



City of New York

OFFICE OF THE COMPTROLLER

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MANAGEMENT AUDIT

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Deputy Comptroller for Audit

Audit Report on the Department for the
Aging's Awarding of Non-competitive
and Limited-competition Contracts

ME12-094A

November 28, 2012

<http://comptroller.nyc.gov>



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

John C. Liu
COMPTROLLER

November 28, 2012

To the Residents of the City of New York:

My office has audited the Department for the Aging (DFTA) to determine whether it had adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and whether it evaluated contractor performance before awarding such contracts. We audit programs such as this to determine whether City agencies are effectively monitoring their contract awards process.

The audit concluded that DFTA generally had adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and evaluated contractor performance before awarding such contracts. The audit identified some internal control weaknesses relating to the awarding of such contracts that should be addressed. Specifically, DFTA did not issue new requests for proposals in a timely manner in order to limit the use of contract extensions and did not consistently submit contracts for registration in a timely manner. In addition, DFTA lacked written procedures concerning the procurement process.

To address these issues, the audit recommended that DFTA: begin its contract procurements earlier to account for complexities involved with revising client service programs; ensure that it submits contracts for registration in a timely manner; and develop and distribute to appropriate staff a set of written procedures detailing the contract procurement process.

The results of this 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.

Sincerely,

A handwritten signature in blue ink that reads "JCL".

John C. Liu

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THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER MANAGEMENT AUDIT

Audit Report on the Department for the Aging's Awarding of Non-competitive and Limited-competition Contracts

ME12-094A

AUDIT REPORT IN BRIEF

This audit determined whether the Department for the Aging (DFTA) had adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and whether DFTA evaluated contractor performance before awarding such contracts. The primary scope of the audit was non-competitive or limited-competition contracts awarded by DFTA during Fiscal Year 2011.

DFTA promotes the independence, health, and well-being of older New Yorkers through a broad range of services, both directly and through over 700 contracts. Contracts with vendors are procured based on the award method used, which is an indicator of whether the contract was awarded on a competitive, non-competitive, or limited-competition basis. Requests for proposals (RFPs) are one of the methods used to award contracts on a competitive basis. According to the New York City Procurement Policy Board (PPB) Rules, "procurement by competitive sealed proposals is the preferred method for awarding contracts for ... client ... services." A significant portion of DFTA contracts is for the provision of client services.

Renewals and negotiated acquisition extensions are methods used to continue existing contracts for limited periods of time. Renewals and extensions are considered to be awarded on a non-competitive basis. Negotiated acquisitions are used in time-sensitive situations in which vendors must be retained quickly or when there are only a few vendors available to provide the goods and services needed. Since the agency need not negotiate with each qualified vendor, negotiated acquisition contracts are considered to be awarded on a limited-competition basis.

According to the New York City Financial Management System (FMS), 710 DFTA-related contracts valued at approximately \$237 million were awarded in Fiscal Year 2011.

Audit Findings and Conclusion

DFTA generally has adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and evaluates contractor performance before awarding such contracts. However, DFTA did not adequately plan its contract process to ensure that

procurements were done in a timely manner and the use of contract extensions was minimized. DFTA may have been able to achieve cost savings through the use of more competitive procurements.

For our 10 sampled contracts, DFTA obtained the necessary approvals to award the contracts on a non-competitive or limited-competition basis. DFTA had the required written justifications, Agency Chief Contracting Officer (ACCO) approvals, and City Chief Procurement Officer (CCPO) authorizations for these contracts. In addition, contractor performance evaluations were conducted in the periods prior to the contract renewals or extensions in our sample. The contractors had a satisfactory or better record of performance.

However, DFTA had some internal control weaknesses relating to the awarding of its contracts that should be addressed. Specifically, DFTA: did not issue new RFPs in a timely manner in order to limit the use of contract extensions; did not consistently submit contracts for registration in a timely manner; and lacked written procedures concerning the procurement process.

Audit Recommendations

To address these issues, the audit recommends that DFTA:

- Begin its contract procurements earlier to account for complexities involved with revising client service programs.
- Ensure that it submits contracts to the City Comptroller for registration in a timely manner.
- Develop and distribute to appropriate staff a set of written procedures detailing the contract procurement process.

