City of New York

OFFICE OF THE COMPTROLLER

Scott M. Stringer
COMPTROLLER

MANAGEMENT AUDIT

Marjorie Landa
Deputy Comptroller for Audit

Audit Report on the Bronx Borough President's Office's Controls over Its Inventory of Computers and Related Equipment

MJ19-098A
April 13, 2020
http://comptroller.nyc.gov

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

April 13, 2020

To the Residents of the City of New York:

My office has audited the Bronx Borough President's Office (BxBPO) to determine whether it had adequate controls over its inventory of computers and related equipment in compliance with applicable rules and regulations. We audit City operations such as this as a means of ensuring that agencies are accountable for City resources.

While the audit found that the BxBPO's inventory records generally reflected the inventory on hand, the audit's inventory count revealed an overall variance of 11 percent between the items found on hand and the items recorded in the BxBPO's inventory records. The audit also found that the BxBPO did not have adequate controls over its inventory of computers and related equipment. Specifically, the agency's inventory records contained some incorrect information. The audit also found that the BxBPO did not perform the required periodic physical inventory counts and found deficiencies with its asset tag practices. In addition, the audit found that the BxBPO did not sufficiently segregate its inventory functions among its staff or establish compensating controls in lieu of such segregation. The BxBPO also had no written plans regarding its relinquishment of obsolete items. Finally, the BxBPO's records pertaining to the agency's mobile devices had inaccuracies.

The audit makes 18 recommendations, including that the BxBPO: update its written procedures to require periodic inventory counts of its entire inventory of computers and related equipment; ensure that tag numbers are sequentially assigned to all computers and related equipment; ensure that there is adequate segregation of duties or compensating controls regarding the key responsibilities for the management of the agency's inventory of computers and related equipment; develop written procedures for relinquishing its computers and related items in compliance with the City's inventory relinquishment policy; and establish written policies and procedures governing the management of the agency's mobile devices.

The results of the audit have been discussed with BxBPO 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,

Scott M. Stringer

DAVID N. DINKINS MUNICIPAL BUILDING • 1 CENTRE STREET, 5TH Floor • NEW YORK, NY 10007
PHONE: (212) 669-3500 • @NYCCOMPTROLLER
WWW.COMPTROLLER.NYC.GOV

TABLE OF CONTENTS

EXECUTIVE SUMMARY 1

Audit Findings and Conclusion 1

Audit Recommendations 2

Agency Response 3

AUDIT REPORT 4

Background 4

Objective 4

Scope and Methodology Statement 4

Discussion of Audit Results with the BxBPO 5

FINDINGS AND RECOMMENDATIONS 6

Discrepancies in the BxBPO's Inventory Records 6

Periodic Inventory Counts Are Not Performed 9

Recommendations 9

Inadequate Property Identification Tag Practices 10

Recommendations 12

Inadequate Segregation of Duties 12

Recommendation 12

Weaknesses in the BxBPO's Relinquishment Practices 13

Recommendations, ... 15

The BxBPO's Mobile Device Records Are Not Accurate or Complete 16

Recommendation 16

Other Matter 17

The BxBPO Does Not Review Its Monthly Wireless Bills 17

Recommendations 18

DETAILED SCOPE AND METHODOLOGY 19

ADDENDUM

THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
MANAGMENT AUDIT

Audit Report on the Bronx Borough President's Office's Controls over Its Inventory of Computers and Related Equipment

MJ19-098A

EXECUTIVE SUMMARY

The objective of this audit was to determine whether the Bronx Borough President's Office (BxBPO) has adequate controls over its inventory of computers and related equipment in compliance with applicable rules and regulations.

The Bronx Borough President, along with the Borough Presidents of New York City's (City's) other four boroughs, are the executive officials of their respective boroughs. The City Charter grants each Borough President various powers, including the power to recommend capital projects, to hold public hearings on matters of public interest, and to have legislation introduced in the City Council. Each Borough President also consults with the Mayor on the City's executive expense and capital budgets; reviews and makes recommendations on applications and proposals for land use and development within the borough; provides technical assistance to the borough's community boards; and monitors capital projects in the borough.

Computers and related equipment (including mobile devices) play a vital role in helping the BxBPO staff carry out the agency's activities. According to the City Comptroller's Comprehensive Annual Financial Report for the Fiscal Year ending June 30, 2019, the BxBPO's expenditures totaled $4.98 million, which included $724,000 for Other Than Personal Services, such as general computer and equipment purchases.

Audit Findings and Conclusion

The BxBPO did not have adequate controls over its inventory of computers and related equipment. While we found that the BxBPO's inventory records generally reflected the inventory on hand, our count revealed a gross discrepancy (overall variance) of 11 percent between the items we found on hand and the 225 items recorded in the BxBPO's inventory records.[1] Additionally, the BxBPO's inventory records contained incorrect information in one or more of the

[1] The term "gross discrepancy" is used to describe the overall variance identified during an inventory count. This means that we account both for where the number of items counted during a physical inventory count is *greater* than the number listed in the agency inventory records as well as where the number of items counted is *less* than the number listed in the records. For example, a shortage of three items for Item type A and an overage of five items for Item type B would indicate a gross discrepancy of eight items.

following fields: location, assignee, manufacturer, model, asset tag number, and serial number. One of the reasons for the discrepancies and missing information is that the BxBPO did not perform the required periodic physical inventory counts to help ensure the records' accuracy.

We also found deficiencies with the BxBPO's asset tag practices. Specifically, the BxBPO used different sets of tags, did not consistently assign tags in sequential order, and could not account for 759 tag numbers. The BxBPO also did not sufficiently segregate its inventory functions among its staff or establish compensating controls when those duties could not be appropriately segregated. The audit found that the BxBPO had no written policies, procedures, or plans regarding its relinquishment of obsolete computers and related equipment, and we found that those items were stored in a haphazard manner. Moreover, the BxBPO did not maintain an accurate record of the agency's mobile devices. Under other matter, we found that the BxBPO paid for cell phone lines that it was not using.

The deficiencies identified in the BxBPO's controls over its inventory significantly increase the risk of waste, fraud, and mismanagement with respect to its computers and related equipment.

