



City of New York

OFFICE OF THE COMPTROLLER

Scott M. Stringer
COMPTROLLER



AUDITS & SPECIAL REPORTS

Marjorie Landa

Deputy Comptroller for Audit

Audit Report on the Department of Homeless Services' Monitoring of Its Employees Who Use E-ZPasses and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business

SZ15-067A

May 11, 2015

<http://comptroller.nyc.gov>



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

SCOTT M. STRINGER
COMPTROLLER

May 11, 2015

To the Residents of the City of New York:

My office has audited the New York City Department of Homeless Services (DHS) to determine whether DHS effectively monitors its employees who use City-provided E-ZPasses and parking permits while driving City-owned or personally-owned vehicles on City business in accordance with applicable rules and regulations.

DHS is responsible for providing short-term, emergency shelter for individuals and families who have no other housing options available and for assisting those residing in shelters to transition into permanent housing. In Fiscal Year 2014, DHS had 1,859 employees on staff and an operating budget of approximately \$1 billion to carry out the agency's City Charter mandate. DHS currently has 546 employees who are authorized to use agency E-ZPasses for City business.

This audit found that DHS did not effectively monitor the use of E-ZPasses by its authorized drivers in accordance with applicable rules and regulations. Specifically, we found that DHS did not maintain a log detailing agency E-ZPass usage as required by the City's and DHS' policies and procedures. We also found that several DHS employees appeared to have excessively used their E-ZPasses for non-business purposes. The auditors found no issues concerning parking permit usage.

The report recommends that DHS maintain logs books detailing E-ZPass usage as required by the City's regulations. DHS should reinforce the policies and procedures detailing E-ZPass usage among employees. In addition, DHS should limit personal use of E-ZPass transponders by monitoring its usage more closely. DHS should monitor and limit the personal use of City vehicles and recoup the full costs of the use of City vehicles for non-business purposes and ensure full reimbursement in a timely fashion.

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

If you have any questions concerning this report, please e-mail my Audit Bureau at audit@comptroller.nyc.gov.

Sincerely,

A handwritten signature in blue ink that reads "Scott M. Stringer".

Scott M. Stringer

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

Audit Report on the Department of Homeless Services' Monitoring of Its Employees Who Use E-ZPasses and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business

SZ15-067A

EXECUTIVE SUMMARY

This audit determined whether the New York City Department of Homeless Services (“DHS”) effectively monitors its employees who use City-provided E-ZPasses and parking permits while driving City-owned or personally-owned vehicles on City business in accordance with applicable rules and regulations.

DHS is responsible for providing short-term, emergency shelter for individuals and families who have no other housing options available, and for assisting those residing in shelters to transition into permanent housing. In Fiscal Year 2014, DHS had 1,859 employees on staff and an operating budget of approximately \$1 billion to carry out the agency’s City Charter mandate. DHS currently has 546 employees who are authorized to use agency E-ZPasses for City business.

Audit Findings and Conclusions

During the audit period, we found that DHS does not effectively monitor the use of E-ZPasses by its authorized drivers in accordance with applicable rules and regulations. Specifically, we found that DHS did not maintain a log detailing agency E-ZPass usage as required by the City’s and DHS’ policies and procedures. We also found that several DHS employees appeared to have excessively used their E-ZPasses for non-business purposes. The auditors found no issues concerning parking permit usage.

Audit Recommendations

To address the findings raised in this audit, we made the following five recommendations:

- DHS should maintain log books detailing E-ZPass usage as required by City rules and regulations.

- DHS should reinforce the policies and procedures detailing E-ZPass usage among employees.
- DHS should limit the personal use of E-ZPass transponders by monitoring usage more closely.
- DHS should monitor and limit the personal use of City vehicles and recoup the full costs of the use of City vehicles for non-business purposes.
- DHS should ensure employees fully reimburse DHS for any personal use of a DHS E-ZPass in a timely fashion.

Agency Response

We received a written response from DHS officials on April 27, 2015. In their response, DHS officials generally agreed with the audit's findings and recommendations stating, "we believe that the audit highlights additional measures that DHS can take to improve its internal controls and as such, agrees to implement the audit's recommendations and adhere to the regulations in the handbook, Reimbursement of E-Z Pass Charges." In addition, DHS' implementation plan states that it will "seek reimbursement from the two cited individuals for excessive wear and tear on a City-owned vehicle."

