



City of New York

OFFICE OF THE COMPTROLLER

Scott M. Stringer
COMPTROLLER



MANAGEMENT AUDIT

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Deputy Comptroller for Audit

Audit Report on the New York City
Transit's Controls over the Process of
Handling Access-A-Ride Customer
Complaints

MJ17-086A

January 19, 2018

<http://comptroller.nyc.gov>



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

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To the Residents of the City of New York:

My office has audited New York City Transit (NYCT) to determine whether it has established adequate controls over the Access-A-Ride (AAR) complaint resolution process. We perform audits such as this to ensure that City agencies are operating in accordance with their procedures and in the best interest of the public.

The audit found that although NYCT generally follows its internal procedures for receiving, processing and referring AAR complaints to the appropriate units for investigation, the audit identified internal control weaknesses in NYCT's processes that have led to complaints never being investigated or not being investigated within required time frames. Among other things, the audit found that NYCT does not adequately track complaint referrals and resolutions. The audit also found that there were no written policies and procedures governing the investigations and verification processes implemented by the Contract Management Unit's Contract Managers, as well as no evidence of the Contract Managers' assessment of the contracted carriers' responses to the sampled referred complaints. In addition, the audit found that NYCT has inadequate controls to enable it to provide reasonable assurance that AAR incidents are completely and accurately recorded in its database.

The audit makes 14 recommendations, including that NYCT modify its primary database for recording and tracking AAR incidents to enable better tracking of such incidents and the results of investigations; develop and disseminate written policies and procedures to appropriate personnel, including Contract Management Unit Contract Managers, detailing the required steps to be performed for each complaint referred for investigation; prepare written assessments of the carriers' investigative steps and corrective actions taken to address referred complaints; and modify its database to allow it to generate an exception report and/or audit trail to identify missing reference numbers and important record details to better enable NYCT to investigate the cause of missing records.

The results of the audit have been discussed with NYCT 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, appearing to read "Scott M. Stringer".

Scott M. Stringer

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THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER MANAGEMENT AUDIT

Audit Report on the New York City Transit's Controls over the Process of Handling Access-A-Ride Customer Complaints

MJ17-086A

EXECUTIVE SUMMARY

The objective of this audit was to determine whether the Metropolitan Transportation Authority (MTA) New York City Transit (NYCT) has established adequate controls over the Access-A-Ride (AAR) complaint resolution process. Specifically, the audit determined whether the controls provide reasonable assurance that: (1) all complaints are accounted for; (2) complaints are properly categorized; (3) complaints are adequately addressed and resolved in a timely manner; and (4) investigatory procedures are consistently followed.

Under the Americans with Disabilities Act of 1990 (ADA), public transportation authorities are required to provide a paratransit system for people with disabilities who are unable to use public bus or subway service. In New York City (City), NYCT administers the AAR paratransit service. This service, overseen by NYCT's Paratransit Division (Paratransit), provides shared-ride, door-to-door transportation throughout the five boroughs and in parts of Nassau and Westchester counties 24 hours a day, seven days a week, including holidays.

AAR primarily delivers service through contracts with a network of private vendors, including 13 Dedicated Carriers (DCs) and two Broker Car Service Providers (BCSPs).¹ DCs use Paratransit-owned vehicles, which are specially-equipped buses and cars, to provide AAR trips. BCSPs provide transportation services to ambulatory passengers through a network of subcontracted livery and black car service providers. During Calendar Year 2016, Paratransit paid over \$292 million to DCs and over \$34 million to BCSPs for more than 6 million combined AAR trips.

This audit focused on NYCT's handling of customer complaints about AAR services provided by the DCs. Most of these complaints pertain to issues with drivers—including unsafe driving, rude drivers and late pick-ups—as well as complaints about dispatchers and the conditions of vehicles. Complaints, suggestions, inquiries and commendations about AAR services (collectively referred to as “incidents”) can be reported to Paratransit by: (1) calling the NYCT Paratransit Comment

¹ NYCT had one additional DC for AAR service during part of Calendar Year 2016, however NYCT terminated the contract as of February 2016. In addition to the DCs and BCSPs, under certain circumstances, NYCT also authorizes taxi reimbursements to AAR customers for trips that originate and end in the same borough, and provides vouchers for some Staten Island AAR customers to use with one of the local livery car services that are under contract with Paratransit.

Line (Comment Line); (2) writing a letter to Paratransit; or (3) sending an email using the "Contact Us" link on the MTA website.

During Calendar Year 2016, there were 47,001 recorded AAR incidents. Of these, 32,938 incidents were related to DCs and unidentified carriers, and were included as part of this audit. Approximately 86 percent of the 32,938 incident records were based on calls made to the Comment Line.

