

City of New York

OFFICE OF THE COMPTROLLER

Scott M. Stringer
COMPTROLLER



AUDITS AND SPECIAL REPORTS

Marjorie Landa

Deputy Comptroller for Audit

Audit Report on the Inventory Practices
over Office Equipment at the Twelve
Manhattan Community Boards

SR19-077A

June 14, 2019

<http://comptroller.nyc.gov>



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

SCOTT M. STRINGER
COMPTROLLER

June 14, 2019

To the Residents of the City of New York:

My office has audited the office equipment inventory practices at the 12 Manhattan Community Boards. We audit City agencies, such as Community Boards, as a means of ensuring they operate efficiently and are accountable for resources and revenues in their charge.

New York City encompasses 59 community districts, each served by a Community Board, a local representative body authorized by the New York City Charter to advocate for the residents and needs of its district. Community Boards have various responsibilities, which include assessing the neighborhoods' needs, addressing community concerns, and vetting land use and zoning proposals. Manhattan has 12 Community Boards, numbered 1 through 12, that collectively serve the entire borough. Each of the Manhattan Boards has a District Manager and at least one full-time clerical staff person.

The audit found that all 12 Manhattan Community Boards were generally in compliance with DOI's *Standards for Inventory Control and Management* and Comptroller's Directive #1. Overall, with one exception, the Community Boards maintained complete and accurate inventory records of their office equipment. We found that 588 of the 591 office equipment items listed on the Manhattan Community Boards' inventory records were present at each of the Community Boards' offices and were properly tagged with an agency tag number and identified as "Property of the City of New York." All of the office equipment items we saw at the Community Boards' offices were listed on the inventory lists. However, at one Community Board (Board #11), we identified 3 of 80 office equipment items that were listed on the inventory list but could not be located during our on-site testing. As a result, we concluded that there is potential risk of loss, misappropriation, or theft at Community Board #11.

In addition, we found that six Community Boards (Boards #3, #5, #7, #8, #9, and #11) used incorrect object codes to categorize the expenses vouchered for 22 office equipment items purchased during our audit period.

The results of the audit have been discussed with Community Board officials from each of the 12 Boards, and their comments have been considered in preparing this report. Their complete written responses are 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, appearing to read "Scott M. Stringer".

Scott M. Stringer

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THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER AUDITS AND SPECIAL REPORTS

Audit Report on the Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards

SR19-077A

EXECUTIVE SUMMARY

We audited the 12 Manhattan Community Boards to determine whether they each comply with certain inventory procedures applicable to office equipment that are set forth in the Department of Investigation's *Standards for Inventory Control and Management* (the DOI Standards). We further audited the 12 Community Boards to determine whether they maintain effective internal controls over equipment as required by Comptroller's Directive #1.

New York City encompasses 59 community districts, each served by a Community Board, a local representative body authorized by the New York City Charter to advocate for the residents and needs of its district. Community Boards have various responsibilities, which include assessing the neighborhoods' needs, addressing community concerns, and vetting land use and zoning proposals. Manhattan has 12 Community Boards, numbered 1 through 12, that collectively serve the entire borough. Each of the Manhattan Boards has a District Manager and at least one full-time clerical staff person.

Audit Findings and Conclusions

The audit found that all 12 Manhattan Community Boards were generally in compliance with the DOI Standards and Comptroller's Directive #1. Overall, with one exception, the Community Boards maintained complete and accurate inventory records of their office equipment. We found that 588 of the 591 office equipment items listed on the Manhattan Community Boards' inventory records were present at each of the Community Boards' offices and were properly tagged with an agency tag number and identified as "Property of the City of New York." All of the office equipment items we saw at the Community Boards' offices were listed on the inventory lists. However, at one Community Board (Board #11), we identified 3 of 80 office equipment items that were listed on the inventory list but could not be located during our on-site testing. As a result, we concluded that there is potential risk of loss, misappropriation, or theft at Community Board #11.

In addition, we found that six Community Boards (Boards #3, #5, #7, #8, #9, and #11) used incorrect object codes to categorize the expenses vouchered for 22 office equipment items purchased during our audit period.

Audit Recommendations

Community Boards #1 through #10 and #12 should continue to ensure, and Community Board #11 should take steps to ensure that:

- Complete and accurate records of all office equipment are maintained in accordance with the DOI Standards and Comptroller's Directive #1.
- An annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items; the Boards should ensure that the inventory count be properly supervised.
- The inventory lists are appropriately updated when changes occur including change of location and properly record the relinquishment of nonworking items and removing those relinquished items from the inventory list.
- Any items removed from the office by current employees or officials are properly documented as "out of the office," assigned to a specific location and person, and that they are promptly returned. The three items reported to be out of the Community Board #11 office should be promptly accounted for and returned to the Board's office for inspection.
- All office equipment purchases are charged to the correct object code in accordance with Comptroller's Directive #24, *Agency Purchasing Procedures and Controls*.
- Efforts are made to ensure that equipment located at a former employee's home is promptly returned, including, but not limited to referral to appropriate authorities if the equipment is not promptly returned.