We are pleased that DHS has agreed to implement the audit's recommendations. However, we disagree with DHS' contention that its present policies related to E-ZPass use are "sufficient." DHS requires that its personnel assigned City-owned vehicles and E-ZPasses to only reconcile monthly E-ZPass statements. As is discussed in the report, this is not a sufficient control to ensure that City employees adhere to rules and regulations as outlined in the Handbook, *Issuance of E-ZPass*, that requires that City-sponsored E-ZPasses should only be used when conducting official City business and drivers *must* keep a log of E-ZPass use. Our finding that two senior staff members improperly used City-issued E-ZPasses should prompt DHS to re-examine its practices and training and take any additional measures necessary to ensure full agency adherence to City rules.

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

AUDIT REPORT

Background

DHS is responsible for providing short-term, emergency shelter for individuals and families who have no other housing options available, and for assisting those residing in shelters to transition into permanent housing. In Fiscal Year 2014, DHS had 1,859 employees on staff and an operating budget of approximately \$1 billion to carry out the agency's charter mandate.¹ The agency currently has 546 employees who are authorized to use agency E-ZPasses for City business.

New York City requires that only those employees who exercise reasonable care in operating City-owned or personally-owned vehicles be allowed to use them to conduct City business. This requirement is outlined in the City of New York's *City Vehicle Driver Handbook* (the "Handbook").² Agency heads, through their agency's Agency Transportation Coordinator ("ATC"), must ensure that all employees assigned a City-owned vehicle either for full-time use or temporary use have been authorized by the agency to drive. It is also the ATC's responsibility to ensure that these drivers have valid licenses. The drivers' licenses must be issued by New York State unless the employee is exempt from City residency requirements. In such a case, the authorized driver must have a valid license from the state where he/she resides and must have the appropriate classification for the vehicle which he/she is driving on City business. The Handbook further specifies that City agencies must establish programs that promote safety along with proper training in the use of motor vehicles.

E-ZPasses should be issued only to authorized drivers who are responsible drivers. All E-ZPass usage must be reported to and monitored by the ATC. Drivers are allowed to use a City-issued E-ZPass only when conducting official City business and in connection with the approved use of a City government vehicle or an authorized personal vehicle. Subsequently, the driver must fill out a vehicle trip log detailing the vehicle's use and why it was needed so that accurate agency vehicle trip log books can be maintained. E-ZPasses are issued by the Metropolitan Transportation Authority/Bridges and Tunnels ("MTA"). The MTA sends detailed summary reports on travel to the designated agency E-ZPass representative for review.

Drivers must be aware of their agency's in-house procedures regarding the use of parking permits, including areas where City government vehicles are permitted to park. Parking permits must be properly displayed to ensure visibility through the windshield. Permits may only be used for official City business in connection with the assigned City government vehicle or an authorized personal vehicle, and only as described by the parking permit and any other accompanying instructions.

Objective

The objective of this audit was to determine whether DHS effectively monitors its employees who use City-provided E-ZPasses and parking permits while driving City-owned or personally-owned vehicles on City business in accordance with applicable rules and regulations.

¹ Fiscal Year 2015 Preliminary Mayor's Management Report.

² The City Vehicle Driver Handbook was updated in February 2014 to reflect the change in City administration and to include the Vision Zero Plan. No other changes were made to the rules and regulations in the Handbook.

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.

The scope period of this audit was from January 1, 2012, through December 31, 2012, and October 1, 2013, through August 31, 2014. Our audit reviewed E-ZPass usage and parking permits issued in our scope period. The scope also included agency parking permits that were issued and surrendered from January 2011 through December 2014. 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 DHS

The matters covered in this report were discussed with DHS officials during and at the conclusion of this audit. DHS officials were also notified of our findings in writing during the course of the audit. On April 13, 2015, we submitted a draft report to DHS officials with a request for comments. We received a written response from DHS officials on April 27, 2015. In their response, DHS officials generally agreed with the audit's findings and recommendations stating, "we believe that the audit highlights additional measures that DHS can take to improve its internal controls and as such, agrees to implement the audit's recommendations and adhere to the regulations in the handbook, Reimbursement of E-Z Pass Charges." In addition, DHS' implementation plan states that it will "seek reimbursement from the two cited individuals for excessive wear and tear on a City-owned vehicle."