Audit Recommendations

Based on the audit, we make 18 recommendations, including the following:

- The BxBPO should update its written policies and procedures to require agency personnel who are independent of the IT unit to perform and document the periodic inventory counts of its entire inventory of computers and related equipment; ensure that all discrepancies are independently investigated; and ensure that any adjustments to its inventory records are reviewed and approved by management.
- The BxBPO should ensure that tag numbers are sequentially assigned to all computers and related equipment without skipping tag numbers. Any omission or skipping of a sequential number should be explained in the inventory records.
- The BxBPO should comply with the City's inventory relinquishment policy and develop written procedures for relinquishing its computers and related items.
- The BxBPO should ensure that it adequately organizes its storage of unused computers and related equipment, and that it maintains a reference list identifying the storage locations and the condition of the items.
- The BxBPO should ensure that key responsibilities for the management of the agency's inventory of computers and related equipment are adequately segregated or that compensating controls are implemented.
- The BxBPO should establish written policies and procedures governing its management of mobile devices, including, but not limited to, steps requiring that complete and accurate mobile device records be maintained and updated timely.
- The BxBPO should submit a request to the Department of Information Technology & Telecommunications (DoITT) and ask that it provide the BxBPO with the agency's detailed wireless billing information on a monthly basis. With this information, the BxBPO should review the usage and charges to verify the accuracy of the bills and to identify unusual and/or unauthorized charges.

Agency Response

The BxBPO agreed with the audit's 18 recommendations.

AUDIT REPORT

Background

The Borough Presidents are the executive officials of the five City boroughs. The City Charter grants each Borough President various powers, including the power to recommend capital projects, to hold public hearings on matters of public interest, and to have legislation introduced in the City Council. Each Borough President consults with the Mayor on the preparation of the City's executive expense and executive capital budgets; reviews and recommends applications and proposals for the use, development, or improvement of land within the borough; provides technical assistance to the borough's community boards; maintains a topographical bureau that monitors capital projects in the borough; and monitors and makes recommendations regarding the performance of contractual services in the borough. The Borough President also monitors the administration of City services and works with constituents and local organizations in order to meet the needs of the residents.

The Bronx Borough President also serves as the Chairperson of the Bronx Borough Board—a City Charter-mandated committee consisting of the Borough President, the District Council Members representing the Bronx, and the Chairpersons of the Bronx's 12 community boards—and is empowered to prepare special purpose plans to improve and develop physical growth of the borough, mediate disputes between community boards, and evaluate the progress of capital developments and the quality and quantity of services provided by agencies within the borough. Computers and related equipment (including mobile devices) play a vital role in helping the BxBPO staff carry out the agency's activities. According to the City Comptroller's Comprehensive Annual Financial Report for the Fiscal Year ending June 30, 2019, the BxBPO's expenditures totaled $4.98 million, which included $4.26 million for Personal Services and $724,000 for Other Than Personal Services.

Objective

The objective of this audit was to determine whether the BxBPO has adequate controls over its inventory of computers and related equipment in compliance with applicable rules and regulations.

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 objective. 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 August 13, 2019. 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 with the BxBPO

The matters covered in this report were discussed with BxBPO officials during and at the conclusion of this audit. A preliminary draft report was sent to the BxBPO and was discussed at an exit conference held on February 11, 2020. On February 27, 2020, we submitted a draft report to the BxBPO with a request for comments. We received a written response from the BxBPO on March 19, 2020. In its response, the BxBPO stated,

> Our office agrees with all of the recommendations and intends to implement all recommended procedures, policies, and changes.

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

FINDINGS AND RECOMMENDATIONS

The BxBPO did not have adequate controls over its inventory of computers and related equipment. We identified several weaknesses in the agency's inventory practices. While we found that the BxBPO's inventory records generally reflected the inventory on hand, there were discrepancies. Our count of the BxBPO's computers and related equipment revealed a gross discrepancy (overall variance) of 11 percent between the items we found on hand and the 225 items recorded in its inventory records. Additionally, for 14 percent of the 225 items listed, the BxBPO's inventory records contained incorrect information in one or more of the following fields: location, assignee, manufacturer, model, asset tag number, and serial number. One of the reasons for the discrepancies and missing information is that the BxBPO did not perform the required periodic physical inventory counts, which are intended to help ensure the accuracy and completeness of the inventory records.

We also found deficiencies with the BxBPO's asset tag practices. Specifically, the BxBPO used different sets of tags, each with its own numbering sequence, on its equipment and did not consistently assign tags within a set in sequential order. In addition, we found that 759 tag numbers from the current sequence in use by the BxBPO were unaccounted for.[2] The BxBPO also did not sufficiently segregate its inventory functions among its staff or establish compensating controls when those duties could not be appropriately segregated. Regarding obsolete inventory items on hand, the BxBPO did not have any written policies, procedures, or plans regarding its relinquishment of obsolete computers and related equipment. Further, the BxBPO's inventory of computers and related equipment to be relinquished was stored in a haphazard manner. Moreover, the BxBPO did not maintain an accurate record of the agency's mobile devices.

Under other matter, we found that the BxBPO also paid $293 in charges it incurred through unauthorized international use of a mobile device by one of its employees, which had gone undetected before our audit.

The deficiencies identified in the BxBPO's controls over its inventory operations significantly increase the risk of waste, fraud, and mismanagement with respect to its computers and related equipment.

The details of our findings are discussed in the following sections of this report.

Discrepancies in the BxBPO's Inventory Records

Perpetual Inventory Records Generally Reflected the Inventory on Hand, with Some Discrepancies

The New York City Department of Investigation's (DOI's) *Standards for Inventory Control and Management* (DOI Inventory Standards) requires that a "perpetual inventory system [be] established to maintain an up-to-date count of all items in the inventory." Additionally, the BxBPO's *Purchasing Policy* states that the "Director of IT [Information Technology] places a pre-numbered

[2] The current tag sequence in use by the BxBPO contains 6-digits and starts with 100, with the first number in the sequence being 100001.

agency ID tag on the items and records the information on the agency's inventory. As the items are placed in use, the Director of IT records its location on the inventory log and its assigned user."