Agency Responses

The 12 Community Boards agreed with the report's findings and recommendations and described the steps they have taken or will take to implement the report's recommendations.

AUDIT REPORT

Background

New York City encompasses 59 community districts, each served by a Community Board, a local representative body authorized by the New York City Charter to advocate for the residents and needs of its district. Community Boards have various responsibilities, which include assessing the neighborhoods' needs, addressing community concerns, and vetting land use and zoning proposals. (See the Appendix to this report for a more detailed description of the Community Boards' responsibilities as defined by the City Charter.) Each Borough President appoints up to 50 non-salaried members to each of the Community Boards under his or her jurisdiction. Board members serve two-year terms and must reside, work, or have significant interests in their districts.

Community Boards' operations are paid for with City funds. With these funds, each Board hires a District Manager as its chief executive officer whose responsibilities include assisting the Board in hiring administrative staff, supervising the staff, and managing the daily operations of the district office. Each Borough President's Office provides administrative assistance to the Community Boards.

Manhattan has 12 Community Boards, numbered 1 through 12, that collectively serve the entire borough. Each of the Manhattan Boards has a District Manager and at least one full-time clerical staff person. The salaries of these individuals are covered by the Community Boards' Personal Services budget. In addition, the Community Boards are provided with City funds to cover expenses other than salaries and fringe benefits, such as supplies, equipment, and contractual services, known as Other Than Personal Service (OTPS) funds. Table I below lists the total OTPS expenditures for each of the 12 Manhattan Community Board's for Fiscal Year 2018.

Table I

Summary of Other Than Personal
Service Expenditures for the 12
Manhattan Community Boards

Fiscal Years 2018

| Board | Other Than Personal Services Fiscal Year 2018 |
|--------------|--|
| Board 1 | \$54,917 |
| Board 2 | 9,485 |
| Board 3 | 21,381 |
| Board 4 | 16,499 |
| Board 5 | 21,346 |
| Board 6 | 93,653 |
| Board 7 | 32,733 |
| Board 8 | 49,177 |
| Board 9 | 61,554 |
| Board 10 | 27,556 |
| Board 11 | 92,124 |
| Board 12 | 54,006 |
| Total | \$534,431 |

From July 1, 2017 through March 8, 2019, the Manhattan Community Boards purchased 145 office equipment items for a total of \$96,736. According to the Comptroller's Directive #1, inventory items, such as electronic equipment and other office equipment, require strong controls to ensure accurate recordkeeping and good security. Further, the DOI Standards establish the controls the Boards must follow. Each of the 12 Manhattan Community Boards maintain an inventory of office equipment such as desktops, laptops, tablets, monitors, printers, scanners, fax machines, and televisions.

Objectives

The objectives of this audit were to determine whether the 12 Manhattan Community Boards comply with certain inventory procedures as set forth in the DOI Standards and are maintaining effective internal controls systems as required by Comptroller's Directive #1.

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 audit covered the period July 1, 2017 through March 8, 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

The matters covered in this report were discussed with officials of the 12 Manhattan Community Boards during and at the conclusion of this audit. A preliminary draft report was sent to officials from each of the 12 Manhattan Community Boards and to the Manhattan Borough President's Office, which is responsible for providing technical assistance to the Community Boards. The preliminary draft report was discussed with an official from each Community Board during a phone conversation in lieu of an exit conference on May 10, 2019. On May 16, 2019, we submitted a draft report to the Community Board officials with a request for comments. We received written responses from officials at each of the 12 Boards.

In their responses, each of the 12 Community Boards agreed with the report's finding and recommendations and described steps they have taken or will take to implement the report's recommendations. The full text of the responses are included as addenda to this report.

FINDINGS AND RECOMMENDATIONS

The audit found that all 12 Manhattan Community Boards were generally in compliance with the DOI Standards and Comptroller's Directive #1. Overall, with one exception, the Community Boards maintained complete and accurate inventory records of their office equipment. The Boards' inventory lists included the type of equipment, serial number, agency control number, and location. We found that 588 of the 591 office equipment items listed on the Manhattan Community Boards' inventory records were present at each of the Community Boards' offices and were properly tagged with an agency tag number and identified as "Property of the City of New York."¹ All of the office equipment items we saw at the Community Boards' offices were listed on the inventory lists. However, at one Community Board (Board #11), we identified 3 of 80 office equipment items that were listed on the inventory list but could not be located during our on-site testing. We concluded that there is potential risk of loss, misappropriation, or theft at Community Board #11.