Audit Findings and Conclusion

The audit found internal control weaknesses in NYCT's processes for handling AAR complaints that have led to some complaints not being investigated and others not being investigated within required timeframes. These deficiencies create increased health and safety risks to AAR customers and to the general public. Although we found that NYCT generally follows its internal procedures for receiving, processing and referring AAR complaints to the appropriate Paratransit units for investigation, we identified deficiencies in several areas that need to be improved.

In particular, we found:

- NYCT does not adequately track complaint referrals and resolutions, which increases the risk that they will not be investigated in a timely manner, if at all. We specifically found complaints that were never referred for investigation that should have been, and others that were referred but not investigated for weeks and months beyond required time frames.
- Further, we found insufficient controls over the Contract Management Unit's handling of referred complaints.
 - There were no written policies and procedures governing the investigations and verification processes performed by the Contract Management Unit's Contract Managers.
 - There was no evidence of NYCT's assessment of the Contract Managers' performance in addressing the referred complaints.
 - There was no evidence of the Contract Managers' assessment of the DCs' responses to the sampled referred complaints. As a result, NYCT had limited assurance that complaints were adequately addressed by the DCs, which increases the risk to public safety.
- There were inadequate reviews of incident data, which increased the risk that incidents will not be categorized correctly, will not be properly referred for investigation, and/or will not be closed within the prescribed time frames.
- NYCT has inadequate controls to enable it to provide reasonable assurance that AAR incidents are completely and accurately recorded in its database.

Audit Recommendations

Based on the audit, we make 14 recommendations, including the following:

- NYCT should immediately review the Oracle Service Cloud (OSC) system records to identify any referred complaints without investigation results, and follow up with the units to which these complaints were referred to ensure that investigations have been

completed and that the complaints have been appropriately addressed. The incident records should then be updated to reflect the investigation results.

- NYCT should modify Paratransit's primary database for recording and tracking AAR incidents, the OSC system, to enable better tracking of incidents and the results of investigations.
- NYCT should develop and disseminate written policies and procedures to appropriate personnel, including Contract Management Unit Contract Managers, detailing the required steps to be performed for each complaint referred for investigation, including initial complaint reviews, assessments of DCs' actions and follow-up reviews.
- NYCT should formally review and document its evaluations of individual Contract Manager's performance in addressing referred complaints in order to ensure that adequate steps are taken and that proper assessments of DCs' actions are made.
- NYCT should prepare written assessments of the DCs' investigative steps and corrective actions taken to address referred complaints.
- NYCT should require periodic supervisory reviews of the incident records to ensure that Paratransit Customer Relations Unit (CRU) agents are appropriately categorizing and referring complaints for investigation.
- NYCT should modify OSC to allow it to generate an exception report and/or audit trail, which would identify missing reference numbers and associated record details, such as the means by which an incident was reported or the agent's name or unit. This would enable NYCT to investigate the cause of missing records and to assess whether any potential issues need to be addressed.

Agency Response

In its response, NYCT generally agreed with 13 of the audit's 14 recommendations. The agency disagreed with our recommendation that it require CRU agents to record their referral decisions in OSC and document their reasons for not referring complaints for investigation, arguing that NYCT currently has a procedure which already addresses this issue. However, the procedure NYCT refers to in its response merely provides guidance to CRU agents regarding how investigations should be conducted; it does not provide assurance that the procedure is actually followed and that agents are making the correct referral decisions.

AUDIT REPORT

Background

The ADA prohibits discrimination against people with disabilities and mandates that they be given equal opportunities in various areas, including employment, government services, public accommodations, commercial facilities, and transportation. Under the ADA, public transportation authorities are required to provide a paratransit system for people with disabilities who are unable to use public bus or subway service. In the City, the MTA NYCT administers the AAR paratransit service. This service, administered through NYCT's Paratransit Division, provides shared-ride, door-to-door transportation throughout the five boroughs and in parts of Nassau and Westchester counties 24 hours a day, seven days a week, including holidays.

AAR primarily delivers service through contracts with a network of private vendors, including 13 DCs and two BCSPs. DCs use Paratransit-owned vehicles, which are specially-equipped buses and cars, to provide AAR trips. These vehicles are used solely to provide paratransit services. Although NYCT owns the vehicles, the DCs are responsible for maintaining them and providing the drivers, dispatchers, and all other personnel needed to manage and perform AAR services. DCs are compensated based on the number of hours that vehicles are in AAR service, along with overhead costs and vehicle maintenance costs. DCs are also reimbursed for tolls, vehicle insurance and registration costs.

BCSPs provide transportation services to ambulatory passengers through a network of subcontracted livery and black car service providers. These private vendors receive payments based on rates set by geographic zones for each trip performed. During Calendar Year 2016, Paratransit paid over \$292 million to DCs and over \$34 million to BCSPs for more than 6 million combined AAR trips.