Agency Response

In their response, DFTA officials agreed to implement the audit's recommendations. They stated that they were "pleased with the positive findings of the audit and appreciate[d] the constructive recommendations for improving the Agency's internal controls."

INTRODUCTION

Background

DFTA promotes the independence, health, and well-being of older New Yorkers through a broad range of services, both directly and through over 700 contracts.

Contracts with vendors are procured based on the award method used, which is an indicator of whether the contract was awarded on a competitive, non-competitive, or limited-competition basis. Requests for proposals are one of the methods used to award contracts on a competitive basis. According to the New York City Procurement Policy Board (PPB) Rules, "procurement by competitive sealed proposals is the preferred method for awarding contracts for ... client ... services." A significant portion of DFTA contracts is for the provision of client services.

Renewals and negotiated acquisition extensions are methods used to continue existing contracts for limited periods of time. Renewals and extensions are considered to be awarded on a non-competitive basis. Negotiated acquisitions are used in time-sensitive situations in which vendors must be retained quickly or when there are only a few vendors available to provide the goods and services needed. Since the agency need not negotiate with each qualified vendor, negotiated acquisition contracts are considered to be awarded on a limited-competition basis.

According to the New York City FMS, 710 DFTA-related contracts valued at approximately \$237 million were awarded in Fiscal Year 2011 as shown in Table I.

Table I
DFTA-Related Contracts Awarded in Fiscal Year 2011

| Award Method | Number of Contracts | Total Value of Contracts | Percent of Total Contract Dollars Awarded |
|--|----------------------------|---------------------------------|--|
| Non-competitive and Limited-competition (DFTA-awarded contracts) | 252 | \$174,686,401 | 74% |
| Non-competitive and Limited-competition (multi-agency insurance contracts awarded by the Mayor's Office) | 8 | \$30,220,118 | 13% |
| Other Award Methods | 450 | \$31,866,856 | 13% |
| Totals | 710 | \$236,773,375 | 100% |

The 252 non-competitive or limited-competition contracts awarded by DFTA during Fiscal Year 2011 are the subject of this audit. Of these, 169 were contract renewals and 83 were

negotiated acquisition extensions. DFTA did not have any negotiated acquisitions in Fiscal Year 2011.

DFTA Response: “The statement...‘that DFTA did not have any negotiated acquisitions in Fiscal Year 2011’ is not accurate. Negotiated acquisition extensions are negotiated acquisitions.”

Auditor Comment: Negotiated acquisitions and negotiated acquisition extensions are two distinct methods of procurement that are used by City agencies. The audit report explains the difference between negotiated acquisitions and negotiated acquisition extensions. As stated above, negotiated acquisitions are used in time-sensitive situations in which vendors must be retained quickly or when there are only a few vendors available to provide the goods and services needed and are considered to be awarded on a limited-competition basis. Alternatively, negotiated acquisition extensions are used to continue existing contracts for limited periods of time and are considered to be awarded on a non-competitive basis.

According to PPB Rules, contract renewals must be approved by the ACCO. In addition, for client services contracts, the recommendation for renewal should include statements that the services are still needed and that the renewals of the contracts are in the best interest of the City.

PPB Rules also state that, for negotiated acquisition extensions, the ACCO must show that there is a compelling need to extend a contract one or more times. In addition, the CCPO must authorize the use of the negotiated acquisition method for a particular procurement or type of procurement.

Furthermore, the extension or renewal of contracts should be based in part on the agency’s evaluation of vendor performance. According to the Mayor’s Office of Contract Services (MOCS), “documenting how a vendor performs is critical to agencies in helping determine whether a vendor’s contract should be renewed, extended or terminated, and whether there is a need for a vendor to implement a corrective action plan or otherwise address its problems.”

Objectives

The objectives of this audit were to determine (1) whether DFTA has adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and (2) whether DFTA evaluates contractor performance before awarding such contracts.

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 objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

This primary scope of the audit was non-competitive or limited-competition contracts awarded by DFTA during Fiscal Year 2011. Please refer to the Detailed Scope and Methodology at the end of this report for the specific procedures and tests that were conducted.