In addition, we found that six Community Boards (Boards #3, #5, #7, #8, #9, and #11) used incorrect object codes to categorize the expenses vouchered for 22 office equipment items purchased during our audit period.

Missing Equipment

During our visit to Community Board #11, we were unable to locate eight items reported on the inventory list dated February 2019. The eight items consisted of one cell phone, four laptops, one tablet, and two voice recorders. Three of the missing items (two laptops, and one cellphone) were purchased during Fiscal Year 2018 for a total of \$3,514. The District Manager for Community Board #11 stated that he and the Chairperson were using seven of the items at their respective homes. The remaining laptop was in the custody of a now-former employee who left the Board's employ and never returned the device, according to the District Manager. This issue was reported in a previous New York City Comptroller's Office audit dated April 28, 2016, in which we recommended that the Community Board take measures to ensure that the laptop be promptly returned.

The DOI Standards require that an inventory list be updated to account for any changes in the location of the equipment. Community Board #11's inventory list did not indicate that any of the eight missing items were assigned out of the office, including the seven items that the District Manager said were currently in use at his home and that of the Chairperson. On May 6, 2019 after the preliminary draft report was issued, the District Manager showed us five of the eight missing items (one cell phone, three laptops, and one tablet). In regard to the three remaining items, the District Manager stated that he contacted the former employee requesting the laptop be returned to the community board office but was told that the laptop is missing and cannot be returned. The remaining two voice recorders were used to record Board minutes and were not assigned to one individual, and as such he has no record of their current location.

¹ We reviewed the Manhattan Community Boards' controls over their inventory of office equipment such as desktops, laptops, tablets, monitors, printers, scanners, fax machines, and televisions.

Incorrect Object Codes Charged

Six Boards (Boards #3, #5, #7, #8, #9, and #11) used incorrect object codes to categorize the expenses vouchered for office equipment items purchased during our audit period. Comptroller's Directive #24, §6.0, states, "Payment Voucher approvers must ensure that the appropriate accounting and budget codes are being charged. This includes charging the correct unit of appropriation and correct object code within that unit of appropriation." The Boards purchased 22 office equipment items (including computers, laptops, projectors, televisions, and recorders) using incorrect object codes on 12 payment vouchers.² The purchases charged to the incorrect object codes totaled \$15,864.³ Using incorrect object codes prevents the Boards from accurately categorizing the type and amount of a particular expense item during the fiscal year. This can compromise management's ability to plan future budgets.

Recommendations

Community Boards #1 through #10 and #12 should continue to ensure, and Community Board #11 should take steps to ensure, that:

1. Complete and accurate records of all office equipment are maintained in accordance with the DOI Standards and Comptroller's Directive #1.

Board #2 Response: "Manhattan Community Board 2 will continue to ensure that complete and accurate records of all office equipment are maintained in accordance with the DOI Standards and Comptroller's Directive #1."

Board #6 Response: "My staff and I have worked very hard to improve our inventory practices, and we are happy that the audit finds CB6's records to be complete, accurate, and in conformity with accepted City standards."

Board #8 Response: "We will see that Community Board 8 continues to follow all proper procedures regarding to equipment inventory, including the inventory control recommendations issued in the Audit, and that CB8 complies with the DOI Standards and Comptroller's Directive #1."

Board #9 Response: "Manhattan Community Board No. 9 will continue to take appropriate steps to ensure...[c]omplete and accurate records of all office equipment are maintained in accordance with DOI Standards and Comptroller's Directive #1."

Board #10 Response: "We agree to comply with the inventory procedures as set forth in the DOI Standard and are maintaining effective internal control systems as required by Comptroller's Directive #1."

² Object codes are numerical labels that are used to identify and separate actual expenses, amounts budgeted for expenses, and encumbrances, into categories that describe the nature of the goods or services purchased.

³ The six Community Boards incorrectly used object codes, 1000-supplies and materials, 3140-office furniture, 3320-purchase of data processing equipment, 4000-contractual expenditures – general, and 4020-telephone, instead of using 3020-telecommunications equipment, 3320-purchases of data processing equipment, or 4120 rental-miscellaneous equipment.

Board #11 Response: “Our office will take steps to ensure that...[c]omplete and accurate records of all office equipment are maintained in accordance with DOI Standards and Comptroller’s Directive #1.”

Auditors’ Comment: Boards #1, #3, #4, #5, #7, and #12 did not specifically respond to Recommendation 1.

2. An annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items; the Boards should ensure that the inventory count be properly supervised.

Board #6 Response: “CB6 adheres to this policy.”