However, we found some discrepancies in the BxBPO's inventory record of its computers and related equipment. Our physical count of the BxBPO's computers and related equipment revealed a gross discrepancy of 25 items (11 percent of the 238 items on hand), consisting of 6 items on the BxBPO's master inventory list that we were unable to locate, and 19 items that we observed in the BxBPO's possession that were not recorded on the master inventory list.[3] The detailed results of our count are shown in Table I.

Table I

Inventory Count Results

Item Description (as categorized by the BxBPO)	Number Reported on the BxBPO's Master Inventory List	Number Found by Auditors	Shortage (fewer on hand than reported on the BxBPO's list)	Overage (more on hand than reported on the BxBPO's list)	Gross Discrepancy
Computers	74	74	0	0	0
Monitors	72	72	0	0	0
Printers	14	18	1	5	6
Projectors & Laptops	8	8	1	1	2
Cameras	7	6	2	1	3
External Hard Drives	3	2	1	0	1
Servers and Switches	19	22	0	3	3
Mobile Devices (Cell Phones and MiFis)	28	36	1	9	10
Totals	**225**	**238**	**6**	**19**	**25**

Regarding the six missing items, the BxBPO informed us that one of the cameras and one MiFi device were separately reported lost by different employees. The remaining four items—a laptop, a printer, a camera, and an external hard drive—could not be located, and the BxBPO offered no explanation as to what had happened to them. In addition, for the 19 items excluded from the inventory records, the BxBPO informed us that one item (an Apple iPad) was mistakenly missing from the inventory records, and nine items were new cellphones that were omitted because they had not yet been distributed to staff. However, those omissions were contrary to the BxBPO's purchasing policy, which requires that purchased equipment be tagged and added to inventory once the BxBPO receives and inspects the equipment and verifies that it matches the corresponding purchasing document, before it is assigned to a BxBPO employee. We did not receive an explanation for the remaining nine items.

These discrepancies were enabled in part and went undiscovered before our audit by a lack of segregation of duties or compensating control, such as independent review of the inventory records and periodic physical counts and comparisons with the records by persons not involved in their creation or maintenance. Only one individual was involved with both managing the agency's computer equipment and maintaining the related inventory records, with no independent

[3] The 19 items we observed in the BxBPO's possession that were not recorded on the master inventory list include 9 new cellphones that we observed subsequent to our count in the BxBPO's storage room.

review. We believe that these discrepancies, many of which appear to be the result of recording errors, would likely have been identified before our audit had the BxBPO assigned independent personnel to conduct periodic physical counts and to compare those results to the inventory records.

Perpetual Inventory Records Contained Inaccurate Identifying Information

The DOI Inventory Standards requires that City agencies

> [maintain] [p]ermanent records . . . centrally, to track all non-consumable goods issued to each agency unit, including type of equipment, manufacturer, serial number, agency control number, condition, . . . [and] location . . . .

Furthermore, as stated in the Financial Integrity Statement Checklist (Checklist), issued under Comptroller's Directive #1, *Principles of Internal Control*,

> inventory items require strong controls to ensure accurate recordkeeping and good security." In addition, as part of an agency's strong controls, the Checklist requires that "detailed records [be] maintained for supplies and non-capital assets . . . [and that] expensive non-capital items (e.g., computers, cars) [be] positively identified (tagged).

However, the identifying information (specifics relating to the equipment and its location) contained in the BxBPO's inventory records was not updated timely and included some errors. We found that 31 (14 percent) of the 225 items of active equipment (i.e., equipment currently in use) included on the BxBPO's master inventory list were recorded with one or more errors, such as incorrect serial numbers, asset tag numbers, locations, manufacturers, models, and assignees. Specifically, we found the following inaccuracies on the list:

- 10 items with incorrect serial numbers;
- 6 items with incorrect asset tag numbers;
- 8 items with inaccurate assignment information;
- 5 items with an incorrect location;
- 2 items with an incorrect manufacturer; and
- 10 items with inaccurate model information.

As was the case with the count discrepancies, these inaccuracies appear to reflect recording errors and failures to update records, which went unnoticed because of a lack of segregation of duties or compensating control. Further, as mentioned above, had the agency performed a periodic inventory count, these discrepancies could have been identified.

Incomplete and inaccurate inventory records hinder an agency's ability to effectively track its computers and related equipment; to identify equipment for relinquishment; and to make sound decisions with regard to the necessity of purchasing new equipment. Errors in the agency's inventory records, such as those described above, also increase the risk that theft and misappropriation of its computers and related equipment could occur and go undetected.

Periodic Inventory Counts Are Not Performed

According to the DOI Inventory Standards, an agency should conduct a count of all goods at least once a year to ensure the accuracy of the perpetual inventory records. The count should be conducted by individuals independent of the inventory operation who compare the physical inventory count totals with the regularly updated ("perpetual") inventory records. The agency should similarly have independent persons investigate any discrepancies. All reconciliation adjustments made as a result of such counts and investigations are to be submitted to management for approval.

However, we found that the BxBPO did not perform periodic inventory counts of its computers and related equipment in accordance with the DOI Inventory Standards. BxBPO officials told us that they conduct a physical inventory count of the agency's supplies, such as printer toner, but not of its computers or related equipment. The IT Director informed us that an inventory count of the BxBPO's computers and related equipment has not been performed since the BxBPO upgraded its computer equipment in Fiscal Years 2014 and 2015. BxBPO management did not require that a periodic inventory count be conducted as part of its inventory management policy. The BxBPO IT Director informed us that he updates the inventory records as needed, such as when equipment is relocated or reassigned.

Failing to perform periodic inventory counts hinders an agency's ability to identify variances and inaccuracies in its inventory records, possible misappropriation or loss of equipment, and items to be relinquished. Conducting periodic inventory counts, along with having effective security controls, can help reduce the risk that valuable computer assets might be misplaced or misappropriated.

Recommendations

1. The BxBPO should update its written policies and procedures to require agency personnel who are independent of the IT unit to perform and document the periodic inventory counts of its entire inventory of computers and related equipment; ensure that all discrepancies are independently investigated; and ensure that any adjustments to its inventory records are reviewed and approved by management.

   BxBPO Response: "Agree. The Bronx Borough President's Office ('the office') will update its written policies so that personnel independent of the IT unit are responsible for performing inventory counts and related tasks."