We are pleased that DHS has agreed to implement the audit's recommendations. However, we disagree with the contention by DHS that its present policies related to E-ZPass use are "sufficient." DHS only requires that its personnel assigned City-owned vehicles and E-ZPasses reconcile monthly E-ZPass statements. As discussed in the report, this is not a sufficient control to ensure that City employees adhere to rules and regulations as outlined in the Handbook, *Issuance of E-ZPass* that requires that City-sponsored E-ZPasses should only be used when conducting official City business and drivers *must* keep a log of E-ZPass use. Our finding that two senior staff members improperly used City-issued E-ZPasses should prompt DHS to re-examine its practices and training and take any additional measures necessary to ensure full agency adherence to City rules.

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

FINDINGS AND RECOMMENDATIONS

We found that DHS does not effectively monitor the use of E-ZPasses by its authorized drivers in accordance with applicable rules and regulations. The auditors found no issues concerning DHS' monitoring of agency parking permit usage. This opinion and report does not include our review of DHS' controls regarding its drivers' driving behavior, which is addressed in a separate report.

Failure to Monitor E-ZPass Usage as Required by the City

DHS does not properly monitor E-ZPass usage. We found that DHS did not maintain a log detailing agency E-ZPass usage as required by the City's and DHS' policies and procedures. According to §7.1 of the Handbook, *Issuance of E-ZPass*:

Issuance of an E-ZPass is determined by the ATC and employees responsible for the E-ZPass must report all E-ZPass related issues to their ATC. Drivers are allowed to use a City sponsored E-ZPass only when conducting official City business and in connection with the approved use of a City Government Vehicle

Drivers must keep a log of E-ZPass use and submit it to the agency representative responsible for monitoring use. When an E-ZPass is used, the driver must fill out a trip ticket detailing what it was used for and why it needed to be used so that accurate log books are maintained. Detailed summary reports on travel are produced by E-ZPass and submitted to the designated agency E-ZPass representative for review.

We requested a copy of the log books or trip tickets that the drivers filled out that would detail the E-ZPass' use and why it was needed. According to DHS officials, "DHS is a 24/7, 365 day agency and all of our 170 active vehicles have an assigned EZ Pass tag. We do not have staff sign out/sign in logs for EZ Pass request. However, we do track and forward staff with assigned vehicles, Motor Vehicle System' and our Division Fleet Liaisons monthly EZ Pass Usage reports for reconciliations and agency reimbursement. The data used in our EZ Pass Usage Report are obtained and copied directly from the MTA/EZ Pass Website."

DHS' method of monitoring its E-ZPass usage does not comply with the regulations set forth in the Handbook, which are applicable to agencies with large fleets that operate 24/7. We note that other City agencies that operate in a 24/7, on-call capacity, such as the New York City Police Department (NYPD), the Fire Department, and the Office of Emergency Management, comply with the Handbook regulations.³

In addition, DHS' method of monitoring does not represent an independent reconciliation control. Employees are only required to agree with the MTA-generated monthly report rather than independently reconcile the usage log books, with supporting documentation, to the MTA monthly report. DHS' control therefore does not represent an acceptable alternative to the requirements of §7.1.

³ In Audit #7R13-115AL, we found that the NYPD, the Fire Department, and the Office of Emergency Management monitored the use of E-ZPasses and permits by their authorized drivers in accordance with applicable rules and regulations. We noted that the NYPD adequately monitored more than one million E-ZPass transactions.

Recommendation

1. DHS should maintain log books detailing E-ZPass usage as required by City rules and regulations.

DHS Response: “DHS agrees with the Comptroller's recommendation. Although, the agency monitors Daily Trip Sheets (pool vehicles) and Monthly Trip Sheets (assigned vehicles) detailing E-Z Pass usage, DHS will also maintain log books.”

Excessive Use of E-ZPass for Non-Business Purposes

We found that several DHS employees appeared to have excessively used their E-ZPasses for non-business purposes. According to §7.1.4 of the Handbook, *Reimbursement of E-ZPass Charges*, “Agencies receive monthly E-ZPass statements. Drivers are responsible for reimbursement to the agency for any charges incurred while not performing official City business. Drivers are reminded that abuse of a City sponsored E-ZPass is prohibited and may lead to disciplinary proceedings.”

