



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

MARJORIE LANDA  
DEPUTY COMPTROLLER FOR  
AUDIT

BUREAU OF AUDIT

June 13, 2018

**By Electronic Mail**

Commissioner Mark G. Peters  
New York City Department of Investigation  
80 Maiden Lane, 18<sup>th</sup> Floor  
New York, NY 10038

**Re: Letter Audit Report on the Department of Investigation's Monitoring of Its Employees Who Use E-ZPasses and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business (Audit Number SZ18-066AL)**

Dear Commissioner Peters:

This Letter Report concerns the New York City Comptroller's audit of the monitoring by the Department of Investigation (DOI) of its employees who use City-provided E-ZPasses and parking permits while driving City-owned or personally-owned vehicles on City business. The objective of this audit was to determine whether DOI is effectively monitoring its employees' use of City-provided E-ZPasses and parking permits in accordance with applicable rules and regulations. Our audit found that DOI properly monitors the use of E-ZPasses and parking permits by its authorized drivers in accordance with applicable rules and regulations. In addition, we found that DOI was not using any vehicles on the National Highway Traffic Safety Administration (NHTSA)<sup>1</sup> recall list.

**Background**

New York City requires that employees who operate City-owned or personally-owned vehicles to conduct City business must exercise reasonable care when driving them. This requirement is outlined in the City of New York's *City Vehicle Driver Handbook* (Handbook). Agency heads, working through their Agency Transportation Coordinators (ATCs), must ensure that all employees who are assigned a City-owned vehicle, either for full-time use or temporary use, are authorized by their respective agencies to drive. The ATC must also ensure that each driver has a valid license. An employee's driver's license must be issued by New York State (NYS) unless the employee is exempt from City residency requirements. In that case, the authorized driver must have a valid license from the state where he or she resides, and in all cases the license must have the appropriate classification for the vehicle that the employee will be driving on City business. The Handbook further specifies that City agencies must establish programs that promote driving safety along with proper training in the use of motor vehicles.

---

<sup>1</sup> The NHTSA database lists the open recalls for the specific vehicle. A vehicle has an open recall if there is an unresolved national recall for that vehicle. After any appropriate changes or repairs are made to the vehicle, the recall no longer appears in NHTSA's database.

In addition, the Handbook states that 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-sponsored 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 agency's designated E-ZPass representative for review.

With respect to the use of City-issued parking permits, drivers must be aware of their agency's in-house procedures, including areas where City government vehicles are permitted to park. Parking permits must be properly displayed to ensure visibility through the windshield. Permits may be used only 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.

DOI has authorized 385 employees to use agency vehicles and E-ZPasses issued by MTA for City business. In Calendar Year 2017, DOI spent \$32,173 for E-ZPass usage.

### **Findings and Recommendations**

We found that DOI properly monitors the use of E-ZPasses by its authorized drivers in accordance with applicable rules and regulations. DOI maintains the logs or trip tickets detailing agency E-ZPass usage as required by the City's and DOI's policies and procedures and keeps accurate track of its E-ZPass tags. In addition, we found that DOI was not using any vehicles on the NHTSA recall list. We found that DOI properly enforces the City's requirements for issuing agency parking permits.

DOI should continue to monitor, track and ensure proper use of City-provided E-ZPasses and parking permits as required by the City of New York's City Vehicle Driver Handbook and should continue to ensure that vehicles on the NHTSA are not used by its employees.

### **Scope and Methodology**

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). 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 of June 2015, through October, 2017. Our audit reviewed E-ZPass usage and parking permits issued in our scope period. The scope also included agency parking permits that were surrendered from January 2015 through February 2017.

To meet our objective, we obtained and reviewed the updated Handbook, which was issued February 2014 and updated May 2016, DOI's policies and procedures and the City's Fleet Manual. To determine whether DOI monitored its drivers' E-ZPass usage and parking permits in accordance with the Handbook, for our scope period, we obtained and reviewed the following: 1) a list of all E-ZPasses issued to the agency and the associated license plates; 2) copies of the agency's E-ZPass bills; 3) copies of all vehicle usage trip logs, tickets, reports and monthly passenger vehicle reports that DOI documented regarding its vehicle- and E-Z Pass-usage in the City's Asset Works – FleetFocus M5 system (a computer system managed by the City Department of Citywide Administrative Services to track fleets, repairs, inventory records and billing for multiple City agencies, including DOI); 4) a list of all parking permits and the vehicles they were assigned to; and 5) a list of all employees who were authorized to drive on City business for the agency.

