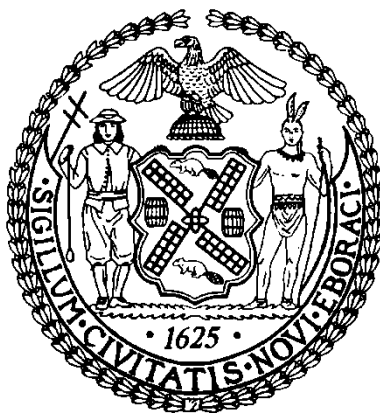


**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

**John C. Liu
Comptroller**

IT AUDIT & RESEARCH

**Tina Kim
Deputy Comptroller for Audit**



**Follow-up Audit Report on the
Compliance of the Human Resources Administration with
Purchasing Directives**

7S11-082F

June 29, 2011

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

John C. Liu
COMPTROLLER

June 29, 2011

To the Residents of the City of New York:

My office has audited the Human Resources Administration (HRA) to determine whether the agency implemented the five recommendations made in the previous audit entitled *Audit Report on the Compliance of the Human Resources Administration with Purchasing Directives* (Audit No. FP08-122A, issued June 30, 2009).

The current follow-up audit found that of the five recommendations made in the previous audit, one recommendation was no longer applicable to the current audit period and HRA did not implement the four remaining recommendations.

We found that HRA processed a total of \$176,875,057 from 159 vendors as Purchase Orders (POs) rather than formal contracts. Our test of the non-contracted vendors indicated that HRA acquired services from State-licensed and approved facilities for victims of domestic violence; however, we were unable to ascertain the quality of services provided to these victims because performance evaluations were not required as they would be with a formal contract.

HRA procured some of the currently reviewed services via contracts. Based on our review of a sample of these contracts, we found that HRA generally performed a review of vendors' performance histories in VENDEX to determine the responsibility of a bidder prior to awarding the contract. To address the outstanding issues from the previous audit that still exist, we made three recommendations in the current report. HRA officials disagreed with two of the three recommendations and partially agreed with one recommendation.

The results of the audit have been discussed with HRA 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 black ink, appearing to read 'JCL', written over a light blue rectangular background.

John C. Liu

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The City of New York
Office of the Comptroller
IT Audit & Research

**Follow-up Audit Report on the
Compliance of the Human Resources
Administration with Purchasing Directives**
7S11-082F

AUDIT REPORT IN BRIEF

This follow-up audit determined whether the Human Resources Administration (HRA) implemented the five recommendations made in a previous audit, *Audit Report on the Compliance of the Human Resources Administration with Purchasing Directives* (FP08-122A), issued June 30, 2009.

The prior audit examined whether HRA is complying with certain purchasing procedures as set forth in the New York City Charter, applicable Procurement Policy Board rules, and the New York City Comptroller's Internal Control and Accountability Directive #24, "Agency Purchasing Procedures and Controls."

The prior audit found that HRA purchase documentation was properly approved, authorized, and maintained. There were no instances in which the HRA's Other Than Personal Services monies were improperly used. However, HRA generally did not adhere to Comptroller's Directive #24, the City Charter, and applicable Procurement Policy Board rules in two major areas. HRA did not enter into contracts for purchases of services when required, which violated the City Charter, Procurement Policy Board (PPB) rules, and Comptroller's Directive #24. Instead, HRA inappropriately used Purchase Orders to process payments for a total of \$145,809,224 through the City's Financial Management System (FMS) for these services. Furthermore, HRA did not register a Memorandum of Understanding (MOU) with the New York City Comptroller's Office, which violated the City Charter and PPB rules. HRA paid a total of \$35,734,637 to the New York City Housing Authority (NYCHA) for providing the Job Opportunity Program, community center programs, and summer employment programs without having registered the MOU with the Comptroller's Office. In the previous audit, HRA disagreed with all five recommendations and responded that "...these payments are not City procurements and thus do not require registered contracts."