For Calendar Years 2012, 2013, and 2014, we found that employees had reimbursed DHS \$3,280.90 for non-business (personal) use of their E-ZPasses. Specifically, the Administrative Director of Social Services and the Associate Commissioner/Special Counsel reimbursed DHS \$1,434.30 and \$1,159.24, respectively, for personal use of their E-ZPasses. However, based on our review of DHS records, we noted information that indicated that the amount of E-ZPass personal usage by these two employees may be much greater than the amounts they reimbursed DHS. Specifically, the E-ZPass billing statements issued by the MTA indicate repeated usages of the DHS-issued E-ZPasses at toll bridges near the homes of both employees, which might be subject to reimbursement. While this audit was pending, DHS identified the excessive use and notified the employees that they should discontinue using their E-ZPasses for commuting purposes and reimburse DHS for the non-business usage.

While DHS has been reimbursed for E-ZPass tolls incurred in connection with non-business use, that reimbursement did not cover the additional cost of the wear and tear associated with the additional mileage on a City vehicle. These two DHS employees were assigned City vehicles to be used for City business. We estimate that the Administrative Director of Social Services should reimburse the City a minimum of \$495 for the excessive wear and tear on a City-issued vehicle based on the minimum number of miles the City reimburses per day for use of an employee's personal vehicle (30 days of use at \$16.50, 30 miles x 55 cents per mile). DHS should also seek reimbursement from the Associate Commissioner/Special Counsel a minimum of \$412 for excessive wear and tear (25 days of use at \$16.50, 30 miles x 55 cents per mile).

Further review of DHS' E-ZPass reimbursements showed that none of the E-ZPass payments for personal usage were paid within the normal business billing cycle between 30 and 90 days. Table I below illustrates the late payments of E-ZPass reimbursements for personal usage.

Table I

E-ZPass Transaction Dates	E-ZPass Personal Use Reimbursement	Date Reimbursement Sent to DHS Finance
4/9/12-11/18/12	\$889.90	2/5/13
3/9/12-1/09/13	\$470.65	8/19/13
3/9/13-12/8/13	\$630.15	2/7/14
3/9/13-1/8/14	\$13.33	2/18/14
5/9/13-11/8/13	\$42.64	2/19/14
1/9/13-2/8/14	\$82.95	5/12/14
1/9/13-3/8/14	\$1,151.28	6/14/14
Total Amount	\$3,280.90	

As shown in the table above, most of the reimbursements appear to have been submitted more than 90 days after the transaction dates, which is a standard billing cycle, and some were submitted more than one year later. We recognize that some of the transactions were only for \$1.50, but reimbursement should nevertheless be made in a timely manner.

Recommendations

- DHS should reinforce the policies and procedures detailing E-ZPass usage among employees.

DHS Response: “Fleet Administration will reinforce agency policy and procedures dealing with E-ZPass usage with employees who have assigned vehicles via memo, revising the Monthly Trip Sheet and meet with Division Fleet Liaisons (DFL's) to assist collecting E-Z Pass usage amounts that was tracked in the log books. All log books will be compared with the Daily and Monthly Trips Sheets and E-Z Pass monthly statements (from E-Z Pass New York Service Center website) each month to determine if there are variances, and if so collect the outstanding amounts.”

- DHS should limit the personal use of E-ZPass transponders by monitoring usage more closely.

DHS Response: “The Comptroller's audit found two vehicles out of 170 vehicles in which staff was found to owe the agency for non-business E-ZPass usage. Vehicles are used by OHS staff that is on call 24 hours a day. Furthermore, in meeting with staff, Fleet Administration reiterates that these vehicles should only be used for official business. Fleet Administration will redouble its efforts by monitoring usage more closely.”

- DHS should monitor and limit the personal use of City vehicles and recoup the full costs of the use of City vehicles for non-business purposes.

DHS Response: “DHS agrees with this recommendation although it should be noted that the agency indeed monitors and limits the personal use of City vehicles. In two cases out of 170 vehicles, the audit found two employees that may have utilized the vehicles for personal use and Fleet Administration before the audit, as per its procedures, recouped the cost of E-Z Pass usage.”

DHS will follow the audit recommendation and seek reimbursement from the two cited individuals for excessive wear and tear on a City-owned vehicle.”