Board #9 Response: “Manhattan Community Board No. 9 will continue to take appropriate steps to ensure...[a]n annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items; MCB9 will continue to ensure that the inventory count be properly supervised.”

Board #11 Response: “Our office will take steps to ensure that...[a]n annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items.”

Auditors’ Comment: Boards #1, #2, #3, #4, #5, #7, #8, #10, and #12 did not specifically respond to Recommendation 2.

3. The inventory lists are appropriately updated when changes occur including change of location and properly record the relinquishment of nonworking items and removing those relinquished items from the inventory list.

Board #6 Response: “The audit finds CB6’s inventory list is up-to-date. We also maintain a current relinquishment list.”

Board #9 Response: “MCB9 will continue to ensure that...[t]he inventory lists are appropriately updated when changes occur including change of location and properly record and relinquishment of nonworking items and removing those relinquished items from the inventory list.”

Board #11 Response: “Our office will take steps to ensure that...[t]he inventory lists are appropriately updated when changes occur including change of location and properly record the relinquishment of nonworking items and removing those relinquished items from the inventory list.”

Auditors’ Comment: Boards #1, #2, #3, #4, #5, #7, #8, #10, and #12 did not specifically respond to Recommendation 3.

4. Any items removed from the office by current employees or officials are properly documented as “out of the office,” assigned to a specific location and person, and that they are promptly returned. The three items reported to be out of the Community Board #11 office should be promptly accounted for and returned to the Board’s office for inspection.

Board #6 Response: “CB6 adheres to this policy.”

Board #9 Response: “Manhattan Community Board No. 9 will continue to take appropriate steps to ensure...[a]ny items removed from the office by current employees or officials are properly documented as ‘out of the office,’ assigned to a specific location and person, and that they are promptly returned.”

Board #11 Response: “Our office will take steps to ensure that...[a]ny items removed from the office by current employees are properly documented as ‘out of the office,’ assigned to a specific location and person, and that they are promptly returned.”

Auditors’ Comment: Boards #1, #2, #3, #4, #5, #7, #8, #10, and #12 did not specifically respond to Recommendation 4.

5. All office equipment purchases are charged to the correct object code in accordance with Comptroller’s Directive #24, *Agency Purchasing Procedures and Controls*.

Board #3 Response: “In the future Community Board 3, will make every effort to ensure that all equipment purchases are charged to the correct object code in accordance with Comptroller’s Directive # 24.”

Board #5 Response: “We will strive to follow the appropriate purchasing procedures and make sure that as per Comptroller’s Directive #24, the correct code is use when purchasing office equipment.”

Board #6 Response: “My office is very meticulous on this point, and we will continue to maintain our compliance with this recommendation.”

Board #8 Response: “CB8 will take steps to ensure that the correct Object Codes are always used on future FMS payments, in accordance with Comptroller’s Directive #24, *Agency Purchasing Procedures and Controls*.”

Board #9 Response: “Manhattan Community Board No. 9 will continue to take appropriate steps to ensure...[a]ll office equipment purchases are charged to the correct object code in accordance with the Comptroller’s Directive #24, *Agency Purchasing Procedures and Controls*.”

Board #11 Response: “Our office will take steps to ensure that...[a]ll office equipment purchases are charged to the correct object code in accordance with Comptroller’s Directive #24, *Agency Purchasing Procedures and Controls*.”

Auditors’ Comment: Boards #1, #2, #4, #7, #10, and #12 did not specifically respond to Recommendation 5.

6. Efforts are made to ensure that equipment located at a former employee’s home is promptly returned, including, but not limited to referral to appropriate authorities if the equipment is not promptly returned.

Board #6 Response: “CB6 cannot comment on the practices of other Boards, but it is CB6’s policy to collect all equipment from employees upon separation from service and to limit the use of office equipment outside of the office.”

Board #11 Response: “Our office will take steps to ensure that ... [e]fforts are made to ensure that equipment located at a former employee’s home is returned.”

Auditors’ Comment: Boards #1, #2, #3, #4, #5, #7, #8, #9, #10, and #12 did not specifically respond to Recommendation 6.

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 audit covered the period July 1, 2017 through March 8, 2019.

To obtain an understanding of the inventory procedures and regulations with which the Community Boards are required to comply, we reviewed relevant provisions of the DOI Standards, Comptroller's Directive #1, and Comptroller's Directive #24. We interviewed staff at each Community Board to obtain an understanding of the inventory procedures in use and to determine how physical assets are safeguarded.

We reviewed and physically observed whether all 588 office equipment items (including computers, monitors, printers, scanners, laptops, fax machines, and televisions) listed on the Community Boards' most current inventory records dated February 2019 to March 2019 were present at each Community Board's office. During our observation, we also determined whether all items of equipment that we observed on the site were listed on the Board's inventory records.

