



CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
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AUDIT

BUREAU OF AUDIT

May 18, 2015

By Electronic Mail

Susan J. Panepento
Chairperson/Director
New York City Office of Collective Bargaining
100 Gold Street, 4th Floor, Suite 4800
New York, NY 10038

**Re: Letter Report on the New York City Office of Collective Bargaining's
Compliance with Local Law 36 (Audit Number SZ15-113AL)**

Dear Ms. Panepento:

This Letter Report concerns the New York City Comptroller's audit of the New York City Office of Collective Bargaining's ("OCB") compliance with Local Law 36, which governs waste prevention, reuse, and recycling by City agencies. The objective of this audit was to determine if OCB is complying with the local law, which is intended to make City agencies, and ultimately the City as a whole, more sustainable through efforts that promote a clean environment, conserve natural resources, and manage waste in a cost-effective manner. In addition, in the course of the audit, we noted efforts OCB made to follow recycling rules established by the New York City Department of Sanitation ("DSNY") pursuant to Local Law 36. Our audit of OCB is one in a series of audits we are conducting of compliance with the local law.

Background

In 1989, New York City established Local Law 19, codified as Administrative Code §§16-301, *et seq.*, to establish an overarching "policy of the city to promote the recovery of materials from the New York City solid waste stream for the purpose of recycling such materials and returning them to the economy." The law mandates recycling in New York City by residents, agencies, institutions, and businesses, and includes a series of rules to guide implementation. Local Law 19 requires the City to establish environmental policies to conserve natural resources and manage waste in a sustainable and cost-effective manner.

In 2010, the City enacted Local Law 36 by which it amended the recycling provisions of Local Law 19 (Administrative Code §16-307) to require each City agency to develop a waste prevention, reuse, and recycling plan and submit the plan to DSNY for approval by July 1, 2011, and each year after. Local Law 36 also requires each agency to designate a lead

recycling or sustainability coordinator for the agency and, where the agency occupies more than one building, to designate an assistant coordinator for each building the agency occupies. By July 1, 2012, and in each year thereafter, the lead recycling coordinator for each agency is required to submit a report to the head of its agency and to DSNY “summarizing actions taken to implement the waste prevention, reuse, and recycling plan for the previous twelve-month reporting period, proposed actions to be taken to implement such plan, and updates or changes to any information included in such plan.”

In addition, Local Law 36 requires the DSNY Commissioner to adopt, amend, and implement regulations governing recycling by City mayoral and non-mayoral agencies. DSNY is also responsible for consolidating the information contained in agency reports and including this information in the department’s annual recycling report.

Findings and Recommendations

Our audit found that OCB did not comply with Local Law 36. Although OCB source-separates its recyclable materials and has designated a lead recycling/sustainability coordinator, we found that OCB did not establish an agency waste collection, reuse and recycling plan, and did not submit annual reports to its Chairperson/Director or DSNY as required. Our findings are outlined in the table entitled Compliance Summary below.

| COMPLIANCE SUMMARY | | |
|--|-------------------|--|
| Local Law 36 Criteria | Compliance | Notes |
| Recycles designated materials | Yes | Agency source-separates its recycle materials. |
| Designates waste prevention, reuse and recycling coordinator | Yes | OCB designated a lead coordinator. |
| Establishes a waste prevention, reuse and recycling plan by July 1, 2011 | No | OCB did not establish a recycling and waste prevention, reuse and plan by July 2011. |
| Submits annual report to the agency head and DSNY Commissioner | No | OCB did not submit the annual reports for Fiscal Years 2012, 2013, and 2014. |

In addition, we observed that OCB has established some waste prevention strategies in an effort to reduce its paper usage. For example, OCB limits its subscription to business publications and periodicals to a single copy for office use. OCB also electronically stores its case documents and uses data management software to access and exchange information

electronically among its employees and other agencies working on the same cases. Therefore, OCB minimizes the need to make unnecessary paper copies or print unnecessary documents.

Additionally, OCB follows the City's requirement for recycling electronic waste and bulk items. These measures were taken in accordance with DSNY's additional guidelines enacted pursuant to Local Law 36.

We recommend that OCB prepare its waste prevention, reuse and recycle plan as soon as is practical and submit the required annual reports to its Chairperson/Director and DSNY by July 1st of each year as required by Local Law 36.