5. DHS should ensure employees fully reimburse DHS for any personal use of a DHS E-ZPass in a timely fashion.

DHS Response: “DHS agrees with the recommendation that employees fully reimburse DHS for personal use of the E-Z Pass in a timely fashion. Fleet Administration obtained reimbursements for these two individuals, however, we agree with the Comptroller's recommendation and will ensure going forward that E-Z Pass reimbursements for personal use must be paid within 90 days after the date of the transaction.”

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 scope period of this audit was from January 1, 2012, through December 31, 2012, and October 1, 2013, through August 31, 2014. Our audit reviewed E-ZPass usage and parking permits issued in our scope period. The scope also included agency parking permits that were issued and surrendered from January 2011 through December 2014.

To meet our objective, we obtained and reviewed the updated Handbook, which was issued February 2014. To determine whether DHS monitored its drivers' E-ZPass usage and issued parking permits in accordance with the Handbook, we obtained and reviewed the following: 1) a list of all E-ZPasses issued to the agency and the associated license plates; 2) a copy of the agency's E-ZPass bills for the scope period; 3) a copy of all vehicle usage trip logs during our scope; 4) a list of all parking permits and the vehicles they were assigned to; and 5) a list of all employees for the agency who were authorized to drive on City business during the scope period.

To assess the reliability of the database of E-ZPasses received from the agency, we matched the MTA E-ZPass billing statements to the vehicle trip logs for the agency where available. In addition, we verified the number of City vehicles with the appropriate purchasing agent. We also verified the account with the MTA and compared this to the number of E-ZPasses issued and surrendered during our scope period.

To determine whether DHS effectively monitored its E-ZPass usage, we examined whether the E-ZPass was used during normal agency business hours. We reviewed all the E-ZPass bills and compared the dates to the January 1, 2012 through August 31, 2014 calendars to determine if an E-ZPass was used on a weekend or holiday. We reported all activity to DHS and inquired why an E-ZPass was necessary for weekend or holiday use. If an E-ZPass was used, we determined whether proper authorization was given for its use. We also checked the vehicle trip log (where applicable) to determine if a City vehicle was used. If a personal vehicle was used, we determined whether the employee was reimbursed for mileage and tolls or just mileage in accordance with regulations. In addition, we checked the New York City Payroll Management System to determine whether the assigned driver was an employee of the agency and not on leave during the period of E-ZPass usage. Furthermore, we checked to ensure that each E-ZPass was active during the scope period. We reviewed records to determine whether DHS drivers only used their E-ZPasses while performing official City business.

To determine whether DHS effectively monitored its parking permits, we reviewed 116 parking permits to determine if each parking permit issued by the agency to the employee was attached to a City vehicle or personally-owned vehicle from January 2011 through December 2014. If the parking permit was attached to a personally-owned vehicle, we reviewed DHS' authorization for the employee with that parking permit. We reviewed whether each employee assigned a parking permit had any outstanding parking tickets. In addition, we received a list of all the parking permits from the agency and verified that listing with the Department of Transportation to ensure that DHS had given us a complete list. Further, we ensured that DHS had accounted for the appropriate

number of parking permits. We also ensured that no employees had a permit issued to more than one personally-owned vehicle.



Gilbert Taylor
Commissioner

April 27, 2015

Lula Urquhart
Deputy Commissioner
Fiscal and Procurement
Operations

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Re: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who use E-Z Passes and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business (SZ15-67A)

Dear Ms. Landa:

Attached are the Department of Homeless Services (DHS) responses to the findings and the five recommendations made in the above-mentioned draft audit report.

We are pleased to learn that the audit reviewed 116 parking permits and found there are no issues concerning DHS parking permit usage. The draft audit report makes five recommendations pertaining to E-Z Pass usage. Generally, DHS believes that its current procedures are sufficient to ensure E-Z Pass accountability in that there were only two E-Z Pass findings out of a total of 174 E-Z Pass users. However, we believe that the audit highlights additional measures that DHS can take to improve its internal controls and as such, agrees to implement the audit's recommendations and adhere to the regulations in the handbook, Reimbursement of E-Z Pass Charges.

Should you have questions, please call me at (212) 361-8538.

Sincerely,

A handwritten signature in black ink that reads "Michael King". The signature is written in a cursive style with a large initial "M".