This audit focused on NYCT's handling of customer complaints about AAR services provided by the DCs. Most of these complaints pertain to issues with drivers—including unsafe driving, rude drivers and late pick-ups—as well as complaints about dispatchers and the conditions of vehicles. Previously, the Comptroller's Office conducted an audit of the MTA's oversight of the AAR program, *Audit Report of the Metropolitan Transportation Authority's Oversight of the Access-A-Ride Program* (Audit #FK15-098A), issued on May 17, 2016.

Complaints, suggestions, inquiries and commendations about AAR services (collectively referred to as "incidents") can be reported to Paratransit by: (1) calling the NYCT Paratransit Comment Line (Comment Line); (2) writing a letter to Paratransit; or (3) sending an email using the "Contact Us" link on the MTA website. In Calendar Year 2016, less than one percent of incidents were reported by Paratransit to have been received in person.

Paratransit's primary database for recording and tracking AAR incidents is OSC, which is also used by other MTA divisions (including NYC Buses, Subways, Long Island Railroad and Metro North Railroad) to record and track incidents relating to their services. Incident reports received via email from the MTA website are automatically recorded in OSC. However, the incident reports called into the Comment Line, which is where the vast majority of AAR incidents are reported, are manually recorded into OSC by Comment Line agents. Those received in written letters and other sources are manually recorded into OSC by CRU agents.

During Calendar Year 2016, there were 47,001 AAR incidents recorded in OSC. Of these, 32,938 incidents were related to DCs and unidentified carriers and were included as part of this audit.² Approximately 86 percent of the 32,938 incident records were based on calls made to the Comment Line. Table I below shows a breakdown, by incident type (as defined by NYCT), of the 32,938 incident records recorded in OSC during Calendar Year 2016 that were the subject of this audit.

Table I

Summary of 32,938 AAR Incidents
Recorded in OSC during Calendar
Year 2016 by Incident Type

Incident Type	Incidents Involving DCs	Incidents Involving Unidentified Carriers	Total
Complaints	16,975	4,299	21,274
Commendations	5,215	3,025	8,240
Reasonable Modification	0	19	19
Request	153	1,431	1,584
Suggestion	15	120	135
Other	253	1,433	1,686
Total	22,611	10,327	32,938

NYCT classifies incidents into two categories: safety-related and non-safety-related. According to NYCT, an incident is considered safety-related when the issue reported involves: (1) an injury or potential injury, including accidents and driver behavior that could lead to injury or cause an accident, such as reckless driving and/or the use of a cell phone while driving; (2) certain types of vehicle issues, such as lift problems and broken seatbelts; (3) abuse allegations, both physical and non-physical; and (4) potential Title VI matters, such as race and gender discrimination.³ Non-safety-related incidents include: complaints of carrier no-shows; wrong pick-up locations; lengthy ride times; and late drop-offs. During Calendar Year 2016, Paratransit identified 780 incidents as safety-related, and 32,158 incidents as non-safety-related.

When complaints are received (whether through email, paper mail, phone calls or other means), CRU agents are required to conduct an initial review of each incident and determine whether further information is needed to process the complaint. After this initial review, CRU agents then determine whether complaints warrant further investigation. Safety and non-safety-related complaints that are determined to require further investigation are then forwarded to the applicable Paratransit unit for follow-up with the appropriate DCs.

² The remaining 14,063 incident records (47,001 total incidents, less 32,938 DCs and unidentified carrier incidents) consisted of 13,950 records related to BCSPs and 113 records relating to vouchers. Since incident records that did not identify a carrier—including those that purported to relate to BCSPs but where no carrier was identified—could actually relate to DCs, they were included in the audit testing.

³ "Title VI" refers to Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color and national origin in programs and activities receiving federal financial assistance. NYCT is required to provide non-discriminatory service to ensure that no person is excluded from participation in, or denied the benefits of, or subjected to discrimination in the receipt of their services on the basis of race, color or national origin as protected by Title VI.

The majority of referred complaints about AAR service are forwarded for review and follow-up to Paratransit's Contract Management Unit. These complaints include such customer concerns as potentially unsafe driver actions, rude drivers and late pick-ups. Complaints that may require the DCs to pull AAR vehicles out of service for inspection or to pull drivers from service until an investigation is completed are sent to Paratransit's Standards and Compliance Unit for immediate attention.

Paratransit has nine Contract Management Unit Contract Managers assigned to one or more of the DCs' AAR contracts on a continuous basis. These managers are responsible for overseeing and monitoring their DCs' contract compliance and are responsible for investigating specific complaints made against them. In addition, there are two Standards and Compliance Directors—one responsible for Transportation Support and the other for Maintenance Support. These Directors address driver-related matters (e.g., allegations of AAR drivers being drunk and failures to pick up a client from a specified location) and vehicle-related matters (e.g., lift, seat belt and air conditioning problems), respectively.