During our physical observations of the inventory, which we conducted from February 19, 2019 through March 8, 2019, and on May 6, 2019 (an additional observation was conducted at Community Board #11), we verified whether all items examined were properly tagged as "Property of the City of New York" and determined whether the items were accurately recorded on the Community Boards' inventory records. Specifically, we verified whether the inventory lists included the type of equipment, serial number, agency control number, and location. We reviewed the Boards' purchase documents for the period July 1, 2017 to March 8, 2019 to determine whether they purchased office equipment and whether the expense was for an appropriate business purpose. We then ascertained whether all 147 office equipment items purchased totaling \$97,602 were present at the Boards' offices, were properly recorded on their inventory lists, and were purchased using correct object codes.

New York City Charter Chapter 70 City Government in the Community Section 2800 d. states:

Each community board shall:

- (1) Consider the needs of the district which it serves;
- (2) Cooperate with, consult, assist and advise any public officer, agency, local administrators of agencies, legislative body, or the borough president with respect to any matter relating to the welfare of the district and its residents;
- (3) At its discretion hold public or private hearings or investigations with respect to any matter relating to the welfare of the district and its residents, but the board shall take action only at a meeting open to the public;
- (4) Assist city departments and agencies in communicating with and transmitting information to the people of the district;
- (5) Cooperate with the boards of other districts with respect to matters of common concern;
- (6) Render an annual report to the mayor, the council and the borough board within three months of the end of each year and such other reports to the mayor or the borough board as they shall require (such reports or summaries thereof to be published in the City Record);
- (7) Elect its own officers; adopt, and make available for reasonable public inspection, by-laws and statements of the duties assigned by the board to its district manager and other professional staff appointed pursuant to subdivision f of this section; and keep a public record of its activities and transactions, including minutes of its meetings, majority and minority reports, and all documents the board is required by law to review, which shall be made available, in accordance with law, to elected officials upon request and for reasonable public inspection;
- (8) Request the attendance of agency representatives at meetings of the community board;
- (9) Prepare comprehensive and special purpose plans for the growth, improvement and development of the community district;
- (10) Prepare and submit to the mayor, on or before a date established by the mayor, an annual statement of community district needs, including a brief description of the district, the board's assessment of its current and probable future needs, and its recommendations for programs, projects, or activities to meet those needs;
- (11) Consult with agencies on the capital needs of the district, review departmental estimates, hold public hearings on such needs and estimates and prepare and submit to the mayor capital budget priorities for the next fiscal year and the three succeeding fiscal years;
- (12) Conduct public hearings and submit recommendations and priorities to the mayor, the council and the city planning commission on the allocation and use

within the district of funds earmarked for community development activities under city, state or federal programs;

(13) Consult with agencies on the program needs of the community district to be funded from the expense budget, review departmental estimates, hold public hearings on such needs and estimates, and prepare and submit to the mayor expense budget priorities for the next fiscal year;

(14) Assist in the planning of individual capital projects funded in the capital budget to be located in the community district and review scopes of projects and designs for each capital project provided, however, that such review shall be completed within thirty days after receipt of such scopes or designs;

(15) Evaluate the progress of capital projects within the community district based on status reports to be furnished to the board;

(16) Be authorized to assign a representative to attend any meeting held by a city agency to determine, in advance of drafting, the form and content of any environmental impact statement required by law for a proposal or application for a project in such board's district;

(17) Exercise the initial review of applications and proposals of public agencies and private entities for the use, development or improvement of land located in the community district, including the conduct of a public hearing and the preparation and submission to the city planning commission of a written recommendation;

(18) Assist agencies in the preparation of service statements of agency objectives, priorities, programs, and projected activities within the community district and review such statements;

(19) Evaluate the quality and quantity of services provided by agencies within the community district;

(20) Within budgetary appropriations for such purposes, disseminate information about city services and programs, process complaints, requests, and inquiries of residents of the community district; and

(21) Conduct substantial public outreach, including identifying the organizations active in the community district, maintaining a list of the names and mailing addresses of such community organizations, and making such names and, with the consent of the organization, mailing addresses available to the public upon request.

(22) With assistance and support from the Department of Information Technology and Telecommunications, maintain a website that provides adequate public notice of upcoming meetings, minutes from past meetings for the past 12 months, and contact information for the board.



The City of New York
Manhattan Community Board 1

Anthony Notaro, Jr. CHAIRPERSON | Lucian Reynolds DISTRICT MANAGER

May 30, 2019

Ms. Landa:

We have reviewed the draft Audit Report on the Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards and have no additional comments with regards to the results and recommendations. Community Board 1 thanks the Office of the Comptroller's Audit Bureau for providing guidance throughout the various phases of the audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Lucian Reynolds".