Michael King
Audit Director

C: Gilbert Taylor, DHS Commissioner

Don Brosen, DHS Deputy Commissioner, Administration
Lula Urquhart, DHS Deputy Commissioner, Fiscal and Procurement
Tony Branch, DHS Assistant Commissioner, Administration
Aaron Goodman, DHS Deputy General Counsel
Lynn Astacio, DHS Director, Fleet Administration
Ernestine Rivers, Audit Manager, NYC Comptroller's Office
Mindy Tarlow, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations
Cleston Eastmond, Deputy Audit Director, DHS Audit Services
Moise Avitus, Auditor, DHS Audit Services

NEW YORK CITY DEPARTMENT OF HOMLESS SERVICES

Fleet Administration

RESPONSE DATE: April 23, 2015

AUDIT TITLE: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who Use E-Z Passes and Parking Permit While Driving City-Owned or Personally Owned Vehicles On City Business – **SZ15-067A**

AUDITING AGENCY: City of New York Office of the Comptroller **REPORT DATE:** April 13, 2015

A. RECOMMENDATION WITH WHICH THE MANAGEMENT

AGREES AND INTENDS TO IMPLEMENT

1. DHS should maintain log books detailing E-Z Pass usage as required by the regulations.

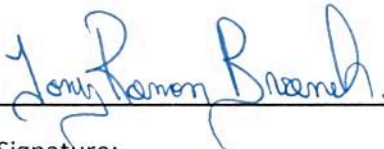
RESPONSE TO RECOMMENDATION - IMPLEMENTATION PLAN

DHS agrees with the Comptroller's recommendation. Although, the agency monitors Daily Trip Sheets (pool vehicles) and Monthly Trip Sheets (assigned vehicles) detailing E-Z Pass usage, DHS will also maintain log books.

IMPLEMENTATION TARGET DATE

July 1, 2015


RESPONSIBILITY CENTER



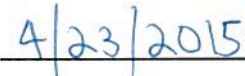
Signature:



Print Name:



Title:



Date:

NEW YORK CITY DEPARTMENT OF HOMELESS SERVICES
Fleet Administration

PAGE 2 OF 5

RESPONSE DATE: April 23, 2015

AUDIT TITLE: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who Use E-Z Passes and Parking Permit While Driving City-Owned or Personally Owned Vehicles On City Business – **SZ15-067A**

AUDITING AGENCY: City of New York Office of the Comptroller REPORT DATE: April 13, 2015

**A. RECOMMENDATION WITH WHICH THE MANAGEMENT
AGREES AND INTENDS TO IMPLEMENT**

2. DHS should reinforce the policies and procedures detailing E-Z Pass usage among employees.

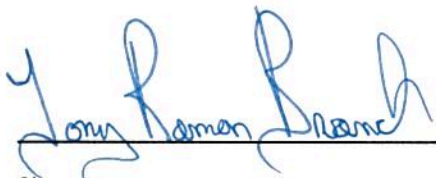
RESPONSE TO RECOMMENDATION - IMPLEMENTATION PLAN

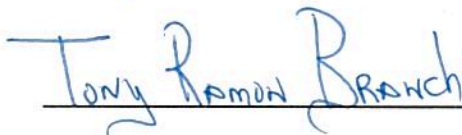
Fleet Administration will reinforce agency policy and procedures dealing with E-Z Pass usage with employees who have assigned vehicles via memo, revising the Monthly Trip Sheet and meet with Division Fleet Liaisons (DFL's) to assist collecting E-Z Pass usage amounts that was tracked in the log books. All log books will be compared with the Daily and Monthly Trips Sheets and E-Z Pass monthly statements (from E-Z Pass New York Service Center website) each month to determine if there are variances, and if so collect the outstanding amounts.


IMPLEMENTATION TARGET DATE

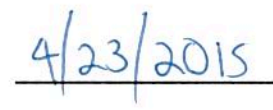
July 1, 2015

RESPONSIBILITY CENTER


Signature:


Print Name:


Title:


Date:

NEW YORK CITY DEPARTMENT OF HOMELESS SERVICES
Fleet Administration

RESPONSE DATE: April 23, 2015

AUDIT TITLE: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who Use E-Z Passes and Parking Permit While Driving City-Owned or Personally Owned Vehicles On City Business – SZ15-067A

AUDITING AGENCY: City of New York Office of the Comptroller REPORT DATE: April 13, 2015