Audit Findings and Conclusions

The current follow-up audit disclosed that of five recommendations made in the previous audit, HRA did not implement four and one was no longer applicable to the current audit period because the New York City Office of Management and Budget (OMB) had removed funds from HRA's budget for the Supportive Service Programs and placed them directly in NYCHA's budget. This eliminated the need for HRA to register any MOU related to these services with the Comptroller's Office.

We found that HRA processed a total of \$176,875,057 from 159 vendors as Purchase Orders (POs) rather than formal contracts.

Our test of the non-contracted vendors indicated that HRA acquired services from State-licensed and approved facilities for victims of domestic violence; however, we were unable to ascertain the quality of services provided to these victims because performance evaluations were not required as they would be with a formal contract.

HRA procured some of the currently reviewed services via contracts. Based on our review of a sample of these contracts, we found that HRA generally performed a review of vendors' performance histories in VENDEX¹ to determine the responsibility of a bidder prior to awarding the contract.

Finally, HRA informed us on December 17, 2010, that it had never intended to implement our prior recommendations.

Audit Recommendations

To address the outstanding issues from the previous audit that still exist, we recommend that HRA should:

1. Ensure that it follows the City Charter and PPB rules when purchasing services by entering into formal contracts with these vendors as applicable.
2. Discontinue using POs to procure services in situations where contracts should have been executed.
3. Ensure that it adheres to provisions of Comptroller's Directive #24 by using the correct purchase document when processing payments through FMS.

¹ The VENDEX system is a database that provides information about vendors who do business with the City of New York.

Agency Response

HRA disagreed with two of the three recommendations contained in the report and partially agreed with the third. The full text of the HRA response dated June 15, 2011, is included as an addendum to this report.

INTRODUCTION

Background

The Human Resources Administration (HRA) serves more than 3 million New Yorkers through essential and diverse programs. Services provided through the HRA Department of Social Services include: temporary cash assistance, public health insurance, food stamps, home care for seniors and the disabled, child care, adult protective services, domestic violence services, HIV/AIDS support services, child support enforcement, and other income support services.

HRA coordinates services for its clients with medical, mental health, or substance abuse disorders. The clinical programs help clients to achieve their maximum functional capacity and become self-sufficient. Through its public, private, and not-for-profit initiatives, HRA serves consumers by removing barriers to employment and fostering self-sufficiency.

Objective

The objective of this follow-up audit was to determine whether HRA implemented the five recommendations made in the previous audit, *Audit Report on the Compliance of the Human Resources Administration with Purchasing Directives* (Audit No. FP08-122A, issued June 30, 2009).

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 of this follow-up audit covered all payments from December 19, 2009, to November 30, 2010, that were charged to object codes² designated for the types of services cited in the previous report. The total dollar amount was \$368,463,960. To meet our objectives, we

- Reviewed the prior audit report issued by the Comptroller's Office *Audit Report on the Compliance of the Human Resources Administration with Purchasing Directives*, Audit No. FP08-122A, issued June 30, 2009;
- Reviewed relevant provisions of the New York City Charter, Comptroller's Directive #24, and applicable PPB rules;

² Services procured under object codes 509, 510, 511, 514, 516, 651, and 662 included payments to Residential Treatment Centers that provide services to clients with substance abuse problems, shelter services for domestic violence victims, and individuals and families with HIV/AIDS-related illness.

- Obtained payment information totaling \$1,643,728,164 from FMS to examine POs made during the period from December 19, 2009, to November 30, 2010, for object codes with the types of services cited in the prior audit report;
- Reviewed the POs to identify vendors with aggregate POs over \$100,000 to determine whether HRA had entered into formal contracts with these vendors as applicable;
- Identified vendors with POs over \$100,000 that HRA had not contracted with; and
- Sampled a list of vendors that were paid with POs to determine whether HRA used the State-authorized vendors to procure services under the object codes cited in the previous report.

To determine if HRA was still making payments to NYCHA under an MOU (which would require registration with the Comptroller's Office), we examined HRA payments to NYCHA that were made under object code 662³.

We also randomly selected a list of vendors that were contracted with HRA for services cited in the previous report to determine whether HRA followed PPB rules to determine the responsibility of each vendor prior to awarding the contracts. Our review consisted of an examination of the contract files on OAISIS, vendors' Performance Evaluations, and any Cautions that might have appeared on VENDEX database files.