Objective

The objective of this audit was to determine whether NYCT has established adequate controls over the AAR complaint resolution process. Specifically, the audit determined whether the controls provide reasonable assurance that:

- All complaints are accounted for;
- Complaints are properly categorized;
- Complaints are adequately addressed and resolved in a timely manner; and
- Investigatory procedures are followed on a consistent basis.

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 audit scope period covered Calendar Year 2016 (January 1, 2016 through December 31, 2016). The Detailed Scope and Methodology section at the end of this report describes the specific procedures and tests that were conducted.

Discussion of Audit Results with NYCT

The matters covered in this report were discussed with MTA and NYCT officials during and at the conclusion of this audit. A preliminary draft report was sent to the MTA and NYCT and was discussed at an exit conference held on November 1, 2017. On December 12, 2017, we submitted a draft report to the MTA and NYCT with a request for comments. We received a written response from the MTA, with NYCT's response enclosed, on December 28, 2017. In its response, NYCT generally agreed with 13 of the audit's 14 recommendations, stating that it "acknowledges

that opportunities always exist to enhance the efficiency and effectiveness of our processes while at the same time strengthening our internal controls.” NYCT disagreed with our recommendation that it require CRU agents to record their referral decisions in OSC and document their reasons for not referring complaints for investigation, arguing that NYCT currently has a procedure which already addresses this issue. However, the procedure referred to by NYCT merely provides guidance to CRU agents regarding how investigations should be conducted; it does not provide assurance that the procedure is actually followed and that agents are making the correct referral decisions.

The full text of NYCT’s response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

The audit found internal controls weaknesses in NYCT's processes for handling AAR complaints that have led to complaints not being investigated and not being investigated within required time frames. These deficiencies increase health and safety risks to AAR customers and the general public. Although we found that NYCT generally follows its internal procedures for receiving, processing and referring AAR complaints to the appropriate Paratransit units for investigation, we identified deficiencies in several areas that need improvement.

In particular, we found that NYCT does not adequately track complaint referrals and resolutions, which increases the risk that they will not be investigated in a timely manner, if at all. Further, we found insufficient controls over the Contract Management Unit's handling of referred complaints. There were no written policies and procedures governing the investigations and verification processes performed by the Contract Management Unit Contract Managers. There was also no evidence of NYCT's assessment of the Contract Managers' performance in addressing the referred complaints. In addition, there was a lack of evidence of the Contract Managers' assessment of the DCs' responses to the sampled referred complaints. As a result, NYCT had limited assurance that complaints were adequately addressed by the DCs, which increases the risk to public safety.

Further, we found inadequate reviews of incident data which could increase the risk that incidents will not be categorized correctly, not properly referred for investigation, and/or not closed timely. Finally, we found that NYCT has inadequate controls to provide reasonable assurance that AAR incidents are completely and accurately recorded in its database.

These matters are discussed in greater detail below.

Inadequate Tracking of Complaint Referrals and Resolutions

NYCT does not have an adequate mechanism in place to effectively track AAR complaint referrals and resolutions. Complaints received by Paratransit related to its AAR services may be referred by CRU to different Paratransit units for investigation, including the Contract Management Unit and the Standards and Compliance Unit. These units in turn refer the complaints to the individual DCs responsible for the complainant's ride and give the DCs three days to investigate the complaints and provide their responses to Paratransit.

According to the CRU Guidelines, investigations of complaints referred to individual Paratransit units for investigation must be completed by the units within seven days of the referral.⁴ If the results of one of these investigations is not received by CRU within two weeks, CRU agents are required to send a follow-up notice to the Paratransit unit to which it referred the complaint requesting the status of the investigation.

However, we found that the data that CRU agents need to perform this follow-up function is not formally captured in the OSC system because OSC does not have a field in which the agents record the date that the complaint has been referred or to whom it has been referred. In addition, OSC does not have a system that automatically alerts agents to the fact that 14 days have elapsed since the referral of a complaint. Rather, the only places that the date of a referral of a complaint for investigation is retained is in the notes field, or in uploaded documents from the units that

⁴ The CRU Guidelines, entitled, "55 things you need to know RightNow: Guidelines for assigning, managing, documenting and closing customer incidents," are used by the CRU agents and include guidance over the receipt, assigning, managing, and closing of incidents.

receive referrals, neither of which can be effectively searched for indications of overdue responses and neither of which can produce automatic alerts when responses are overdue.