2. The BxBPO should immediately perform a full inventory count of its computers and related equipment and update its inventory records to ensure that all active items are listed and contain accurate identifying information.

   BxBPO Response: "Agree. The office plans to perform a full inventory count of its computers and related equipment to ensure that the inventory is completely up-to-date and accurate."

3. The BxBPO should promptly update its inventory records when changes occur, including the acquisition and assignment of new equipment, the reassignment of existing equipment, and the relinquishment of equipment.

   BxBPO Response: "Agree. The office will promptly update inventory records for all future changes."

4. The BxBPO should establish a written policy and procedure to document its process for addressing lost or stolen items, including its investigations for the items, documenting its search results, and the filing of reports with the New York City Police Department for those items that the BxBPO determines were lost or stolen.

   BxBPO Response: "Agree. The office will establish a written policy and procedure to address lost or stolen items."

5. The BxBPO should investigate the location of the four missing items cited in this report and document its search results. For items not found, the BxBPO should update its inventory records to identify the missing items.

   BxBPO Response: "Agree. Of the four missing items mentioned in this report, one—a wireless hotspot—has already been located. The office will investigate and document the other items."

Inadequate Property Identification Tag Practices

The DOI Inventory Standards states that

> [r]eadable, sturdy property identification tags (reading 'Property of the City of New York') with a sequential internal control number are [to be] assigned and affixed to valuable items. An inventory log containing the internal control number assignments, updated to account for relocation, is [to be] maintained.

While we found that it is the BxBPO's general practice to use property identification tags having unique sequential numbers, we found that the BxBPO used five different sets of tags, each with its own numbering sequences for its computers and related equipment, as follows:

- Two sequences of asset tags had six digits, one began with 010, and the other began with 100;
- One sequence of asset tags had eight digits and began with 011;
- One sequence of tags had seven digits and began with 44; and
- One sequence of tags had five digits and began with 130; only one item had a tag using this sequence.

In addition, we found that the BxBPO did not consistently assign its tags within a set in sequential order. An accounting of the different tag number sequences recorded in the BxBPO's inventory records revealed 114 gaps, consisting of 4,960 tag numbers that were not listed in those records.

When asked about the use of tags with different sequences and the numerous gaps, the IT Director said that when he started in June 2009, the Director of Fiscal and Personnel gave him sheets of pre-printed asset tags having six digits, with the numbering sequence starting with 100 (i.e., 100001), which were already in the agency's possession. The IT Director said that he would generally just pick any sheet of tags to use when a tag was needed, without taking into account the sequence numbers that had been previously used, and therefore did not necessarily use the tags sequentially. He also told us that some items were tagged with police etching long ago, before he started, and they have a different sequence altogether. In addition, the IT Director told us that one set of tags was assigned and affixed to the equipment by the vendor prior to delivery.

Regarding the asset tags currently in use by the BxBPO (the sequence starting with 100), we asked on March 25, 2019, to see all asset tag sheets that were on hand and were provided with eight sheets—sheets numbered 0009, 0010, 0012, 0013, 0015 through 0018; sheets numbered 0011 and 0014 were not able to be located by the IT Director.[4] As shown in Table II below, a comparison of the tag numbers from the current sequence in use by the BxBPO (tag numbers 100001 through 101872), with the inventory records and the asset tag sheets on hand, identified 759 unaccounted-for tag numbers. Since the tag numbers were not used sequentially, it is not possible to tell whether or how many of these 759 unaccounted-for tag numbers were imprinted on tags that were never used and were either discarded or are now missing or, alternatively, were imprinted on tags that were assigned to equipment that the agency once possessed and that have since been relinquished as obsolete, misplaced, lost, or misappropriated.

Table II

Unaccounted-for Assets Tags from Current Tag Number Series
(Sequence Beginning with 100)

Sheet Number	Sheets Observed by Auditors	Tag Numbers Included on Each Sheet		Number of Unaccounted-for Tags
		From	To	
0001		100001	100104	39
0002		100105	100208	51
0003		100209	100312	69
0004		100313	100416	104
0005		100417	100520	71
0006		100521	100624	87
0007		100625	100728	97
0008		100729	100832	62
0009	X	100833	100936	0
0010	X	100937	101040	0
0011		101041	101144	103
0012	X	101145	101248	0
0013	X	101249	101352	0
0014		101353	101456	76
0015	X	101457	101560	0
0016	X	101561	101664	0
0017	X	101665	101768	0
0018	X	101769	101872	0
Totals	**8**			**759**

Failure to properly track sequential property tag numbers and to ensure that sequential control numbers are used nullifies the function of identification tags as a control mechanism. In the absence of adequate recordkeeping and assignment of sequential tag numbers, it is difficult for the BxBPO to monitor, track, and account for all computers and related equipment, especially when those items are disposed of. In addition, by not properly tagging such equipment (e.g., computers and printers), the BxBPO incurs an increased risk that such items could be misplaced, lost, or stolen without detection.

[4] Each asset tag sheet contains 104 asset tags.

Recommendations

6. The BxBPO should use only one sequence of tag numbers for all its computers and related equipment.

   BxBPO Response: "Agree. Moving forward, the office will use a uniform format for asset tags."

7. The BxBPO should ensure that tag numbers are sequentially assigned to all computers and related equipment without skipping tag numbers. Any omission or skipping of a sequential number should be explained in the inventory records.

   BxBPO Response: "Agree. Those asset tags will be applied to computers and related equipment sequentially moving forward."

Inadequate Segregation of Duties

According to Comptroller's Directive #1,

> [k]ey duties and responsibilities need to be divided or segregated among different staff members to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets.

In addition, the DOI Inventory Standards require City agencies to reduce the risk of error and fraud by establishing a separation of duties between the employees who handle the assets that constitute an agency's inventory and those who record inventory transactions. When an agency's staff resources do not allow for a complete segregation of duties, the DOI Inventory Standards require the establishment of compensating controls, such as increased reviews of inventory-related transactions at the managerial or supervisory level.