Lucian Reynolds
District Manager

cc: Gale A. Brewer, Manhattan Borough President

June 6, 2019

Marjorie Landa
Deputy Comptroller
Audits, Accountancy & Contracts
NYC Office of the Comptroller
One Centre Street
New York, NY 10007

Re: Audit Report SR19-077A

Dear Ms. Landa:

In response to your letter, dated May 16, 2019, requesting a comments regarding the recommendations contained in the Audit Report SR19-077A (Inventory Practices over Office Equipment at the 12 Manhattan Community Boards), I wish to state the following:

- Manhattan Community Board 2 will continue to ensure that complete and accurate records of all office equipment are maintained in accordance with the DOI Standards and Comptroller's Directive #1;
- Manhattan Community Board 2 will continue to comply with all the other recommendations in Audit Report SR19-077A.

If you have any questions, please feel free to call me at 212-979-2272 or e-mail me at bgormley@cb.nyc.gov.

Sincerely,



Bob Gormley
District Manager
Community Board 2

From: Susan Stetzer [<mailto:ssetzer@cb3manhattan.org>]
Sent: Thursday, May 30, 2019 10:30 AM
To: Vasquez, Yadira <yvasque@comptroller.nyc.gov>
Cc: Cheng, George <gcheng@comptroller.nyc.gov>; Welgrin, Lawrence <lwelgri@comptroller.nyc.gov>; alyshacoleman <cb3chair@gmail.com>; echan@cb3manhattan.org
Subject: RE: Audit Report on the Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards (SR19-077A)

Thank you.

CB 3 Manhattan comments are:

In the future Community Board 3, M will make every effort to ensure that all equipment purchases are charged to the correct object code in accordance with Comptroller's Directive # 24.

Susan Stetzer
District Manager
Community Board 3, Manhattan
212-533-6015
www.cb3manhattan.org
Please visit the CB 3 website to join the new e-mail list.

From: Jesse Bodine [<mailto:jbodine@cb.nyc.gov>]

Sent: Thursday, May 30, 2019 10:45 AM

To: Vasquez, Yadira <yvasque@comptroller.nyc.gov>

Cc: Cheng, George <gcheng@comptroller.nyc.gov>; Welgrin, Lawrence <lwelgri@comptroller.nyc.gov>

Subject: RE: Response to Draft Report

Importance: High

Manhattan Community Board 4 (MCB4) will continue conduct best practices related to inventory practices and will continue to ensure we follow the NYC Comptroller's office recommendations listed in the most recent audit report.

Jesse Bodine
District Manager
Manhattan Community Board 4
330 West 42 Street, 26th Floor
New York, New York 10036
Phone: 212-736-4536, Ext 27
Fax: 212-947-9512
jbodine@cb.nyc.gov

MANHATTAN COMMUNITY BOARD FIVE

Vikki Barbero, Chair

450 Seventh Avenue, Suite 2109
New York, NY 10123-2199
212.465.0907 f-212.465.1628

Wally Rubin, District Manager

May 24, 2019

Marjorie Landa
Deputy Comptroller for Audits
NYC Office of the Comptroller
1 Centre Street, Rm. 1100N
New York, NY 10007

Dear Deputy Comptroller Landa:

In compliance to the audit conducted by your office on Office Equipment Inventory Practices, Community Board Five has taken the following steps:

FINDINGS AND RECOMMENDATIONS

1. We will strive to follow the appropriate purchasing procedures and make sure that as per Comptroller's Directive #24, the correct code is use when purchasing office equipment.

Sincerely,



Vikki Barbero
Chair

MOLLY HOLLISTER
CHAIR

CLAUDE L. WINFIELD, FIRST VICE CHAIR
AHSIA BADI, SECOND VICE CHAIR



JESÚS PÉREZ
DISTRICT MANAGER

BRIAN VAN NIEUWENHOVEN, TREASURER
BEATRICE DISMAN, ASST. TREASURER
AMELIA ACOSTA, SECRETARY
SEEMA SHAH, ASST. SECRETARY

THE CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD SIX
211 EAST 43RD STREET, SUITE 1404
NEW YORK, NY 10017

May 21, 2019

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

Dear Ms. Landa:

As part of a quadrennial audit on all Manhattan Community Boards' inventory control practices, the New York City Comptroller's office visited Community Board Six (CB6) on March 1, 2019 to conduct its assessment. The Comptroller's office compiled its findings in a report, which also included six recommendations to which all Community Boards have been asked to formally respond.

Please accept the following as CB6's formal response to the six inventory control recommendations issued in *Audit Report on the Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards (SR19-077A)*:

Recommendation 1 calls for complete and accurate records of all office equipment to be maintained in accordance with DOI standards and Comptroller's Directive #1. My staff and I have worked very hard to improve our inventory practices, and we are happy that the audit finds CB6's records to be complete, accurate, and in conformity with accepted City standards.