CRU also has no formal tracking system, requirement for such a system or guidance to personnel on how they should track referred complaints. Lacking guidelines and tools in the OSC system for tracking complaint referrals and responses, CRU agents have been left to develop their own methods for tracking referred complaints. Those we observed included: (1) agents who electronically flagged their emails so that they can more easily identify those complaints that they have referred for investigation; (2) agents who maintained printed email referrals in a folder and either shredded or marked them when responses were received; and (3) agents who maintained an electronic spreadsheet or manual logbook of the referrals.

However, we found that these individual methods of tracking complaints referred for investigation and the responses received are not fully effective and as a result, diminish CRU's ability to meet its fundamental responsibilities. As will be discussed below, our sample testing identified complaints for which investigation results were not provided in a timely manner, and some cases where there was no evidence provided that an investigation had been conducted at all. Further, we found little evidence that CRU agents followed up on the complaints we sampled that were outstanding for more than 14 days.

Contract Managers from the Contract Management Unit who are responsible for overseeing the individual DC's contract performance and for assessing the adequacy of the DCs' investigations of referred AAR complaints principally rely on CRU agents to follow up with them to ensure that none of the referred complaints are outstanding. Accordingly, given the deficiencies identified in Paratransit's processes for tracking complaint investigations, there is an increased risk that complaints about AAR services will be delayed and investigations might not be performed at all. As a result, there is an increased risk that unsafe conditions, such as reckless driving and unsafe vehicles, will not be addressed in a timely manner, or at all, which would put the safety, health and lives of customers and others at risk.

At the exit conference, NYCT officials informed us that an OSC enhancement that has been discussed and tested since 2015 was finally implemented in May 2017. According to officials, with an added "Investigation Flagged" status in OSC, CRU can now track complaint referrals. The referrals will stay visible in the CRU agents' queues until a response has been received and the agent changes the status to "Closed." In addition, officials indicated that they will soon have the ability to generate reports that will group the referred complaints by the units to which they have been referred and by the DC, which will assist in the monitoring, oversight and tracking of complaint referrals. We did not test, and therefore cannot confirm, that NYCT has implemented this OSC enhancement, or whether it is operating as intended.

Investigation Responses Not Received Timely by CRU

Based on the information contained in the OSC system, there is no evidence that some AAR complaints were investigated in a timely manner, if at all. We reviewed a sample of 145 AAR complaints recorded in OSC comprised of 65 safety-related complaints and 80 non-safety-related complaints. Of these, we identified 61 complaints that were referred for investigation, nine of which (15 percent) did not have evidence that the investigative results were provided timely to CRU or provided at all. Specifically, we found that:

- In four complaints (three safety and one non-safety), the investigation results were received by CRU from 19 to 95 days from the referral dates; and

- In five complaints (three safety and two non-safety), there was no evidence of a response from the Contract Management Unit with the DC's investigative results. These complaints remained outstanding in OSC for 71 to 273 days from the referral dates at the time of our review.

For eight of these nine complaints, there was no evidence in OSC that CRU agents followed up on them, or any explanation of the reasons for the delays. For the one remaining complaint, although CRU agents did follow up seeking the results of the investigations, the agents did so after the 14-day requirement the CRU Guidelines impose for follow-up inquiries to be made. Among other things, we found that:

- In one case, it took 95 days for a safety-related investigation result to reach CRU from the date of referral to the Contract Management Unit. In this incident, a customer alleged that a driver drove too fast and hit a bump, causing the vehicle to be lifted in the air and breaking one of the vehicle's wheels. The customer said this caused her to be thrown against the window, injuring her arm. CRU followed up with the Contract Management Unit (to which the complaint had been referred for further investigation) more than three months after the incident referral—instead of within 14 days as required—to determine the status of the investigation. It was not until CRU followed up with the Contract Management Unit that the complaint investigation results were actually requested from and provided by the DC, and forwarded to CRU. In its response, the DC provided a copy of the Road Supervisor Report documenting the incident and the supervisor's investigation. Ultimately, the driver was pulled from service and a union hearing was scheduled.
- In the second case, a customer alleged that a driver was an hour late and drove 80 mph in a 40 mph zone, saying the experience felt like a police chase, with the driver swerving in and out of traffic. As of May 4, 2017, 140 days had elapsed since the referral date and there was no evidence of any investigative results recorded in OSC, or any follow-up by CRU.