To assess the reliability of the data regarding E-ZPasses we received from the agency, we matched the MTA E-ZPass billing statements to the agency's vehicle trip logs. In addition, we verified the number of City vehicles assigned to the agency with the appropriate purchasing agent and in FleetFocus M5. We also verified the agency's account with the MTA and compared that information to the number of E-ZPasses the agency issued and surrendered.

To determine whether DOI 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 July 2015 through October 2017 calendars to determine whether an E-ZPass was used on a weekend or holiday. Although DOI vehicles can be used outside of regular working hours, our focus was the use of the E-ZPasses between 9:00 PM and 5:00 AM. 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 whether 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 whether the 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 DOI drivers used their E-ZPasses only while performing official City business.

To determine the safety of the 72 DOI vehicles with plates that were allowed to travel on the road or highway, we reviewed the NHTSA's recall database.

To determine whether DOI effectively monitored its parking permits, we reviewed whether the 187 parking permits issued by the agency to employees were attached to City vehicles or personally-owned vehicles from January 2016 through February 2017. We reviewed DOI's authorization for the employees that received parking permits and also determined whether each

Commissioner Peters

June 13, 2018

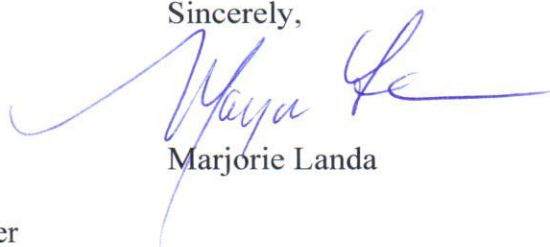
Page 4 of 4

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 City Department of Transportation to ensure that the list we had received was complete. Further, we ensured that DOI had accounted for the appropriate number of parking permits.

The issues covered in this report were discussed with DOI officials during and at the conclusion of the audit. On May 17, 2018 we submitted a draft report and provided DOI with the opportunity to formally respond in writing. DOI's written response was received on May 31, 2018. In its response, DOI stated, "The Department of Investigation (DOI) will continue to monitor, track, and ensure proper use of City-provided E-Z Passes and parking permits as required by the City Of New York's City Vehicle Driver Handbook. Additionally, DOI will make certain that the vehicles on the National Highway Traffic Safety Administration (NHTSA) recall list are not being used."

The full text of DOI's comments is included as an addendum to this report.

Sincerely,



Marjorie Landa

- c: Lesley Brovner, First Deputy Commissioner
- Ganesh Ramratan, Deputy Commissioner for Operations/CIO
- Sadie Boursiquot, Assistant Commissioner for Investigative Operations
- Ashley C. Emerole, Finance Director
- Caspar Barrow, Director Fiscal Services
- Orane Gordon, Internal Auditor
- Laura Bowman, Director, Peace Officer Program
- Jacqueline Eppolito, Assistant Commissioner for Administration
- Emily Newman, Director, Mayor's Office of Operations
- George Davis, III, Deputy Director, Mayor's Office of Operations



The City of New York  
Department of Investigation

MARK G. PETERS  
COMMISSIONER

80 MAIDEN LANE  
25<sup>th</sup> Floor  
NEW YORK, NY 10038  
212-825-5900

May 31, 2018

**By Electronic Mail**

Marjorie Landa  
Deputy Comptroller  
Bureau of Audit  
The City of New York Office of the Comptroller  
1 Centre Street  
New York, New York, 10007-2341

Re: Draft Letter Audit Report on the Department of Investigation's Monitoring of Its Employees Who Use E-ZPasses and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business (Audit Number SZ18-066AL)

Dear Deputy Comptroller Landa,

I write in response to the "Draft Letter Audit Report on the Department of Investigation's Monitoring of Its Employees Who Use E-ZPasses and Parking Permits While Driving City-Owned or Personally-Owned Vehicles on City Business", dated May 17, 2018.

The above audit revealed no recommendations. The Department of Investigation (DOI) will continue to monitor, track, and ensure proper use of City-provided E-Z Passes and parking permits as required by the City of New York's City Vehicle Driver Handbook. Additionally, DOI will make certain that the vehicles on the National Highway Traffic Safety Administration (NHTSA) recall list are not being used.

If you have any questions, please contact me at (212) 825-3256.

Sincerely,

A handwritten signature in black ink that reads "Sadie Boursiquot".

Sadie Boursiquot  
Associate Commissioner

Cc: Ernestine Rivers-Merritt, Audit Manager