Recommendation 2 calls for a properly supervised inventory count of all equipment and its location to be conducted every year. CB6 adheres to this policy.

Recommendation 3 calls for the inventory lists to be up-to-date at all times and for the relinquishment of nonworking items to be properly recorded. The audit finds CB6's inventory list is up-to-date. We also maintain a current relinquishment list.

Recommendation 4 calls for any item that must leave the office to be properly signed out and promptly returned. CB6 adheres to this practice.

Recommendation 5 calls for all office equipment purchases to be charged to the correct object code in accordance with Comptroller's Directive #24. My office is very

meticulous on this point, and we will continue to maintain our compliance with this recommendation.

Recommendation 6 specifically refers to office equipment located at the home of a former employee of another Community Board and calls for the equipment to be promptly returned. CB6 cannot comment on the practices of other Boards, but it is CB6's policy to collect all equipment from employees upon separation from service and to limit the use of office equipment outside of the office.

Thank you for the opportunity to respond to your audit report. CB6 is proud that our inventory practices show great attention to detail and that the audit did not find a single instance of non-compliance. Should you have any questions for me, please do not hesitate to contact me by phone at (212) 319-3750 or by email at Jesus.Perez@CBSix.org.

Sincerely,

Jesús Pérez
District Manager

Cc: Hon. Gale A. Brewer, Manhattan Borough President
Yadira Vasquez, Audit Supervisor, Office of the Comptroller
Lawrence Welgrin, Audit Manager, Office of the Comptroller

June 5, 2019

George Cheng
Auditor, Audits and Special Reports
Office of New York City Comptroller Scott M. Stringer
1 Centre Street, 13th Floor North, New York, NY 10007
gcheng@comptroller.nyc.gov

Dear Mr. Cheng:

We received the draft audit conducted by your office on Office Equipment Inventory Practices. Community Board 7/Manhattan will continue its current practices, which the audit found were in compliance, and will follow the Comptroller's Directives going forward.

Thank you for the opportunity to comment on the report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Roberta Semer". The signature is written in a cursive, flowing style.

Roberta Semer, Chair

Cc:
Penny Ryan, District Manager

Alida Camp
Chair

Will Brightbill
District Manager



505 Park Avenue, Suite 620
New York, N.Y. 10022
(212) 758-4340
(212) 758-4616 (Fax)
info@cb8m.com – E-Mail
www.cb8m.com – Website

ADDENDUM
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**The City of New York
Community Board 8 Manhattan**

May 30, 2019

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

Re: Audit Report on the Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards SR19-077A

Dear Ms. Landa:

As part of a quadrennial audit on all Manhattan Community Boards' inventory control practices, the New York City Comptroller's office visited Community Board 8 (CB8) on February 28, 2019 to conduct its assessment. The Comptroller's office compiled its findings in a report, which also included recommendations to which all Community Boards have been asked to formally respond.

Thank you for the opportunity to respond to the Audit Report. We will see that Community Board 8 continues to follow all proper procedures regarding to equipment inventory, including the inventory control recommendations issued in the Audit, and that CB8 complies with the DOI Standards and Comptroller's Directive #1. Additionally, CB8 will take steps to ensure that the correct Object Codes are always used on future FMS payments, in accordance with Comptroller's Directive #24, Agency Purchasing Procedures and Controls.

Should you have any questions or require additional information, please do not hesitate to contact me by phone at (212) 758-4340 or by email at brightbill@cb8m.com.

Sincerely,

A handwritten signature in blue ink that reads "Will Brightbill".

Will Brightbill
District Manager



CB9M

16-18 Old Broadway
New York, New York 10027
(212) 864-6200/Fax # 662-7396

COMMUNITY BOARD #9, MANHATTAN

Gale Brewer
President, Borough of Manhattan

Padmore John
Chair

Victor A. Edwards
First Vice-Chair

Carolyn Thompson
Second Vice-Chair

Anthony Q. Fletcher, Esq.
Treasurer

Barry Weinberg
Assistant Treasurer

Theodore Kovaleff, Ph.D.
Secretary

Alec Barrett
Assistant Secretary

Eutha Prince
District Manager

May 30, 2019

Ms. Marjorie Landa
Deputy Comptroller For
Audits
Office of the Comptroller
Bureau of Audit
One Centre Street, Rm. 1100
New York, New York 10007

**Re: Audit Report on the Inventory Practices
Over Office Equipment at the
Twelve Manhattan Community Boards
SR19-077A**

Dear Ms. Landa:

Manhattan Community Board No. 9 is in receipt of the "Draft Audit Report on Inventory Practices over Office Equipment at the Twelve Manhattan Community Boards" and referred above-mentioned draft report and find your findings to be accurate.