After we notified Paratransit officials on May 4, 2017 that there was no evidence of DC responses to the five sampled complaints (three safety and two non-safety), officials informed us that responses were received for two of the complaints. One was a safety-related complaint in which a non-AAR customer alleged that an AAR vehicle sideswiped the complainant's vehicle, and the other was a non-safety complaint regarding a carrier no show. Officials provided us with documentation of CRU's follow-up with the Contract Management Unit and the DCs' responses for both complaints. However, CRU's follow-up with the Contract Management Unit occurred after we notified NYCT officials about the missing documentation. After NYCT's follow-up, the DC of the safety-related complaint responded on June 26, 2017 stating that the driver denied striking another vehicle and their inspection of the AAR vehicle showed no damage. For the non-safety complaint, the DC responded on May 16, 2017 stating that the driver could not recall this trip, and that the dispatcher assigned to that route no longer worked for the company. Any time lag in the investigation of this complaint could have affected its reliability since the dispatcher had left the company by the time the investigation was conducted.

Overall Conclusion

As a result of limitations in the OSC system and the CRU's inadequate tracking of referred complaints, there is an increased risk that referred complaints about AAR services will be overlooked, not investigated, inadequately investigated, and ultimately not adequately addressed. These deficiencies increase the safety risks for AAR passengers. In addition, the lack of a formal tracking system for complaints pending investigation hinders management's ability to identify

outstanding complaints that require follow-up, and assess the timeliness of investigations. Further, without a centralized tracking mechanism, NYCT is unable to determine the overall time it takes Paratransit to address complaints—from the time complaints are received through their final resolution, including the completion of investigations when warranted.

Recommendations

1. NYCT should immediately review OSC records to identify any referred complaints without investigation results, and follow up with the units to which these complaints were referred to ensure that investigations have been completed and that the complaints have been appropriately addressed. The incident records should then be updated to reflect the investigation results.

NYCT Response: “NYCT partially agrees with this recommendation. NYCT has a system in place to ensure investigations have been completed and are appropriately addressed. In September 2017, the CRU implemented an additional flagging process to further track incidents sent for investigation. The OSC was modified, and currently the agents use the status ‘Investigation Flagged,’ which allows the incident to stay more easily visible in the queue until a response is received and the status is changed to closed.”

Auditor Comment: In its response, NYCT does not indicate the portion of the recommendation with which it disagrees. Rather, the steps outlined in its response indicates that the agency fundamentally agrees with the recommendation.

2. NYCT should modify Paratransit’s primary database for recording and tracking AAR incidents, the OSC system, to enable better tracking of incidents and the results of investigations. This would improve the ability of CRU agents to perform their responsibilities, and would increase the ability of management to oversee and evaluate the agency’s operations and those of its contractors by enabling the generation of reports, allowing officials to identify outstanding complaints pending investigation and to assess the overall timeliness of complaint resolutions.

NYCT Response: “NYCT agrees with this recommendation. In September 2017, NYCT modified the OSC to include an ‘Investigation Flagged’ status to identify outstanding complaints pending investigation. It should be noted that, prior to this implementation, incidents and resolutions were tracked by the NYCT, however, they were not flagged in the manner recommended. In addition to the above modification, going forward, beginning in February 2018, NYCT will implement a new process in which designated departments receive a report that highlights pending investigation requests.”

3. If OSC cannot be modified in the manner recommended above, NYCT should develop and institute a centralized tracking method of referred complaints that enables management and CRU agents to better track outstanding complaints referred to other units for investigation.

NYCT Response: “See response to recommendation 2.”

Controls over the Contract Management Unit’s Handling of Referred Complaints Are Not Adequate

NYCT does not have adequate controls over the Contract Management Unit’s handling of complaints referred for investigation. The New York State Public Authorities Law, which governs

the operations of all public authorities and their constituent units, requires NYCT to establish and maintain a system of internal controls. These controls should also be designed to identify internal control weaknesses and determine the actions needed to correct these weaknesses.

Further, in accordance with the Public Authorities Law, the “objectives of an internal control system [should] include, but are not limited to . . . promoting the effectiveness and efficiency of operations; ensuring compliance with applicable laws and regulations; and encouraging adherence to prescribed managerial policies.” In addition, public authorities are required “to make available to each member, officer and employee a clear and concise statement of the generally applicable managerial policies and standards with which he or she is expected to comply. Such statement shall emphasize the importance of effective internal control to the authority and the responsibility of each . . . employee for effective internal control.”⁵

However, our audit found that NYCT has not established any formal written policies and procedures governing the Contract Management Unit’s handling of the complaints referred for investigation. There are no established guidelines outlining the steps that should be taken by Contract Managers for each referred complaint. Furthermore, there is no formal oversight, monitoring or assessment of the Contract Managers’ performance in addressing the referred complaints or their evaluation of the DCs’ responses and supporting documentation. According to a Contract Management Unit official, while the Contract Management Unit Directors oversee the Contract Managers, they “do not document their reviews and it is not required.”