Discussion of Audit Results

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 officials on September 6, 2012, and was discussed at an exit conference held on September 27, 2012. On October 11, 2012, we submitted a draft report to DFTA officials with a request for comments. We received a written response from DFTA on October 26, 2012. In their response, DFTA officials agreed to implement the audit's recommendations. They stated that they were "pleased with the positive findings of the audit and appreciate[d] the constructive recommendations for improving the Agency's internal controls."

DFTA's written response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

The audit determined that DFTA generally has adequate controls relating to the awarding of contracts on a non-competitive or limited-competition basis and evaluates contractor performance before awarding such contracts. However, DFTA did not adequately plan its contract process to ensure that procurements were done in a timely manner and the use of contract extensions was minimized. DFTA may have been able to achieve cost savings through the use of more competitive procurements.

For our 10 sampled contracts, DFTA obtained the necessary approvals to award the contracts on a non-competitive or limited-competition basis. DFTA had the required written justifications, ACCO approvals, and CCPO authorizations for these contracts. In addition, contractor performance evaluations were conducted in the periods prior to the contract renewals or extensions in our sample. The contractors had a satisfactory or better record of performance. However, DFTA had some internal control weaknesses relating to the awarding of its contracts that should be addressed. Specifically, DFTA:

- did not issue new RFPs in a timely manner in order to limit the use of contract extensions,
- did not consistently submit contracts for registration in a timely manner, and
- lacked written procedures concerning the procurement process.

These deficiencies are discussed in more detail in the following sections of this report.

Ineffective Process for Issuing New RFPs in a Timely Manner

DFTA is not issuing new RFPs in a timely manner to limit the use of contract extensions. DFTA officials stated that the Contract Procurement and Support Services unit tracks agency contracts using a Microsoft Access database. Although this database maintains contract expiration information, use of this database has not led DFTA to issue new RFPs on a timely basis. DFTA officials also stated that the agency uses the new Citywide Automated Procurement Tracking System (APTS) to track its contracts. However, this system only tracks the progression of the procurement process through to contract registration; it does not track contract expiration dates.

DFTA officials told us that delays in issuing RFPs have been largely due to periodic decisions by DFTA management to revise the agency's client service programs. The officials stated that such revisions require considerable work, including extensive interaction with the agency's constituents. To avoid delays in issuing RFPs, DFTA should take into account the complexities involved with revising its client service programs and begin its contract procurements earlier.

Due to untimely issuances of new RFPs, DFTA has often had to extend its contracts many times. As a result, DFTA might have missed opportunities to select other qualified vendors to provide the contracted services at more competitive prices. Furthermore, poor planning for the re-solicitation of contracts can disrupt the services provided by the vendors. When contracts lapse and new contracts are not awarded or registered through the City Comptroller on a timely basis, vendors either discontinue services or provide services at a risk of being paid late or of not being paid at all.

Delays in Issuing RFPs and in Awarding Contracts

Delays in issuing new RFPs have led to the awarding of multiple extensions; all 30 negotiated acquisition extension contracts in our sample have had multiple extensions. As of July 1, 2012, 14 had been extended six times, 10 had been extended five times, two had been extended four times, three had been extended three times, and one had been extended twice. The excessive use of extensions is a concern because there might have been other qualified vendors willing to provide the services at a lower cost than the existing vendors.

This excessive use of extensions can be primarily attributed to DFTA not issuing RFPs in a timely manner to ensure that new contracts are in place to continue needed services. DFTA officials stated that the procurement process from the issuance of an RFP to the awarding of a contract should take about 12 months on average. However, for the 30 negotiated acquisition extension contracts in our sample—all set to expire by June 30, 2012—DFTA had not issued an RFP relating to the services provided by 24 of them until December 19, 2011 (approximately six months prior to their expiration). For the remaining six negotiated acquisition extension contracts, new RFPs relating to the services provided by these contracts had still not been issued as of July 1, 2012 (after their scheduled contract expiration dates). While seven of the 30 contracts¹ were allowed to expire, the remaining 23 were extended again on July 1, 2012. These additional 23 extensions can be attributed to the fact that RFPs either were issued less than seven months prior to the expiration of these already previously extended contracts or were not issued at all.

Renewals are less of a concern in terms of maximizing competition because renewals (unlike extensions) are included as options in the original contracts. However, once the renewal options in a contract have been fully exercised, the contract needs to be extended if the services provided under the contract are still required and a new contract has not been awarded. Of the five renewal contracts in our sample, the renewal options for four of them had been fully exercised by June 30, 2012. Of these four renewal contracts, one expired on June 30, 2012, and three had been extended once as of July 1, 2012. An RFP was issued on December 19, 2011, relating to the services provided by these renewal contracts. However, the RFP was issued too late for DFTA to continue the provision of these services without the use of extensions.

DFTA Response: "...the report states that an (Request for Proposals) RFP was issued on December 19, 2011. Please note that DFTA issued a competitive solicitation not an RFP."

Auditor Comment: On May 24, 2012, we requested a list of current RFPs issued for the contracts in our sample. DFTA officials responded with a list of "All Current DFTA Funded Senior Centers" and the "Solicitation for Neighborhood Senior Centers" released on December 19, 2011, which instructed the providers to "submit proposals for sites within the borough(s) for which they [were] prequalified." PPB Rules define an RFP to be any document "used for soliciting competitive proposals." The Rules also explain that such "proposals may be solicited from vendors who have been previously prequalified." Accordingly, we believe that this competitive solicitation was, in fact, an RFP.

¹ Three of the seven contracts that were allowed to expire related to services for which the new RFP was issued on December 19, 2011. The remaining four contracts that were allowed to expire related to services for which new RFPs had not been issued as of July 1, 2012.

Delays in Submitting Contracts for Registration

According to PPB Rules, a client services contract is submitted in an untimely manner when an agency submits it to the Comptroller for registration after the start date of the contract or extension. In its Fiscal Year 2011 Agency Procurement Indicators report, MOCS states that late submissions for registration may cause cash-flow and service-continuity problems for client services vendors because the City cannot pay the vendors prior to registration even if they continue to provide services. This causes the vendor to be working at risk of being paid late or of not being paid at all if the contract is not registered. In addition to the cash-flow problems it may cause individual vendors, such delays can drive up City costs because vendors may sometimes increase prices in anticipation of these delays. City agencies can also be required to pay the interest on any loans that a vendor takes out due to the untimely registration of the contract. Furthermore, when contracts lapse and new contracts are not awarded or registered in a timely manner, vendors may struggle to continue to provide services to their clients.

Of the 35 client-services contracts in our sample, three lapsed before the extensions or renewals were submitted to the Comptroller's Office for registration. These three contracts lapsed for two to three months before the extensions or renewals were submitted for registration. DFTA should ensure that contracts are submitted for registration in a timely manner to avoid the potential disruption of needed services.

MOCS, in its Fiscal Year 2011 Agency Procurement Indicators report, identified a similar concern. MOCS reported that of the 238 contract continuations² awarded by DFTA in Fiscal Year 2011, 35 (15 percent) of them were registered after the start date of the continuation. The 35 continuations were registered, on average, 37 days late. The 35 continuations represented 36 percent of the dollar value of the 238 continuations.

Recommendations

DFTA should:

1. Begin its contract procurements earlier to account for complexities involved with revising client service programs.

DFTA Response: "Agreed."

2. Ensure that it submits contracts to the City Comptroller for registration in a timely manner.

DFTA Response: "DFTA agrees with this recommendation and will continue to strive to submit contracts for registration on a timely basis while managing as best as possible the variables not under DFTA's control. To prepare a contract package ready for registration depends on the cooperation, approval and submission of needed documents (e.g. insurance, Charities Compliance, Vendor Name Check, audit report) from multiple stakeholders such as the providers and oversight agencies."

² Continuations include renewals, extensions, and new RFP awards used to continue existing programs.

DFTA Has Not Developed Written Procedures to Govern the Contract Procurement Process

DFTA has not developed written procedures to govern its contracting process. Written procedures can help DFTA address the internal control weaknesses the audit identified relating to the awarding of non-competitive and limited-competition contracts. For example, the procedures can help the agency initiate the RFP process in a more timely manner so that new contracts are awarded through fully competitive methods before existing contracts expire.

As part of our review of DFTA's internal controls, we requested copies of the agency's written policies and procedures concerning its contract procurement process. DFTA officials informed us that they follow PPB Rules, Local Law 34, Local Law 129, and the City Charter. However, these documents are general rules and laws that apply to every agency and do not explain how a specific agency with its unique organizational structure and responsibilities should ensure that it complies with these standards.

Comptroller's Directive #1 states: "Internal controls should be documented in management administrative policies or operating manuals." Written procedures provide an agency added assurance that every employee involved in a process clearly understands the tasks that are to be accomplished and the acceptable methods to be used when performing these tasks. By not maintaining written procedures for the contract procurement process, management is hindered in its efforts to ensure that procedures are properly communicated and followed.

In its Calendar Year 2011 response to the Comptroller's Directive #1, Agency Evaluation of Internal Controls, DFTA indicated that it had developed specific agency contract procedures to ensure compliance with PPB Rules. However, although requested, DFTA did not provide us with any written, agency-specific procedures relating to its awarding of contracts to service providers.

Recommendation

3. DFTA should develop and distribute to appropriate staff a set of written procedures detailing the contract procurement process.

DFTA Response: "While DFTA agrees with the importance of this internal control, DFTA also believes that the Agency is already in compliance. DFTA like all City agencies are governed by PPB rules and NYC Charter, and like all City agencies, uses the citywide Automated Procurement Tracking (APT) system to govern procurement operations. APT has the built in internal controls and processes that ensure compliance with the PPB rules. APT has multiple security/access levels, and DFTA's procurement staff's roles are defined by their APT access levels. Staff's procurement responsibilities and roles are further reinforced by their respective written tasks and standards. Therefore, the APT user guide and flow charts on procurement processes is used by staff as an operations manual. In addition, regular training on APT is mandatory for all procurement staff. With that said, DFTA acknowledges that written procedures to consolidate these administrative policies and operations manuals may be helpful and will develop such written procedures."

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 objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The primary scope of the audit was non-competitive or limited-competition contracts awarded by DFTA during Fiscal Year 2011.

To achieve the audit objectives, we reviewed applicable laws and regulations, including the PPB Rules and Comptroller's Directive #1 (Principles of Internal Controls). We also reviewed DFTA's Calendar Year 2011 Directive #1 Financial Integrity Statement Certification. In addition, we reviewed the Agency Procurement Indicators report released by MOCS for Fiscal Year 2011.

To obtain an understanding of the various methods of source selection for procurements used by DFTA and the contract performance evaluation process, we interviewed DFTA officials, including the ACCO, the Assistant Commissioner of Budget and Fiscal Operations, the Controller, and a Contract Analyst.

From FMS, we obtained a list of 710 contracts (valued at approximately \$237 million) that were awarded by DFTA during Fiscal Year 2011. We sorted these contracts by award method and identified 260 contracts (valued at approximately \$205 million) that were considered to be non-competitive and limited-competition contracts. However, because eight of these were multi-agency contracts negotiated by the Mayor's office, we excluded them from our population. Of the remaining 252 non-competitive and limited-competition contracts (valued at approximately \$175 million), there were 169 contract renewals and 83 negotiated acquisition extensions. For our review, we randomly selected five renewal contracts and 30 negotiated acquisition extension contracts for a total of 35 contracts. The 35 contracts we selected had a total value of approximately \$20 million.

We reviewed DFTA's contract files for 10 sampled contracts—five renewals and five negotiated acquisition extensions—to determine whether DFTA complied with PPB Rules regarding procurement of non-competitive and limited-competition contracts. We determined whether there were written justifications and approvals by the ACCO of the types of award methods used for these procurements and whether the CCPO had authorized the use of such methods. We also determined whether public notices of intent to renew contracts were issued in a timely manner. Furthermore, we obtained information from VENDEX to determine whether the contractors received annual performance evaluations and whether the evaluations determined the contractors' performance to have been satisfactory or better before their contracts were renewed or extended.

For the 35 sampled contracts, we obtained information from the Comptroller's Omnibus Automated Image Storage and Information System (OAISIS) to determine whether DFTA initiated the RFP process in a timely manner such that new contracts were awarded before the existing contracts expired. We also determined whether the contracts were registered in a timely manner.

We did not conduct specific tests to evaluate the reliability and integrity of the data that we obtained from FMS because the City's external auditors review this Citywide system as part of their annual audit of the City's financial statements.

The results of the above tests, while not statistically projected to their respective populations, provide a reasonable basis for us to assess the adequacy of controls over the awarding of contracts on a non-competitive or limited-competition basis.



Lilliam Barrios-Paoli
Commissioner

Joy C. Wang
Assistant Commissioner,
Budget and Fiscal Operations

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October 25, 2012

Ms. Tina Kim, Deputy Comptroller for Audits
Office of the Comptroller
One Centre Street, Room 1100
New York, NY, 10007-2341

Re: Comptroller's Audit on Department for the Aging's Awarding of Non-Competitive and Limited-competition Contracts (ME12-094A)

Dear Deputy Comptroller Kim:

Thank you for the opportunity to respond to your October 11, 2012 audit of Department for the Aging's (DFTA) controls relating to the awarding of non-competitive and limited-competition contracts in Fiscal Year 2011.

We are pleased with the positive findings of the audit and appreciate the constructive recommendations for improving the Agency's internal controls.

Before DFTA comments in detail to the audit recommendations, DFTA would like to correct two statements in the body of the report. First, the statement on page 4 which says that "DFTA did not have any negotiated acquisitions in Fiscal Year 2011" is not accurate. Negotiated acquisition extensions are negotiated acquisitions. Secondly, on page 6, the report states that an (Request for Proposals) RFP was issued on December 19, 2011. Please note that DFTA issued a competitive solicitation not an RFP.

Please see below for the detailed DFTA responses to the audit recommendations.

Comptroller's Recommendation 1: DFTA should begin its contracts procurements earlier to account for complexities involved with revising client service programs.

DFTA Response: Agreed.

Comptroller's Recommendation 2: DFTA should ensure that it submits contracts to the City Comptroller for registration in a timely manner.

DFTA Response: DFTA agrees with this recommendation and will continue to strive to submit contracts for registration on a timely basis while managing as best as possible the variables not under DFTA's control. To prepare a contract package ready for registration depends on the cooperation, approval and submission of needed documents (e.g. insurance, Charities Compliance, Vendor Name Check, audit report) from multiple stakeholders such as the providers and oversight agencies.

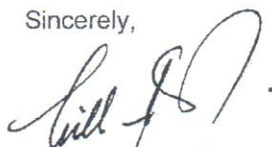
Comptroller's Recommendation 3: DFTA should develop and distribute to appropriate staff a set of written procedures detailing the contract procurement process.

DFTA Response: While DFTA agrees with the importance of this internal control, DFTA also believes that the Agency is already in compliance. DFTA like all City agencies are governed by PPB rules and NYC Charter, and like all City agencies, uses the citywide Automated Procurement Tracking (APT) system to govern procurement operations. APT has the built in internal controls and processes that ensure compliance with the PPB rules. APT has multiple security/access levels, and DFTA's procurement staff's roles are defined by their APT access levels. Staff's procurement responsibilities and roles are further reinforced by their respective written tasks and standards. Therefore, the APT user guide and flow charts on procurement processes is used by staff as an operations manual. In addition, regular training on APT is mandatory for all procurement staff. With that said, DFTA acknowledges that written procedures to consolidate these administrative policies and operations manuals may be helpful and will develop such written procedures.

In closing, DFTA appreciates the opportunity to respond to the draft audit and the overall constructive tone of the audit.

If you have any questions about this written response, please contact Joy Wang at (212) 442-1043 or by e-mail at jwang@aging.nyc.gov.

Sincerely,



Lilliam Barrios-Paoli
Commissioner

cc: Steven Foo (DFTA)
John Jones (DFTA)
Betty Lee (DFTA)
Joy C. Wang (DFTA)
George Davis III (Mayor's Office)
James Bradley (Comptroller's Office)
Carol Dyce (Comptroller's Office)
Jennifer Murrell (Comptroller's Office)