Discussion of Audit Results

The matters covered in this report were discussed with HRA officials during and at the conclusion of this audit. A preliminary draft report was sent to HRA officials and was discussed at an exit conference held on May 20, 2011. On May 25, 2011, we submitted a draft report to HRA officials with a request for comments. We received a written response from HRA officials on June 15, 2011. HRA disagreed with two of the three recommendations and partially agreed with the third recommendation of this audit. The full text of the HRA response is included as an addendum to this report.

³The previous report cited an MOU with NYCHA for payments being charged to object code 662.

RESULTS OF FOLLOW-UP AUDIT

The current follow-up audit disclosed that of five recommendations made in the previous audit, HRA did not implement four and one was no longer applicable to the current audit period because OMB had removed funding for HRA's MOU with NYCHA for Supportive Service Programs. We found that HRA processed a total of \$176,875,057 from 159 vendors as POs rather than formal contracts.

Our test of the non-contracted vendors indicated that HRA acquired services from the State-licensed and approved facilities for victims of domestic violence; however, we were unable to ascertain the quality of services provided to these victims because performance evaluations were not required as they would be with a formal contract.

HRA procured some of the currently reviewed services via contracts. Based on our review of a sample of these contracts, we found that HRA generally performed a review of vendors' performance histories in VENDEX to determine the responsibility of a bidder prior to awarding the contract.

Finally, HRA informed us on December 17, 2010, that it had never intended to implement our prior recommendations.

Previous Finding: "HRA Inappropriately Used Purchase Orders Instead of Contracts to Procure and Pay for Services."

"HRA procured services and paid vendors a total of \$145,809,224 for the following services: 1) payments to residential treatment centers for services provided to substance abuse clients as well as personal-needs allowances for the clients' incidental needs. 2) payments to correctional facilities for prison nurseries, 3) payments to out-of-county shelters that served City clients, 4) payments to shelters serving victims of domestic violence, and 5) payments to vendors who provided housing to individuals and families with HIV-related illnesses.

HRA officials stated that they believe that HRA does not have to enter into competitive contracts for these services because the facilities are licensed and regulated by New York State. These officials also contend that HRA is under statutory obligation to make these payments at the rates of payment specified under State law."

Further, HRA is in violation of Comptroller's Directive #24 by using POs for purchasing these services. Directive 24 requires that an agency use a contract when purchased services are greater than \$10,000. The services purchased by HRA using a PO exceeded the \$10,000 limit. Moreover, §4.4.1 of Comptroller's Directive #24 restricts the use of POs to non-procurement type expenditures, stating, "The Purchase Order Document (PO) should be used as a general agency encumbrance for special, non-procurement expenditures for which a contract or Purchase Document is not required. Appropriate uses of the PO include payments to union welfare funds, pension funds, major cultural institutions, and health insurance companies." Clearly, HRA is

purchasing various social services on behalf of its clients, which does not appear to be a permissible use of POs according to Comptroller's Directive #24.

Previous Recommendation #1: "HRA should ensure that it follows the City Charter and PPB rules when purchasing services by entering into formal contracts with these vendors."

Previous Response #1: HRA stated that it "agrees that the City Charter and PPB rules should be followed when a City procurement is involved; however HRA's position is that there was no City procurement. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by New York State Social Service Law. Therefore, HRA cannot enter into a formal contract with these vendors. In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves."

Current Status: NOT IMPLEMENTED

HRA provided us with a written response dated December 17, 2010, stating that "HRA has not changed its prior position"⁴ for recommendations made in the previous report. During this audit, we obtained from FMS a listing for all payments that were made by HRA during the period from December 19, 2009, to November 30, 2010, specifically for services procured under object codes 509, 510, 511, 514, 516, 651, and 662. We found HRA had made a total of \$368,463,960 in payments to 198⁵ vendors for services purchased. Our review of these payments in FMS revealed that when these purchases were aggregated by vendor, the dollar value of these services exceeded the maximum limit for small purchases of \$100,000 that required HRA to enter into a formal contract as required by the City Charter and PPB rules. HRA used POs to process payments for 159⁶ vendors when they should have entered into formal contracts with these vendors. The aggregated dollar amount of these payments was \$176,875,057. In addition, although HRA has not changed its position that no City procurement has taken place, we reaffirm our position from the previous audit that these payments are City procurements because the payments for these services are coming from the City treasury. Therefore, we consider this recommendation to be not implemented.

Previous Recommendation #2: "HRA should discontinue using POs to procure services."

Previous Response#2: "POs were used as an alternative to the Miscellaneous Payment Voucher (PVM). The use of POs and corresponding payment vouchers (PVE) allowed for efficient monitoring and tracking of expenditures."

⁴ HRA contended that no City procurement has taken place in its response to recommendations #1 to #4.

⁵ 198 vendors = 82 contracted vendors + 116 non-contracted vendors

⁶ 43 of the 82 contracted vendors also received payments via POs and many of these payments exceeded \$10,000. Hence, we included these 43 vendors in our review of the non-contracted vendors regarding Comptroller's Directive #24. As a result, the total number of non-contracted vendors is 159 (43 + 116).

Current Status: NOT IMPLEMENTED

We reviewed payments made to 198 vendors using the designated object codes totaling \$368,463,960 during the period of December 19, 2009, to November 30, 2010, of which we found HRA used POs to procure services totaling \$176,875,057 from 159 vendors. Many of these POs exceeded \$10,000. Comptroller's Directive #24, Section 4.3 requires HRA to enter into formal contracts for purchases of goods and services in excess of \$10,000 and limits the use of PO for "special, non-procurement purposes." Therefore, we consider this recommendation to be not implemented.

Previous Findings: "HRA did not enter into contracts for purchases of services when required, in violation of the City Charter, PPB rules, and Comptroller's Directive #24."

Previous Recommendation #3: "HRA should register all these contracts and purchases with the Comptroller's Office, as required by the City Charter."

Previous Response #3: "HRA agrees that the City Charter and PPB rules should be followed when City procurement is involved; however HRA's position is that there was no City procurement. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by the New York State Social Service Law. Therefore, HRA cannot enter into formal contracts with these vendors. In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves."

Current Status: NOT IMPLEMENTED

Our review of the payments made by HRA to 198 vendors during the period of December 19, 2009, to November 30, 2010, indicated that HRA already has entered into contracts with 82 of these vendors for supportive housing services. Yet HRA continues the use of POs to process payments to 43 of the 82 vendors for similar services, some of which, when purchases are aggregated, have exceeded the \$100,000 threshold that would require a contract to be executed. Therefore, we consider this recommendation to be not implemented.

Previous Recommendation #4: "HRA should ensure that it adheres to provisions of Comptroller's Directive #24 by using the correct purchase document when processing payments through FMS."

Previous Response #4: "HRA agrees that the City Charter and PPB rules should be followed when City procurement is involved; however HRA's position is that there was no City procurement. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by the New York State Social Service Law. Therefore, HRA cannot enter into formal contracts with these vendors. In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves."

Current Status: NOT IMPLEMENTED

Our review of the payments to 198 vendors indicated that HRA used POs to procure services from 159 vendors totaling \$176,875,057. Many of these POs exceeded the \$10,000 limit which, under Comptroller's Directive #24, would have required HRA to enter into contracts. Therefore, we consider this recommendation to be not implemented.

Previous Finding: "HRA did not register a Memorandum of Understanding (MOU) with the New York City Comptroller's Office."

"HRA entered into an MOU with NYCHA under object code 662, which provides for the expenditure of City tax levy funds from HRA's budget to NYCHA....Since the MOU was not registered with the Comptroller, HRA used POs and corresponding payment vouchers (PVE) to pay a total of \$35,734,637 from its budget to NYCHA."

Previous Recommendation #5: "HRA should present its MOUs to the Comptroller's Office for registration."

Previous Response#5: "HRA will review its procedures to ensure that all applicable laws, rules and directives are followed whenever funds are transferred to NYCHA or similar entities for the provision of services to our clients."