However, we found that the BxBPO did not sufficiently segregate the duties of maintaining and overseeing inventory among its staff, nor did it establish sufficient compensating controls when those duties could not be appropriately segregated. The BxBPO has one individual, the IT Director, who is responsible for the management of all IT resources within the agency. The IT Director is responsible for selecting and ordering the agency's computers and related equipment, as well as for storing, deploying, tagging, and maintaining the agency's computers and related equipment, which includes maintaining and updating the BxBPO inventory list. Those functions involve direct control of valuable assets, potentially worth hundreds of thousands of dollars. Further, BxBPO officials have not assigned any other individuals to assist in these functions or to establish a measure of independent verification or oversight.

The lack of adequate segregation of duties or compensating controls increases the risk that misappropriation or loss of items may occur without detection because key processes intended to aid in the identification of errors or fraud are assigned to and executed by only one individual.

Recommendation

8. The BxBPO should ensure that key responsibilities for the management of the agency's inventory of computers and related equipment are adequately segregated or that compensating controls are implemented.

BxBPO Response: "Agree. The office has assigned the Director of Fiscal/Personnel and Director of Administration to assist in segregating inventory-related duties moving forward."

Weaknesses in the BxBPO's Relinquishment Practices

No Written Policy for Its Relinquishment of Obsolete Equipment

According to the DOI Inventory Standards, agencies are required to develop relinquishment policies for the disposal of obsolete inventory. The DOI Inventory Standards also call for agency personnel to inspect and certify the obsolescence of goods presented for relinquishment. In addition, the type, condition, and quantity of all items presented for relinquishment are to be recorded on a relinquishment list, and relinquished items are to be deleted from the inventory log.

Additionally, according to the Department of Citywide Administrative Services' (DCAS') Office of Citywide Procurement Policies and Procedures - Office of Surplus Activities (April 2018), the DCAS Office of Surplus Activities (OSA) is responsible for the timely and proper disposition of surplus City assets relinquished from City agencies. It further states,

> OSA seeks to ensure that the City of New York reuses surplus property whenever and wherever possible by facilitating inter-agency transfers or, when transfer is not a viable option, realizing the highest possible revenue through resale. OSA also authorizes final disposal of City assets that have no transfer or resale value . . . The relinquishment of surplus material should take place promptly; prompt relinquishment submission enables OSA to determine the appropriate method of disposal and act efficiently on the best disposition method. Prompt action results in the productive reallocation, sale, or ultimate disposal of City assets and yields maximum revenue generation.

However, the BxBPO did not have any written policies or consistent process for relinquishing its obsolete computers and related equipment. According to BxBPO officials, the agency has not relinquished its obsolete inventory of computers and related equipment, and does not have any current plans to do so. The BxBPO's last major purchase of computers and related equipment was in Fiscal Years 2014 and 2015, when the BxBPO upgraded its equipment and retired the bulk of its old equipment. Since they were not relinquished in accordance with DCAS policy, more than 200 computers and related items have been kept in the BxBPO storage room since that time.[5] In addition, 63 old cell phones are stored in a cabinet in the server room at the BxBPO.

BxBPO officials informed us that they did not understand the City's relinquishment process, and therefore did not establish any policy or procedure to guide the BxBPO's relinquishment practices. In addition, the BxBPO did not make adequate efforts to salvage the obsolete equipment. BxBPO officials informed us that they contacted DCAS for further guidance in June 2019. This was subsequent to our inquiries regarding the BxBPO's obsolete equipment and long after the obsolete equipment had been taken out of service.

The delay in the BxBPO's relinquishment of its retired computers and related equipment could potentially limit the usefulness of the equipment by other City agencies, and therefore reduce the amount of savings that the City might have from not purchasing new items. In addition, any money that could potentially be made from the sale of these items, if not transferred to another City

[5] The 200 retired computers and related items include 94 computers—82 computer towers and 12 laptops. The BxBPO storage room used to store the retired (obsolete) computers and related items also contained non-obsolete items and non-computer items.

agency, is reduced as time goes by and the items increasingly become dated and less valuable. Also, the deficiencies of the BxBPO's process for relinquishing obsolete computers and related equipment increases the risk that computer equipment can be misappropriated without detection.

Lack of Systematic Sanitization or Destruction of the BxBPO's Electronically-stored Sensitive Information from Its Obsolete Equipment

Regarding information stored on agencies' computer equipment, the *Digital Media Re-use and Disposal Policy* issued by the DoITT states that

> [a]ll digital media must undergo a data sanitization process prior to disposal or reuse to protect against unauthorized access to information. Data Sanitization Procedures will be internally documented by each agency.

The policy further states that

> [w]here any equipment containing digital media is to be discarded or re-used, donated, sold or otherwise transferred to an external person, organization or vendor . . . , the City agency must use one of the . . . approved methods appropriate for rendering all information on the media permanently unreadable . . . . An asset can be transferred for disposal to a vendor who has contractually committed to following one or more of the above methods.

Further, federal guidelines state that certain information relating to sanitized equipment should be retained for each piece of electronic media that has been sanitized, including, but not limited to, the manufacturer; model; serial number; media type; method used; and name and title of the person performing the sanitization process, as well as the date and location.[6]

Notwithstanding the fact that computers and related items have been determined to be obsolete and removed from use by the BxBPO, we found that the hard drives in 94 retired computers (included on its list of obsolete equipment) had not been removed from the computers and destroyed or sanitized. The hard drives in the 63 old cell phones in storage also had not been destroyed or sanitized. The absence of such destruction or sanitization could be due to the fact that the BxBPO does not have any written policy or procedure for the systematic sanitization or destruction of the BxBPO's electronically-stored sensitive information from its obsolete equipment.

As long as the hard drives remain intact, there remains a risk that potentially sensitive information recorded on the drives could be inappropriately accessed or disclosed.

Inadequate Storage of Obsolete Inventory

According to Comptroller's Directive #1, agencies are required to safeguard all assets. However, we found that the BxBPO's obsolete items (which are considered assets of the agency), including computers and related equipment, were inadequately stored. We observed old computer towers, monitors, printers, printer trays (still in boxes), and other computer-related items (e.g., keyboards, mice, and computer power cords and cables) piled on top of one another and strewn around the floor of the storage room in a haphazard manner, along with some non-computer related items.

[6] *Guidelines for Media Sanitization*, the United States Department of Commerce, National Institute of Standards and Technology, issued December 2014.