Written policies and procedures can help ensure that every person involved in a process understands the tasks that must be undertaken and the methods that should be used to complete them. Policies and procedures, clearly spelled out, also provide an effective mechanism for training and evaluating staff performance. However, because of the lack of evidence of the oversight and assessment of Contract Manager performance, and due to the lack of written policies and procedures for handling referred complaints (discussed in more detail below), we found inconsistencies and inadequacies in the Contract Managers’ handling of complaints received from CRU and the forwarding of them to DCs for investigation. We also found deficiencies in the Contract Managers’ follow-up reviews to verify the investigative steps and corrective actions taken by the DCs. In addition, there was no evidence that the Contract Managers’ assessed the DCs’ actions to address complaints, nor was there any evidence of the supporting documentation reviewed during their follow-up reviews.

As a result, NYCT has limited assurance that the DCs are adequately addressing the referred complaints and taking appropriate actions when warranted. This limited assurance increases the risk that complaints will not be appropriately investigated and addressed by the DCs. By establishing written policies and procedures over the investigation process and documenting the oversight and assessment of Contract Manager performance in addressing complaints, NYCT can help ensure consistency in investigations and give NYCT a mechanism to help ensure that complaints are being appropriately addressed.

Inadequate Evidence of the Contract Management Unit’s Assessment of the DCs’ Responses

According to Paratransit’s Contract Management Officer, Contract Managers are made aware through verbal instructions, that they are required to review the DCs’ responses to referred complaints and to assess the DCs’ investigation and corrective actions to determine whether

⁵ Article 9, Title 8, §2930-§2931 of the New York State Public Authorities Law.

these actions were appropriate. However, our review of 56 sampled complaints referred to the Contract Management Unit for investigation found no evidence that Contract Managers conducted assessments of the DCs' responses. In addition, when the Contract Managers forwarded the DCs' responses to CRU for the sampled complaints, we generally did not see evidence that the Contract Managers had documented in their files that they provided CRU with any conclusions as to whether the investigations were adequate and actions taken were appropriate.

We interviewed four of the nine Contract Managers and found that only two of them maintained any type of tracking mechanism. However, only one of these two Contract Managers included the DCs' reports of the actions they took in their tracking schedule. Neither of these managers included reference to any supporting documentation or their assessment of the sufficiency of the DC's investigative actions. Therefore, it appears that NYCT accepts the responses (investigation steps and corrective actions) provided by the DCs without any evaluation of their appropriateness and sufficiency.

Further, when we asked the Contract Management Officer whether any specific criteria has been established for assessing the DCs' actions, he stated that they "evaluate/assess incidents on a case by case basis." However, he neither cited nor provided any such criteria for doing so. As a result, NYCT has limited assurance that Contract Managers are performing adequate assessments in a consistent manner.

The Contract Management Officer also informed us that the Contract Management Unit Contract Managers have been verbally instructed that they are generally required to conduct site visits of the DCs' facilities three times a month to assess their performance. As part of these visits, the Contract Managers are supposed to select a sample of customer complaints and conduct independent follow-up reviews of the supporting documentation in the DC's files to confirm the actions mentioned in the DC's response. The results of their site visits, including the customer complaint follow-ups, must be documented on the *Field Site Checklist* which the Contract Managers are supposed to retain in their files.⁶

However, there is no formal written policy or procedure for follow-up reviews, and no central requirement or procedure detailing how Contract Managers should track and document their independent follow-up reviews and verifications of the DCs' actions performed during their site visits. (The *Field Site Checklist* is not designed to capture such information.)⁷ In addition, there are no standard requirements for how the Contract Managers should conduct their reviews. Among other things, there are no requirements for: (1) the number of complaints to be sampled; (2) the criteria for selecting a sample of complaints for review; and (3) how to document and track the results of the review. As a result, the Contract Managers do not employ consistent methods in sampling and reviewing complaints during their site visits and inadequate tracking of their results. Moreover, since there is no mandate that any priority be given to public safety complaints, there was no certainty that the handling of such complaints were adequately reviewed.

All four Contract Managers we interviewed informed us that they randomly select complaints for review during the site visits and that the number of complaints selected "varies." They did not report selecting a set criteria that ensured the review of complaints that raised safety-related

⁶ *Field Site Checklists* are summary forms used by the Contract Managers when conducting site visits to the DCs to document the results of their visits and overall assessment of the DC's contract compliance.

⁷ The form doesn't include a requirement to document the results of the documentation follow-up. It only has space for two complaint follow-ups. The required fields are: the complaint dates; the driver(s) involved; the carrier response date; and the actions taken. There is no place for any information about the Contract Manager's assessment of the adequacy of the investigation.

issues. Similarly, we found no evidence that the existence or absence of supporting documentation played any role in the Contract Managers' selection of cases to review.