Current Status: NO LONGER APPLICABLE

HRA indicated in its response that "OMB removed the funds from HRA's budget and placed them directly in NYCHA's budget." We reviewed the payment history for object code 662 and confirmed that HRA payments to NYCHA stopped after September 2010. Because HRA funding to NYCHA for the previously cited service is no longer active, an MOU is not needed, and the issue of whether it is registered or not is no longer applicable. Therefore, we considered this recommendation to be no longer applicable.

RECOMMENDATIONS

To address the outstanding issues from the previous audit that still exist, we recommend that HRA officials should:

1. Ensure that it follows the City Charter and PPB rules when purchasing services by entering into formal contracts with these vendors as applicable.

HRA Response: "As stated in our response to the original audit, HRA disagrees with the basis for your conclusion. However, we agree that the City Charter and the PPB rules should be followed when City procurements are involved. HRA's position is that there were no City procurements in the instances cited. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by the New York State Social Service Law. Therefore, HRA cannot enter into formal contracts with these vendors."

In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves.”

Auditor Comment: Contrary to HRA’s argument, we reaffirm our position that these were City procurements since the payments for these services are coming from the City treasury. The City Charter states that “all goods, services or construction to be paid for out of the city treasury or out of moneys under the control of or assessed or collected by the City shall be procured as prescribed ...” Hence, HRA should follow the applicable rules for procuring these services.

Aside from the requirements under the City Charter and PPB rules, it would be advantageous for the City to formalize the contract with these vendors because it legally bonds the vendors to comply with the terms and conditions stipulated in the contract and, in turn, also benefits HRA’s clients.

2. Discontinue using POs to procure services in situations where contracts should have been executed.

HRA Response: “HRA partially agrees with this recommendation. We agree that the City Charter, the PPB rules and the Comptroller’s Directive #24 should be followed when appropriate. Of the 145 purchase orders (PO) that have been identified by the Office of the Comptroller, 68 are under the purview of HASA. In FY 2010-11 HASA was unable to obtain contract extensions for both scatter site and congregate housing in a timely manner. Many clients were in danger of losing their houses and becoming homeless due to non-payment of rents. HRA/HASA determined that this was an emergency situation and that it was in the best interest of the city and our clients to go forward with emergency POs until extension agreements could be executed and registered. This affected 24 of the 68 POs identified. Once the contracts were registered, retroactive to the final contract date, HRA stopped paying against the POs and is currently paying the providers through the contract. Of the remaining 44 HASA POs, 28 are payments for emergency shelter/housing only to SRO providers, which is allowable under the NYC Charter. The final 16 are in various stages of contract execution and registration.

The majority of the remaining 77 POs were for various good and services that are not considered procurements. As previously stated, HRA is committed to following the City Charter and PPB rules in the acquisition of goods and services for our needy population, and will enter into contract when appropriate.”

Auditor Comment: We understand the dilemma that HRA faced during FY 2010-11 and its decision to go forward with the payments. We believe that the payment requests for any “emergency” circumstances would be processed as an emergency procurement under the City Charter and PPB rules. As stated in the NYC Charter, Chapter 13, “in the case of an unforeseen danger to life, safety, property or a necessary service, an emergency procurement may be made with the prior approval of the comptroller and corporation counsel, provided that such procurement shall be made with such competition as is practicable under the circumstances, ...” HRA should have obtained an approval from the Comptroller’s Office for

these purchases. In addition, for the non-emergency purchases that have exceeded the \$10,000 limit, HRA should have entered into formal contracts with the vendors. We strongly recommend that HRA follow the applicable rules.

3. Ensure that it adheres to provisions of Comptroller's Directive #24 by using the correct purchase document when processing payments through FMS.

HRA Response: "As stated in our response to the original audit, HRA disagrees with your conclusion. However, HRA agrees that the City Charter, PPB rules and the Comptroller's Directive #24 should be followed when City procurements are involved. HRA's position is that there was no City procurement. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by New York State Social Service Law. Therefore, HRA cannot enter into a formal contract with these vendors. In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves."