A. RECOMMENDATION WITH WHICH THE MANAGEMENT

AGREES AND INTENDS TO IMPLEMENT

3. DHS should limit the personal use of E-Z Pass transponders by monitoring usage more closely.

RESPONSE TO RECOMMENDATION - IMPLEMENTATION PLAN

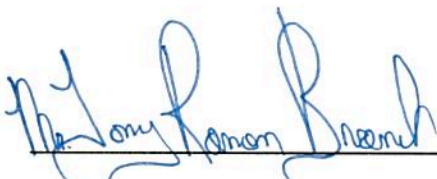
The Comptroller's audit found two vehicles out of 170 vehicles in which staff was found to owe the agency for non-business E-Z Pass usage.

Vehicles are used by DHS staff that is on call 24 hours a day. Furthermore, in meeting with staff, Fleet Administration reiterates that these vehicles should only be used for official business. Fleet Administration will redouble its efforts by monitoring usage more closely.


IMPLEMENTATION TARGET DATE

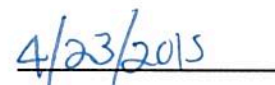
April 27, 2015

RESPONSIBILITY CENTER


Signature:


Print Name:


Title:


Date:

NEW YORK CITY DEPARTMENT OF HOMLESS SERVICES
Fleet Administration

PAGE 4 OF 5

RESPONSE DATE: April 23, 2015

AUDIT TITLE: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who Use E-Z Passes and Parking Permit While Driving City-Owned or Personally Owned Vehicles On City Business – SZ15-067A

AUDITING AGENCY: City of New York Office of the Comptroller REPORT DATE: April 13, 2015

**A. RECOMMENDATION WITH WHICH THE MANAGEMENT
AGREES AND INTENDS TO IMPLEMENT**

- 4. DHS should monitor and limit the personal use of City vehicles and recoup the full costs of the use of City vehicles for non-business purposes.

RESPONSE TO RECOMMENDATION - IMPLEMENTATION PLAN

DHS agrees with this recommendation although it should be noted that the agency indeed monitors and limits the personal use of City vehicles. In two cases out of 170 vehicles, the audit found two employees that may have utilized the vehicles for personal use and Fleet Administration before the audit, as per its procedures, recouped the cost of E-Z Pass usage.

DHS will follow the audit recommendation and seek reimbursement from the two cited individuals for excessive wear and tear on a City-owned vehicle.

IMPLEMENTATION TARGET DATE

April 27, 2015



Signature:

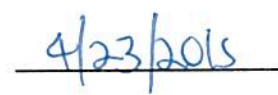


Print Name:

RESPONSIBILITY CENTER



Title:



Date:

NEW YORK CITY DEPARTMENT OF HOMELESS SERVICES
Fleet Administration

PAGE 5 OF 5

RESPONSE DATE: April 23, 2015

AUDIT TITLE: Audit Report on the Department of Homeless Services Monitoring of Its Employees Who Use E-Z Passes and Parking Permit While Driving City-Owned or Personally Owned Vehicles On City Business – **SZ15-067A**

AUDITING AGENCY: City of New York Office of the Comptroller REPORT DATE: April 13, 2015

**A. RECOMMENDATION WITH WHICH THE MANAGEMENT
AGREES AND INTENDS TO IMPLEMENT**

5. DHS should ensure employees fully reimburse DHS for any personal use of a DHS E-Z Pass in a timely fashion.

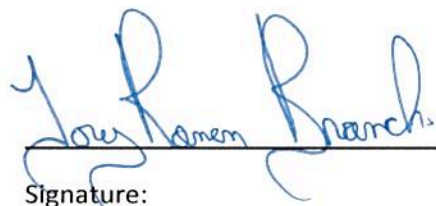
RESPONSE TO RECOMMENDATION - IMPLEMENTATION PLAN

DHS agrees with the recommendation that employees fully reimburse DHS for personal use of the E-Z Pass in a timely fashion. Fleet Administration obtained reimbursements for these two individuals, however, we agree with the Comptroller's recommendation and will ensure going forward that E-Z Pass reimbursements for personal use must be paid within 90 days after the date of the transaction.

IMPLEMENTATION TARGET DATE

July 1, 2015

RESPONSIBILITY CENTER


Signature:

Tony Ramon Branch
Print Name:


Title:

4/23/2015
Date: