payment voucher files we reviewed generally contained documentation to indicate the expenses being paid, some of those expenses should not have been paid through miscellaneous vouchers. Of the 34 vouchers we sampled, totaling \$76,304, we found that 13 vouchers (38 percent of the vouchers sampled) contained ineligible expenses totaling \$10,088 (13 percent of the total dollar amount sampled). Ineligible expenses included payments for contracted services, imprest fund-type expenditures, and reimbursement for commuting expenses. We also found that several invoices were not stamped “paid” as required and that reimbursement claims were not submitted timely. Finally, we found that the object codes used to categorize expenses were incorrect in six of the vouchers sampled.

### Inappropriate Uses of Miscellaneous Vouchers

#### Miscellaneous Vouchers Inappropriately Used to Pay \$8,634 for Contracted Services

According to Directive #24, Section 6.3, “Miscellaneous Payment Vouchers (PVMs) may be used only when estimated or actual future liability is not determinable, or a contract or a Purchase Document is not required or applicable.” DFTA inappropriately used miscellaneous vouchers to pay \$8,634 in expenses for clerical services provided by a contractor. DFTA officials explained that there was an existing micro contract valued at \$20,000 to provide the service; however, they “underestimated the scope of work and did not track the micro contract term closely.”<sup>5</sup> Consequently, DFTA incurred expenses beyond the contract term and used a miscellaneous voucher to pay the difference.

Improper use of miscellaneous vouchers can contribute to a distortion of the City’s financial records, and where used to pay for contracted services, understate the City’s outstanding obligations. In addition, where a miscellaneous voucher is used as it was in this case to make a payment that exceeds the micro contract limits, it undermines the City’s competitive bidding requirements and could contribute to the City paying more than it should for goods and services.

DFTA officials informed us that they have taken steps to ensure that miscellaneous vouchers are not used in the future to pay for contracted services. They told us that DFTA has discussed the issue with its fiscal directors and will assign staff members to oversee and monitor contracts.

#### Miscellaneous Vouchers Inappropriately Used to Pay \$928 for Imprest Fund Type Expenditures

According to Directive #24, Section 6.3.1, miscellaneous vouchers may be used for imprest fund-type expenditures (small purchases under \$250), but only if an agency does not have an imprest fund. DFTA does have such an imprest fund, however. Nevertheless, we found that 9 of the 34 vouchers sampled were used to pay expenses of less than \$250 per voucher. Those expenses included reimbursements to employees for fees to attend seminars, out-of-office meetings and

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<sup>5</sup> Micropurchases are procurements of goods and services of a value of \$20,000 or less. Rules of the City of New York, Procurement Policy Board, 9 RCNY 3-08.

medical examinations for volunteers in DFTA's Foster Grandparent program—the kinds of expenditures that should have been processed through the imprest fund.

DFTA officials agreed that miscellaneous payment vouchers should not have been used in the above-mentioned instances, adding that DFTA sometimes uses miscellaneous vouchers when the imprest fund balance is low.

## **\$526 Was Inappropriately Paid in Commuting Expenses**

Comptroller's Directive #6, Section 4.5.4, Local Travel Regulations states that "reimbursement is generally not permitted for Commuting to an employee's first work location or from the employee's last work location and Employee Residence, even when an employee's use of a personal vehicle for agency business has been Approved." However, there are three allowable circumstances where reimbursement of commuting expenses is allowed:

- For employees covered by the Citywide Agreement,<sup>6</sup> reimbursement is permitted for travel between an employee's residence and the first or last work location, when the employee is required to carry special equipment or materials that cannot feasibly be transported via public mass transit. With approval of the agency head or his or her designee, employees not covered by the Agreement can be reimbursed under the same circumstances.
- With approval, employees may also be reimbursed for travel between their residence and the first or last work location, on days when the employee is required to travel to a field location to which public mass transit is deemed to be inappropriate or is unavailable.
- With approval, employees may also be reimbursed when their first and/or last work locations are more appropriately categorized as travel than as a field location within the policies of travel.<sup>7</sup>

Our review found that for three of the sampled vouchers, DFTA inappropriately reimbursed two nutrition counselors a total of \$526 for commuting expenses. One nutrition counselor received \$336 in reimbursements for E-ZPass tolls in connection with 21 trips between May of 2015 and December of 2015. These charges occurred at the end of the day while the employee was on her way home, not to visit a client, and were thus commuting expenses. A second nutrition counselor was reimbursed \$190 for E-ZPass tolls for 33 trips at the end of the work day from July 2015 through February 2016.

DFTA officials agreed that the tolls in question were for commuting expenses. They stated that several meetings were held to discuss the issue of reimbursing one nutrition counselor for commuting tolls. The officials added that both the employee's union and the Comptroller's office were involved in the discussions. However, they provided no evidence to support that claim or to indicate what determination was made on the issue. Regarding the second nutrition counselor, DFTA officials remarked that she "visits a number of homebound clients and it is a hardship to use public transportation." They also stated that they will discuss the issue with the nutrition counselors and the accounting staff to ensure compliance with the Directive.

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<sup>6</sup> The Citywide Agreement addresses general working conditions and other non-wage matters for City employees covered by the agreement. The agreement covers many titles within Mayoral agencies and some non-Mayoral agencies.

<sup>7</sup> According to Section 2.6 of Directive #6, a field location generally refers to a place of work other than the primary workstation, where an employee has been assigned on a temporary basis for a month or less. A Field Location may temporarily be designated a Primary Workstation if an employee is assigned to it for a period expected to exceed one month.

## Other Internal Control Weaknesses

We also identified some additional internal control weaknesses with regard to the documentation supporting some miscellaneous voucher payments.

- *Invoices not stamped "Paid."* Comptroller's Directive #1, Section E (5)(h), requires that all invoices be marked "cancelled," "paid," or "voided" once the invoice has been paid. Of a total of 90 invoices reviewed, we found 54 (60 percent) instances where there was no indication on the invoice that payment had been made.<sup>8</sup> Failure to indicate on an invoice that an expense has been paid increases the risk that the invoice may be paid twice.
- *Late submission of reimbursement claims.* Comptroller's Directive #6, Section 18.1 states that employees "should submit reimbursement requests within ten business days after the later of incurring the expenditure or returning from a trip." DFTA's internal guidelines however, require that reimbursement requests be submitted monthly. We reviewed the expenses for the two nutrition counselors who were reimbursed for the cost of travel to homebound clients' to provide nutrition counseling. Both nutrition counselors failed to submit their claims for reimbursement of travel expenses in a timely manner. Despite reminders from management, the two nutrition counselors continue to accumulate and submit their expenses at intervals of several months. For instance, one nutrition counselor submitted a claim for reimbursement eight months after the expenses were incurred. The second nutrition counselor submitted her claim four months after incurring the expenses. Employees' failure to submit expenses on time could cause expenses to be charged to the wrong period, resulting in inaccurate reporting of the financial statements. Additionally, an employee's submission of several months' accumulated expense claims increases the volume of expenses that the responsible supervisor must review at one time and the risk that errors will not be detected. In fact, a DFTA official stated that accumulated expenses "can become too much to review for the supervisors."
- *Incorrect Object Codes.* Comptroller's Directive #24, Section 6.0 states that "payment voucher approvers must ensure that . . . the appropriate accounting and budget codes are being charged. This includes charging the correct unit of appropriation and correct object code within that unit of appropriation." We found that DFTA used the incorrect object codes for six of the 34 vouchers sampled. For example, in one instance the object code for *Professional Services - Other* was used, incorrectly, for contracted temporary clerical services, when the object code for *Temporary Services – Contractual* should have been used. In another instance the object code *Local Travel Expenditures - Special* was used, incorrectly, for out-of-town travel when the object code for *Non Local Travel Expenditures – Special* should have been used. The use of the correct object code for expenditures allows an agency to categorize the type and amount of a particular expense item within a fiscal year. Failure to use the correct object codes can compromise management's ability to plan future budgets.

## Recommendations

1. DFTA should reiterate to staff that they must comply with guidelines regarding the appropriate use of miscellaneous vouchers. The required actions include maintaining sufficient funds in the imprest fund account at all times to cover

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<sup>8</sup> In instances where an invoice is not practical, DFTA uses the *Personal Expense Reimbursement Form* or other designated document to serve as the invoice.

imprest fund-type expenses, and ensuring that miscellaneous vouchers are used only for purposes that are allowed by Comptroller's Directive #24.

**DFTA Response:** "Agree. The Department has instructed Internal Accounting staff to enforce and comply with guidelines regarding the appropriate use of miscellaneous vouchers diligently. In addition, steps have been taken to ensure that miscellaneous vouchers are not used to pay for contracted services. The corrective actions include maintaining sufficient funds in the imprest fund."

2. DFTA should ensure that employees are not reimbursed for commuting expenses except in limited circumstances where expressly permitted by Comptroller's Directive #6. In such instances, prior approval by the agency head or his or her designee must be obtained and documented in the payment file.

**DFTA Response:** "Agree. The Department will ensure that employees are not reimbursed for commuting expenses except in limited circumstances where expressly permitted by Comptroller's Directive #6 along with prior written approval by the agency head or his or her designee. A meeting will be scheduled by January 2018 with appropriate staff and managers to reiterate and reinforce the Comptroller's directives with respect to commuting expenses."

3. DFTA should establish and enforce an agency policy, consistent with Comptroller's Directive #6, mandating the maximum time period for the submission of reimbursement claims, following which reimbursement would not be permitted, to ensure that all claims for reimbursements of authorized expenses incurred are submitted timely.

**DFTA Response:** "Agree. The Department will begin internal discussions to establish an agency policy consistent with Comptroller's Directive #6 with respect to setting a maximum time period for the submission of reimbursement claims. It is expected that the policy will be completed by January 2018."

4. DFTA should ensure that all invoices paid by the agency are stamped "paid" and that all payments are charged to the correct object codes.

**DFTA Response:** "Agree. While Internal Accounting staff consistently stamp the cover page of an invoice, going forward staff will stamp 'paid' every page in the package. In addition, steps will be implemented immediately to ensure that the correct object codes are used."

**Auditor Comment:** To clarify, we are not recommending that DFTA stamp "paid" on every page in a packet, but rather that all *invoices* in a packet be stamped "paid" to guard against duplicate payments.

## DETAILED 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 objective. 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 audit scope was July 1, 2015, through January 31, 2017.

We reviewed and used as criteria Comptroller's Directives #24, #6 and #1. To gain an understanding of DFTA's procedures for using Miscellaneous Payment Vouchers, we conducted interviews with DFTA staff including the Director of the Internal Accounting Department. In addition, to obtain an understanding of the payment process, we observed as an employee entered the details of an expense in DFTA's General Ledger Accounting System (GAL) and then in the City's Financial Management System (FMS) in order to create a miscellaneous voucher.

To understand the nature of the expenses incurred for local travel, we interviewed the Director and one supervisor of DFTA's Nutrition Unit. We reviewed the nutrition counselors' *Personal Expense Forms*, *Personal Vehicle Expense Forms*, and other supporting documentation.

To determine whether miscellaneous vouchers were appropriately used, we reviewed the allowable and unallowable expenses as specified in Comptroller's Directive #24. We then reviewed the description of each expense and determined, based on the amount and category of expense, whether it was appropriate to use a miscellaneous voucher.

For the audit scope, July 1, 2015 through January 31, 2017, DFTA's miscellaneous vouchers expenses totaled \$461,821. Of that amount, 117 vouchers totaling \$441,429 (96 percent of the total dollar value) were used for local travel, mostly to reimburse volunteers of DFTA's Foster Grandparent program. The remaining 19 vouchers totaling \$20,392 were used to pay for various expenses, including seminars attended by the nutrition counselors, out-of-town travel for conferences, and medical fees for the Foster Grandparent program.

We randomly selected for testing, 14 (12 percent) of the 117 local travel vouchers totaling \$54,745. Additionally, we tested 100 percent of the remaining 19 vouchers totaling \$20,392. Further, based on our walkthrough with DFTA officials, we judgmentally selected an additional voucher for testing. The voucher was coded as a local travel payment for one of the two nutrition counselors. Therefore, we tested a total of 34 vouchers totaling \$76,304.

For each voucher sampled, we examined the invoices and supporting documentation, including expense forms and receipts. We also verified that the appropriate authorizations and approvals were obtained and determined whether the reimbursement claims were submitted timely. For expenses related to personal vehicle usage, we examined the Authorized Driver Request Form and the Personal Vehicle Use Expense Form to determine whether each employee had proof of a valid driver's license and proof of automobile insurance on file. We also reviewed E-ZPass documents to verify the cost of each toll, and the date and time of each trip. For expenses related to the Foster Grandparent program, we reviewed the list of canceled checks, and requested explanations for any checks that were voided, canceled, or out of sequence. Finally, to determine

whether DFTA used the correct object codes as required, we matched the category of expenses on the invoice to the object code indicated in the Chart of Accounts.

Although the results of our sampling tests were not statistically projected to their respective populations, the results of our audit procedures and tests provide a reasonable basis for us to determine whether DFTA is in compliance with Comptroller's Directive #24 regarding the use of Miscellaneous Payment Vouchers and Directive #6 with regards to travel.



Donna M. Corrado, Ph.D.  
Commissioner

November 15, 2017

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212-442-1027 fax

Marjorie Landa  
Deputy Comptroller for Audits  
Office of the Comptroller  
One Centre Street, Room 1100  
New York, NY 10007-2341

Re: Audit Report on the New York City Department for the Aging's (DFTA)  
Compliance with Comptroller's Directive 24 MD17-108A

Dear Deputy Controller Landa:

Thank you for the opportunity to respond to this audit with respect to the use of Miscellaneous Payment Vouchers. The following are DFTA's planned actions regarding each audit recommendation:

Recommendation #1: DFTA should reiterate to staff that they must comply with guidelines regarding the appropriate use of miscellaneous vouchers. The required actions include maintaining sufficient funds in the imprest fund account at all times to cover imprest-type expenses, and ensuring that miscellaneous vouchers are used only for purposes that are allowed by Comptroller's Directive #24.

Response #1: Agree. The Department has instructed Internal Accounting staff to enforce and comply with guidelines regarding the appropriate use of miscellaneous vouchers diligently. In addition, steps have been taken to ensure that miscellaneous vouchers are not used to pay for contracted services. The corrective actions include maintaining sufficient funds in the imprest fund.

Recommendation #2: DFTA should ensure that employees are not reimbursed for commuting expenses except in limited circumstances where expressly permitted by Comptroller's Directive #6. In such instances, prior approval by the agency head or his or her designees must be obtained and documented in the payment file.

Response #2: Agree. The Department will ensure that employees are not reimbursed for commuting expenses except in limited circumstances where expressly permitted by Comptroller's Directive #6 along with prior written approval by the agency head or his or her designee. A meeting will be scheduled by January 2018 with appropriate staff and managers to reiterate and reinforce the Comptroller's directives with respect to commuting expenses.



Recommendation #3: DFTA should establish and enforce an agency policy, consistent with Comptroller's Director #6, mandating the maximum time period for the submission of reimbursement claims, following which reimbursement would not be permitted to ensure that all claims for reimbursements of authorized expenses incurred are submitted timely.

Response #3: Agree. The Department will begin internal discussions to establish an agency policy consistent with Comptroller's Directive #6 with respect to setting a maximum time period for the submission of reimbursement claims. It is expected that the policy will be completed by January 2018.

Recommendation #4:

DFTA should ensure that all invoices paid by the agency are stamped "paid" and that all payments are charged to the correct codes.

Response #4: Agree. While Internal Accounting staff consistently stamp the cover page of an invoice, going forward staff will stamp "paid" every page in the package. In addition, steps will be implemented immediately to ensure that the correct object codes are used.

If you have any questions about our reply, please contact John Jones at (212) 602-4495 or by e-mail at [jjones@aging.nyc.gov](mailto:jjones@aging.nyc.gov)

Sincerely,

A handwritten signature in blue ink, appearing to read "Donna M. Corrado".

Donna M. Corrado  
Commissioner

Cc: Steven Foo, DFTA  
Sasha Fishman, DFTA  
Blanca N. Arismendi, DFTA  
John Jones, DFTA  
Emily Newman, Mayor's Office of Operations  
George Davis III, Mayor's Office of Operations