Manhattan Community Board No. 9 will continue to take appropriate steps to ensure we adhere to following audit recommendations:

Complete and accurate records of all office equipment are maintained in accordance with DOI Standards and Comptroller's Directive #1;

An annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items; MCB9 will continue to ensure that the inventory count be properly supervised; The inventory lists are appropriately updated when changes occur including change of location and properly record and relinquishment of nonworking items and removing those relinquished items from the inventory list;

SERVING HAMILTON HEIGHTS/MANHATTANVILLE & MORNINGSIDE HEIGHTS

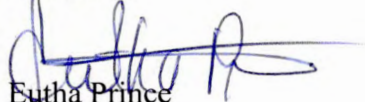
Ms. Marjorie Landa
May 30, 2019
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Any items removed from the office by current employees or officials are properly documented as "out of the office," assigned to a specific location and person, and that they are promptly returned;

All office equipment purchases are charged to the correct object code in accordance with the Comptroller's Directive #24, Agency Purchasing Procedures and Controls.

If any further information is needed please do not hesitate to contact me at (212) 864-6200.

Sincerely,



Eutha Prince
District Manager

cc: Hon. Gale Brewer, Manhattan Borough President
Hon. Padmore John, Chair



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD 10

215 West 125th Street, 4th Floor—New York, NY 10027

T: 212-749-3105 F: 212-662-4215

CICELY HARRIS
Chairperson

SHATIC MITCHELL
District Manager

May 30th 2019

Yadira Vasquez
Audit Supervisor, Bureau of Audit
Office of New York City Comptroller Scott M. Stringer
1 Centre Street, 11th Floor South, New York, NY 1007

**Re: Audit Report on the Inventory Practices over
Office Equipment at the Twelve Manhattan
Community Boards
SR19-077A**

Dear Ms. Vasquez,

Manhattan Community Board 10 is dedicated to maintaining an inventory of our office equipment such as desktops, laptops, tablets, monitors, printers, scanners, fax machines and televisions. We agree to comply with the inventory procedures as set forth in the DOI Standard and are maintaining effective internal control systems as required by Comptroller's Directive #1.

Best regards,

A handwritten signature in black ink, appearing to read "Cicely Harris".

Cicely Harris
Chairwoman
Manhattan Community Board 10



COMMUNITY BOARD ELEVEN

BOROUGH OF MANHATTAN
1664 PARK AVENUE
NEW YORK, NY 10035
TEL: 212-831-8929
FAX: 212-369-3571
www.cb11m.org

Nilsa Orama
Chair

Angel D. Mescaín
District Manager

June 3, 2019

Marjorie Landa
Deputy Comptroller for Audit
Office of the Comptroller
One Centre Street
New York, NY 10007

Re: Audit Report on the Office Equipment Inventory Practices at the 12 Manhattan Community Boards SR19-077A

In response to your letter of May 16, 2019, our office has reviewed the Audit report on the Office Equipment Inventory Practices at the 12 Manhattan Community Boards and will implement all recommendations made in the report.

Our office will take steps to ensure that:

1. Complete and accurate records of all office equipment are maintained in accordance with DOI Standards and Comptroller's Directive #1
2. An annual inventory count is conducted in a manner that results in all equipment being listed as well as the location of the items
3. The inventory lists are appropriately updated when changes occur including change of location and properly record the relinquishment of nonworking items and removing those relinquished items from the inventory list
4. Any items removed from the office by current employees are properly documented as "out of the office", assigned to a specific location and person, and that they are promptly returned.
5. All office equipment purchases are charged to the correct object code in accordance with Comptroller's Directive #24, Agency Purchasing Procedures and Controls.
6. Efforts are made to ensure that equipment located at a former employee's home is returned.

If any further information is needed please do not hesitate me at 212-831-8929.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angel D. Mescaín".

Angel D. Mescaín
District Manager
Community Board 11



**Community Board 12 - Manhattan
Washington Heights & Inwood**

530 West 166th St. Room 6-A, New York, NY 10032
Phone: (212) 568-8500, Fax: (212) 740-8197
Website: www.nyc.gov/mcb12

Richard R. Lewis, Chairperson
Ebenezer Smith, District Manager

May 31, 2019

George Cheng
Auditor
Office of New York City Comptroller

Dear Mr. Cheng:

Community Board #12, M is received the Inventory Audit Report for the year 2019. Community Board #12, Manhattan does not have any objections to the results of this audit and will implement the recommendations made by the Office of the New York City Comptroller in the 2019 Inventory Report.

Thank you,

Ebenezer Smith
District Manager
Community Board #12, M