After the condition of the storage room was observed on March 25, 2019 and the issue was discussed with BxBPO's officials, they informed us on March 28, 2019 that they began to reorganize the space to help them identify which items the BxBPO should relinquish as obsolete. During our August 13, 2019 inventory count of obsolete inventory, we observed that computers and related equipment were stored in a more organized manner than they had been during our initial observation. However, the manner in which the equipment was organized made it difficult to identify the asset tag numbers of the equipment during our count.

The haphazard storage of unused equipment not only constitutes a dangerous condition but also hinders the BxBPO's ability to identify and to create an inventory list of all obsolete items, to identify those devices with electronically-stored information that require sanitization, and to relinquish the obsolete items. Further, the haphazard storage of equipment increases the risk of damage, impeding the City's goal that such equipment be reused or sold for the highest possible value.

In addition, haphazard storage of unused equipment creates a risk that any equipment in the storage room that is still usable by the agency would not be easily identified.

Recommendations

9. The BxBPO should comply with the City's inventory relinquishment policy and develop written procedures for relinquishing its computers and related items.

   BxBPO Response: "Agree. The office will develop a compliant relinquishment policy for computers and related items."

10. The BxBPO should relinquish the agency's obsolete inventory in accordance with DCAS regulations.

    BxBPO Response: "Agree. Existing obsolete inventory will be relinquished in accordance with DCAS regulations in short order."

11. The BxBPO should establish a written policy and procedure to mandate and document a data sanitization process to be used on its digital media prior to their disposal or reuse.

    BxBPO Response: "Agree. The office will establish a written policy regarding data sanitization."

12. The BxBPO should ensure that it protects the agency's sensitive and confidential information saved on its digital media (e.g., on its computers' internal hard drives) through a timely sanitization or physical destruction of the digital media. A record of the sanitization or destruction should be maintained in accordance with applicable guidance, including, at a minimum, the following details: manufacturer; model; serial number; method used; name and title of person performing the process; and the date and location of the process.

    BxBPO Response: "Agree. Data sanitization will be performed in a timely fashion with detailed documentation of that process moving forward."

13. The BxBPO should immediately sanitize or destroy the internal hard drives in its computers and other digital media designated for relinquishment to ensure that the agency's sensitive and confidential records are protected.

    BxBPO Response: "Agree. The office will sanitize the hard drives in obsolete equipment in the immediate future."

14. The BxBPO should ensure that it adequately organizes its storage of unused computers and related equipment, and that it maintains a reference list identifying the storage locations and the condition of the items.

    BxBPO Response: "Agree. Moving forward, storage of any obsolete equipment will be organized so that sanitization and relinquishment can be performed as expeditiously as possible."

The BxBPO's Mobile Device Records Are Not Accurate or Complete

According to §2.12 of DoITT's *Citywide Policy on City-Owned Mobile Devices and Services*,

> It is the responsibility of the agency to maintain full and accurate records of mobile and wireless devices and assigned users. These records must be available for the purposes of maintenance, support and auditing. Agencies are required to maintain complete records of all mobile telephone or wireless device authorization requests, bills, assignments, inventories, reimbursements and all related correspondence. Such records must be maintained pursuant to DORIS [Department of Records and Information Services]/Law Department approved retention schedules. Agency wireless coordinators are required to immediately notify DoITT, in writing, of any mobile telephone or other wireless device assignment changes.

However, we found that the BxBPO did not maintain an accurate and complete list of its mobile devices. We received inventory lists from the BxBPO on March 6, 2019 and March 28, 2019. Both lists included mobile devices, but the records did not include the associated tag numbers or the cell phone numbers. Furthermore, the inventory lists contained incorrect Electronic Serial Numbers (ESNs) for numerous devices. Although ESNs are unique to each mobile device, we found that 16 of the 25 listed devices were listed with ESNs that had also been assigned to other listed devices.

In addition, we found that the BxBPO had 72 devices, consisting of 63 retired cell phones in storage and 9 new cell phones that were ready to be assigned, that were not recorded in the BxBPO's inventory lists of active or retired equipment.

The above-mentioned discrepancies could be attributed to the BxBPO's failure to establish a written policy for management of its mobile devices and its failure to ensure that it adheres to DoITT's above-cited policy. Incomplete and inaccurate records of mobile devices hinder the BxBPO's ability to effectively track its mobile device assignments and could negatively impact its monitoring of employee usage and its review of wireless service bills. The agency also incurs an increased risk of undetected theft, which could involve both the loss of assets and the risk that electronically-stored sensitive information could be compromised.

Recommendation

15. The BxBPO should establish written policies and procedures governing its management of mobile devices, including, but not limited to, steps requiring that complete and accurate mobile device records be maintained and updated timely.

    BxBPO Response: "Agree. The office will establish a policy and procedure regarding mobile device management."

Other Matter

The BxBPO Does Not Review Its Monthly Wireless Bills

According to DoITT's *Citywide Policy on City-Owned Mobile Devices and Services* (dated July 23, 2015), §3.2 (Billing Procedures),

> The DoITT Cost Recovery Group pays all accounts payables to all wireless vendors on behalf of all City agencies that are managed by DoITT EMT [Enterprise Mobile Technology unit]. DoITT Telecommunications Audit and Reporting provides monthly wireless invoicing to all agency wireless coordinators. Agencies are responsible for retrieving and reviewing the agency wireless usage. Agencies are responsible for enforcing agency policies for billing information distribution and reimbursement of non-business usage, per the Citywide Limited Personal Use policy.

Furthermore, §2.9 (Employee Separation from Agency of Record) of the policy states that "[a]gencies are responsible for contacting the relevant carrier to update all carrier wireless records in the event of an employee separation."

However, we found that the BxBPO did not review cell phone bills for accuracy to ensure that they are only billed for active lines and to ensure that there are no unusual charges or excessive usage. According to BxBPO officials, the BxBPO does not receive the monthly bills for its mobile devices, and did not know that they were responsible to review the bills. BxBPO officials stated that DoITT pays the bills on behalf of the BxBPO, as well as for other City agencies, using each agency's budgeted funds.