Auditor Comment: We reiterate our position that because the payments for these services are coming from the City treasury HRA would have been required to enter into formal contracts with the vendors for purchasing/acquiring these services. In that regard, HRA should adhere to the provisions of Comptroller's Directive #24 and use the correct purchase document when processing payments through FMS.



Robert Doar
Commissioner

June 15, 2011

Patricia M. Smith
First Deputy
Commissioner

Ms. Tina Kim
Deputy Comptroller for Audits
The City of New York
Office of the Comptroller
1 Centre Street, Room 1100
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Jane Corbett
Executive Deputy
Commissioner

180 Water Street
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212 331 6500

**Re: Follow-up Audit Report on the
Compliance of the Human
Resources Administration with
Purchasing Directives 7S11-082F**

Dear Deputy Comptroller Kim:

We have reviewed the draft report on the Follow-up Audit of the Compliance of the Human Resources Administration with Purchasing Directives. We are gratified that you agreed to eliminate one of the previous findings as it no longer applies. We are also pleased that our explanation concerning the new finding that was in the preliminary draft was satisfactory, allowing you to eliminate it from your draft report. We do, however, disagree with two of the three recommendations contained in the report and partially agree with the third.

Our specific responses to the recommendations are presented below.

Auditor's Recommendation #1:

HRA should ensure that it follows the City Charter and PPB rules when purchasing services by entering into formal contracts with these vendors as applicable.

Agency's Response:

As stated in our response to the original audit, HRA disagrees with the basis for your conclusion. However, we agree that the City Charter and the PPB rules should be followed when City procurements are involved. HRA's position is that there were no City procurements in the instances cited. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by New York State Social Service Law. Therefore, HRA cannot enter into formal contracts with these vendors.

In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves.

Recommendation #2:

HRA should discontinue using POs to procure services in situations where contracts should have been executed.

Agency's Response:

HRA partially agrees with this recommendation. We agree that the City Charter, the PPB rules and the Comptroller's Directive #24 should be followed when appropriate. Of the 145 purchase orders (PO) that have been identified by the Office of the Comptroller, 68 are under the purview of HASA. In FY 2010-11 HASA was unable to obtain contract extensions for both scatter site and congregate housing in a timely manner. Many clients were in danger of losing their houses and becoming homeless due to non-payment of rents. HRA/HASA determined that this was an emergency situation and that it was in the best interest of the city and our clients to go forward with emergency POs until extension agreements could be executed and registered. This affected 24 of the 68 POs identified. Once the contracts were registered, retroactive to the final contract date, HRA stopped paying against the POs and is currently paying the providers through the contract. Of the remaining 44 HASA POs, 28 are payments for emergency shelter/housing only to SRO providers, which is allowable under the NYC Charter. The final 16 are in various stages of contract execution and registration.

The majority of the remaining 77 POs were for various goods and services that are not considered procurements. As previously stated, HRA is committed to following the City Charter and PPB rules in the acquisition of goods and services for our needy population, and will enter into contracts when appropriate.

Recommendation #3:

HRA should ensure that it adheres to provisions of Comptroller's Directive #24 by using the correct purchase document when processing payments through FMS.


Agency's Response:

As stated in our response to the original audit, HRA disagrees with your conclusion. However, HRA agrees that the City Charter, PPB Rules and the Comptroller's Directive #24 should be followed when City procurements are involved. HRA's position is that there was no City procurement. HRA had no authority to negotiate payment rates for the vendors cited in the audit. The rates are set by New York State Social Service Law. Therefore, HRA cannot enter into a formal contract with these vendors. In addition these payments are being made on behalf of clients and therefore it is as if the clients were making the payments for services or transferring their benefits themselves.

We appreciate the courtesy and professionalism of the Comptroller's auditors. We wish to stress that we take the rules and regulations that govern the way we acquire goods and services very seriously. All such activity is subject to review by the Mayor's Office of Contracts and the City's Law Department.

If you have any questions or concerns please contact Hope Henderson, Director, Bureau of Audit Coordination at (212) 331-4660.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jane Corbett".

Jane Corbett

c: Commissioner Robert Doar
Patricia Smith
Roy Esnard
Vincent Pullo
Jacqueline Dudley
Michelle Fouks