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 for this audit was July 1, 2011, the date Local Law 36 went into effect, through March 31, 2015, the last day of our fieldwork. Our methodology for this audit consisted of the following steps:

- We reviewed applicable laws, rules, policies, and procedures to determine our criteria in accordance with Local Law 36, including Local Law 19, Local Law 36, DSNY's agency waste prevention, reuse and recycling plan template, and DSNY's report submission form and implementation guidelines;
- We sent an electronic survey to OCB to determine if the agency met the key provisions of Local Law 36 reflected as the core criteria in the table below and analyzed the survey results and other additional materials provided by OCB;
- We requested and reviewed as applicable OCB's waste prevention, reuse, and recycling plan, list of coordinators, and the agency's annual reports for 2012 to 2014; and
- We conducted interviews with OCB's recycling/sustainability coordinator to discuss the agency's recycling and waste prevention efforts and visited OCB to verify its compliance with Local Law 36.

Based on our understanding of the Local Law 36 requirements, we outlined all the criteria necessary for agencies to be in compliance. The table below outlines agencies' core criteria required to achieve compliance under Local Law 36. A summary of these core criteria forms the basis for the compliance summary reported for each audited agency.

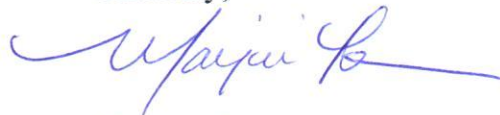
| CORE CRITERIA | |
|---|--|
| Compliance | Detailed Criteria |
| Recycling | Agency source-separates recyclable materials |
| Coordination | Agency has a lead coordinator |
| | Agency has assistant coordinator(s) as applicable |
| WPRR Plan | Agency has a waste prevention, recycling, and reuse plan |
| Report to Agency Head and DSNY Commissioner | Agency submitted 2012 report |
| | Agency submitted 2013 report |
| | Agency submitted 2014 report |

Because many agencies may have pursued initiatives beyond these core requirements, we recognized agencies' additional actions regarding recycling and sustainability. Our observations are based on the additional actions established by DSNY in its waste prevention, reuse and recycling plan implementation guidelines and other efforts taken by agencies.

The issues covered in this report were discussed with OCB officials during and at the conclusion of this audit. On April 28, 2015, we submitted a draft letter report providing OCB with an opportunity to formally respond. OCB's response was received on May 12, 2015. In its written response, OCB agreed with the recommendations and noted that DSNY accepted its 2015 Waste Prevention, Recycling and Re-Use Plan on April 29, 2015. Additionally, OCB stated that "our Lead Recycling and Sustainability Coordinator is preparing a FY2015 Report giving a summary of actions taken to implement the waste prevention, reuse, and recycling plan for the previous twelve month reporting period, proposed actions to be taken to implement such plan, and updates or changes to any information included in such plan. This Report will be presented to me [Chair] and to the Commissioner of DSNY."

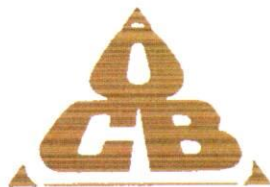
The full text of OCB's comments is included as an addendum to this report.

Sincerely,



Marjorie Landa

- c: Melissa Trasky, Director, Administration
- Mindy Tarlow, Director, Mayor's Office of Operations
- George Davis, III, Deputy Director, Mayor's Office of Operations



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May 12, 2015

By Electronic Mail

Marjorie Landa
 1 Centre Street
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 New York, New York 10007

Re: Response to Draft Letter Report on the New York City Office of Collective Bargaining's Compliance with Local Law 36 (Audit No. SZ15-113AL)

Dear Ms. Landa:

The Office of Collective Bargaining accepts the findings of the above-referenced audit. We note that DSNY accepted our 2015 Waste Prevention, Recycling, and Re-Use Plan on April 29, 2015. In addition, our Lead Recycling and Sustainability Coordinator is preparing a FY2015 Report giving a summary of actions taken to implement the waste prevention, reuse, and recycling plan for the previous twelve month reporting period, proposed actions to be taken to implement such plan, and updates or changes to any information included in such plan. This Report will be presented to me and to the Commissioner of DSNY.

Very truly yours,

Susan J. Panepento

c: Melissa Trasky, Director of Administration, OCB
 Mindy Tarlow, Director, Mayor's Office of Operations
 George Davis III, Deputy Director, Mayor's Office of Operations