We requested that the BxBPO obtain from DoITT the monthly bills for January 2019 through June 2019. Our review of the six months of bills identified that 3 of the 30 existing lines had no usage activity, and upon inquiry learned from BxBPO officials that these three lines belonged to BxBPO personnel who had retired—one in October 2016, one in August 2017, and the other in December 2017. The cost of the lines varied, with one line costing approximately $17 per month, and the other two lines costing approximately $32 per month. The BxBPO has been paying for these three lines since each employee's retirement until at least June 2019 (the last month of our review), for a total of $1,974. BxBPO officials said they had informed the wireless carrier to discontinue the lines for the retired employees and were not aware that the lines had not been canceled. However, the BxBPO was unable to provide any evidence of this communication.

In addition, during our review of the bills, we identified an unusual charge of $358 applied to one of its lines during the May 2019 monthly billing cycle. BxBPO officials stated that they were not aware of the charge and informed us they would investigate it and contact the wireless carrier for details. On October 7, 2019, officials informed us that they determined that $293 of the $358 charge was unauthorized and that they recouped those funds on October 18, 2019 from the employee.

Failure to monitor the agency's mobile device usage increases the risk of BxBPO employees misusing and abusing agency-issued cell phones and MiFis, and of the agency paying for the unauthorized and non-business use of wireless services. In addition, the BxBPO's failure to ensure that cell services are canceled for unused lines, including those that had been issued to separated employees, results in the agency unnecessarily paying for wireless services that are not even being used.

Recommendations

16. The BxBPO should submit a request to DoITT and ask that it provide the BxBPO with the agency's detailed wireless billing information on a monthly basis. With this information, the BxBPO should review the usage and charges to verify the accuracy of the bills and to identify unusual and/or unauthorized charges.

    BxBPO Response: "Agree. The office will request that DOITT share detailed billing information for mobile devices on a monthly basis."

17. The BxBPO should ensure that it cancels cell phone service and cease payments for cell phone lines that are inactive.

    BxBPO Response: "Agree. Any cell phone lines that are going out of use in the future will be cancelled in a timely fashion via an official request to DOITT."

18. The BxBPO should discuss its cancellation of the lines identified in this report with its wireless carrier and DoITT, and request a refund of the charges paid for the lines it canceled.

    BxBPO Response: "Agree. The office will discuss the referenced cancellation of lines and request a refund for the charges paid for them—and notes that requests to cancel these lines were emailed to DOITT many months ago."

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 objective. 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 period was from July 1, 2015 through August 13, 2019.

To obtain an understanding of the policies, procedures, and regulations governing the BxBPO's controls over its inventory of computers and related equipment, we reviewed and used as criteria the following:

- Comptroller's Directive #1, *Principles of Internal Control* and the *Financial Integrity Statement Checklist*;
- Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*;
- DOI's *Standards for Inventory Control and Management*;
- DOITT's *Digital Media Re-use and Disposal Policy*;
- United States Department of Commerce, National Institute of Standards and Technology, *Guidelines for Media Sanitization,* issued December 2014;
- GAO's *Executive Guide: Best Practices in Achieving Consistent, Accurate Physical Counts of Inventory and Related Property*, issued March 2002;
- DOITT's *Citywide Policy on City-Owned Mobile Devices and Services*, issued July 23, 2015;
- DCAS' *Office of Citywide Procurement Policies and Procedures—Office of Surplus Activities* (April 2018);
- The BxBPO's *Fiscal and Personnel Unit Functions and Responsibilities*;
- The BxBPO's *Narrative of the Functions and Responsibilities of the IT Computer Systems Manager*;
- The BxBPO's *Purchasing Policy*;
- The BxBPO's *Operational Procedures*;
- The BxBPO's *Steps in the Purchasing Process*; and
- FMS Report ID: CWA-OBJDSC-001, *Object Class Descriptions*.

To obtain an understanding of the BxBPO's organizational structure as it related to the management of its computers and related equipment, we reviewed the BxBPO organization chart to identify the reporting structures of the units and the personnel involved. We also reviewed

BxBPO documents defining the roles, functions, and responsibilities of key BxBPO personnel in the Fiscal, Personnel, and IT units.

To obtain an understanding of staff responsibilities and the internal control structure over the BxBPO's management of its inventory of computers and related equipment, we conducted walkthrough meetings and interviewed the following key agency personnel:

- Director of Fiscal and Personnel;
- Deputy Director of Fiscal;
- Director of Information Technology;
- Director of Administration; and
- Accounts Payable Coordinator.

We inquired whether the agency performed annual inventory counts of computers and related equipment during Fiscal Years 2016 through 2019.

To determine whether the BxBPO maintained an inventory list including the key information required by DOI Inventory Standards (e.g., equipment type, manufacturer, serial number, and agency control number), we requested the BxBPO's master inventory list of computers and related equipment with all available fields. The BxBPO provided us with its master inventory list on March 6, 2019. Subsequent to this initial master inventory list, the BxBPO provided us with a second and third master inventory list on March 28, 2019 and April 10, 2019, respectively, to include additional items that were not previously provided. In addition, we obtained a fourth, updated master inventory list before our physical count. We reviewed the fourth master inventory list containing 225 items to determine whether each listed item had the required key information (as per DOI Inventory Standards). We also reviewed the recorded property identification tag numbers (agency control numbers) to determine whether the agency control numbering sequence was consecutive (i.e., whether there were any gaps).

In addition, we requested and reviewed the payment documents (e.g., purchase orders, packing slips, and invoices) associated with the BxBPO's most recent capital purchases of computers and related equipment when the BxBPO did an agency-wide upgrade of its computer equipment in Fiscal Years 2014 and 2015. We traced each item on the purchase orders to the inventory list by matching the listed item descriptions to ensure that all items were accurately recorded in the BxBPO's master inventory list.

We independently generated reports from FMS of the BxBPO's payments from July 1, 2015 to June 30, 2019, to identify possible payments made for purchases of computers and related items. First, we reviewed all payments charged to object codes 199 (Data Processing Supplies) and 332 (Purchase of Data Processing Equipment). In total, we identified 20 payments totaling $29,466. We reviewed the BxBPO's payment voucher packages (e.g. requisition forms, packing slips, and invoices) for these 20 payments to identify the items purchased and to determine whether the BxBPO adhered to its purchasing and payment procedures and obtained the required approvals.

Second, to determine whether any additional computers and related equipment were purchased and potentially miscategorized in FMS when the BxBPO processed the payments, we reviewed the FMS payment reports covering July 1, 2015 to June 30, 2019, and identified payments charged to object codes other than 199 and 332 but made to vendors known to sell computer-related items. In total, we identified 230 additional payments totaling $90,969. From these

payments, we judgmentally selected a sample of 40 payments totaling $37,077, and reviewed the BxBPO's payment voucher packages to identify the items purchased and determined whether the BxBPO assigned the correct object codes.

Furthermore, for all 60 sampled payments totaling $66,543, consisting of the 20 payments for computer-related equipment charged to object codes 199 or 332, and the 40 sampled payments charged to object codes other than 199 and 332, we identified all purchased computers or related equipment that were valued at $50 or more, and determined whether the BxBPO properly recorded those items on the BxBPO's master inventory list and affixed property identification tags to each of those items, as per the BxBPO's policies and procedures.

We conducted a complete physical inventory count at the BxBPO of all its computers and related equipment on June 13, and 14, 2019. We attempted to locate all 225 items included on the BxBPO master inventory list as of June 12, 2019, and compared critical information on the items we found, such as serial numbers, tag numbers, and location, to the information on the master inventory list. We also identified and recorded items we observed during our counts that were not identified on the inventory list. For each inventory item checked, we determined whether the item was sequentially tagged with appropriate property identification tags. Additionally, we ascertained the identity of all persons who were issued BxBPO cell phones by checking the serial and IMEI numbers on the cell phones to the information recorded for those phones in the inventory records.

To determine whether the BxBPO only assigned mobile devices to active employees and whether services were discontinued upon the separation of employees from the agency, we reviewed the six wireless service bills for the period of January 2019 through June 2019 (one bill for each of the six months reviewed), and compared the payments made on behalf of the BxBPO staff to the list of personnel employed by the BxBPO during these months.

To determine whether the BxBPO has a relinquishment policy in place and whether the BxBPO has relinquished any of its computers and related equipment, we interviewed the Director of Administration, who is also the BxBPO's Salvage Officer. We obtained a list of all obsolete computers and related items. On March 25, 2019, we observed the condition of the storage room used to store a majority of the BxBPO's obsolete computers and related items, and noted the inadequate storage of these items. On August 13, 2019, subsequent to the BxBPO reorganization of the storage room, we conducted a cursory observation of the obsolete computers and related equipment stored in the room. We compared the obsolete computer towers and other equipment with visible asset tag numbers to the equipment and asset tag numbers shown on the In-Storage list. We performed a general count of the obsolete computer towers, computer monitors, printers, and fax machines, and compared the total number of items observed to the total number of items on the list. We also inquired about the hard drives of the obsolete computer towers and cell phones in storage and their sanitization status.

The results of our sample tests, while not projectable to their respective populations, provided a reasonable basis, along with our other tests, for us to evaluate and to support our findings and conclusions about the BxBPO's controls over its inventory of computers and related equipment.

BRONX BOROUGH PRESIDENT RUBEN DIAZ JR.

March 19, 2020

Marjorie Landa
Deputy Comptroller for Audit
Office of the Comptroller, Room 1100 North
1 Centre Street
New York, NY 10007

Re: Responses to Audit Report on The Bronx Borough President's Office's Controls over its Inventory of Computers and Related Equipment, MJ19-098A

Dear Deputy Comptroller Landa:

Attached please find the response of the Office of The Bronx Borough President to the recommendations made in the above-referenced audit report on inventory of computers and related equipment. Our office agrees with all of the recommendations and intends to implement all recommended procedures, policies, and changes.

If you have any questions regarding our response, please do not hesitate to email me at cmcshane@bronxbp.nyc.gov.

Thank you,

Christopher McShane
Director of IT

cc: Bronx Borough President Ruben Diaz Jr.
Paul Del Duca, Chief of Staff, Office of The Bronx Borough President
Denise Cabrera, Director of Fiscal & Personnel, Office of The Bronx Borough President
Erica Stack-Pabon, Director of Administration, Office of The Bronx Borough President
Michael Lamanna, Office of the Comptroller
Naheed Amin, Office of the Comptroller
Jennifer Pazmino, Office of the Comptroller

Responses to Recommendations

1. **Agree**. The Bronx Borough President's Office ("the office") will update its written policies so that personnel independent of the IT unit are responsible for performing inventory counts and related tasks.
2. **Agree**. The office plans to perform a full inventory count of its computers and related equipment to ensure that the inventory is completely up-to-date and accurate.
3. **Agree**. The office will promptly update inventory records for all future changes.
4. **Agree**. The office will establish a written policy and procedure to address lost or stolen items.
5. **Agree**. Of the four missing items mentioned in this report, one—a wireless hotspot—has already been located. The office will investigate and document the other items.
6. **Agree**. Moving forward, the office will use a uniform format for asset tags.
7. **Agree**. Those asset tags will be applied to computers and related equipment sequentially moving forward.
8. **Agree**. The office has assigned the Director of Fiscal/Personnel and Director of Administration to assist in segregating inventory-related duties moving forward.
9. **Agree**. The office will develop a compliant relinquishment policy for computers and related items.
10. **Agree**. Existing obsolete inventory will be relinquished in accordance with DCAS regulations in short order.
11. **Agree**. The office will establish a written policy regarding data sanitization.
12. **Agree**. Data sanitization will be performed in a timely fashion with detailed documentation of that process moving forward.
13. **Agree**. The office will sanitize the hard drives in obsolete equipment in the immediate future.
14. **Agree**. Moving forward, storage of any obsolete equipment will be organized so that sanitization and relinquishment can be performed as expeditiously as possible.
15. **Agree**. The office will establish a policy and procedure regarding mobile device management.
16. **Agree**. The office will request that DOITT share detailed billing information for mobile devices on a monthly basis.
17. **Agree**. Any cell phone lines that are going out of use in the future will be cancelled in a timely fashion via an official request to DOITT.
18. **Agree**. The office will discuss the referenced cancellation of lines and request a refund for the charges paid for them—and notes that requests to cancel these lines were emailed to DOITT many months ago.