Three of the Contract Managers tracked the complaints they reviewed during their site visits by using lists and spreadsheets they had developed, while the fourth maintained notes of her follow-up reviews on sheets of paper. None of the Contract Managers were able to show us a complete list of sampled complaints they reviewed during their site visits. Furthermore, the results of the follow-up reviews, whether adequate and sufficient or not, were not always evident on the *Field Site Checklists*.

As a result, NYCT has limited ability to monitor the adequacy of the investigations of the complaints made by AAR passengers and of the performance of its DCs over all and specifically, in addressing complaints. Moreover, NYCT is hindered in its efforts to evaluate the performance of its Contract Managers.

Recommendations

4. NYCT should require the Contract Management Unit Directors to formally review and assess the individual Contract Managers' performance in addressing referred complaints, to ensure that adequate steps are taken and that proper assessments of the DCs' actions are made.

NYCT Response: "NYCT agrees with this recommendation. In January 2018, NYCT will formally document the procedure, that has previously been in place informally, by requiring Contract Management Unit Directors to formally review and assess individual Contract Managers' performance in addressing referred complaints to ensure that adequate steps are taken and that proper assessments of the dedicated carrier's (DC's) actions are made."

5. NYCT should develop and disseminate written policies and procedures to appropriate personnel, including Contract Management Unit Contract Managers, detailing the required steps to be performed for each complaint referred for investigation, including the initial complaint review, assessment of DCs' actions and follow-up reviews.

NYCT Response: "NYCT agrees with this recommendation. Currently, the CMU does follow complaint process guidelines. In November 2017, CMU has enhanced this procedure to include the details of the steps to be performed for each complaint referred for investigations, this will also include the initial complaint review, and an assessment of the direct carriers actions and their follow-up reviews."

6. NYCT should formally assess and document its assessment of the DCs' investigative steps and corrective actions taken to address referred complaints.

NYCT Response: "NYCT agrees with this recommendation. In January 2018, NYCT will add to the current process to allow for a formal assessment of the DC's investigative steps and corrective actions to its internal controls."

7. NYCT should formally document its methodology in selecting complaints for follow-up reviews and the results of such reviews.

NYCT Response: "NYCT agrees with this recommendation. In January 2018, NYCT will enhance the formal documentation of its methodology in selecting complaints for follow-up reviews and the result the results of such reviews in addition to the current process."

Weaknesses in CRU's Processing of Incidents

Our audit also identified weaknesses in CRU's initial processing of incidents. Although NYCT's Paratransit has procedures in place for CRU agents to address and respond to incidents, we found that these procedures were not always followed, and that even when they were, they were not always properly carried out. In particular, we found complaints that were not referred for investigation and incidents that were not addressed by CRU in a timely manner.

Complaints Not Referred for Investigation

NYCT did not consistently review complaints to ensure that complaints warranting an investigation are being appropriately identified and forwarded for investigation. According to CRU Guidelines,

all safety related complaints (e.g., injury, fall, improper securement, driver irresponsible), including certain vehicle issues (e.g., lift problem, broken seatbelt), abuse allegations and potential Title VI matters are handled as top priority and . . . forwarded to Contract Management or Standards and Compliance for additional investigation.

In addition, the CRU Guidelines state that

for 'rude' driver complaints, [CRU agents shall] call the contact (before forwarding) to obtain an understanding of . . . the sequence of events . . . [and] if the complaint sounds plausible, forward to the Contract Mgr. to further investigate.

Thus, the decisions to refer complaints are made solely by the CRU agents assigned to handle the incidents, and are based on their judgment, considering all known factors, including customer allegations and additional information found during the agents' initial reviews.⁸ However, there is no requirement that CRU agents document their decisions to forward incidents for investigation, and we saw no indication of the basis for these decisions in the sampled cases we reviewed. As a result, CRU will potentially find it more difficult to review the CRU agents' decisions not to seek further investigation of certain complaints. This is a control weakness since an agent's potential errors in judgement cannot be identified, which increases the risk that complaints warranting an investigation will not be appropriately forwarded.

We also found that CRU agents did not consistently make appropriate assessments, based on CRU's criteria, and that complaints warranting an investigation were not always referred. Our review of 145 sampled complaints found 13 (9 percent) complaints (3 safety-related and 10 non-safety-related) that warranted investigations but that were not referred to the appropriate unit for investigation. These 13 complaints included a customer injury, a late pick-up, the wrong pick-up location, unreasonable trip time, the lack of driver's assistance, a rude driver, and a malfunctioning vehicle air conditioner.

We shared these 13 complaints with AAR officials and they agreed that 11 of them should have been referred, but felt that the remaining two did not warrant an investigation. Officials stated that the CRU agents "make judgment calls as to whether or not an investigation is warranted" using the CRU Guidelines for guidance when making the decision, and that "we do not investigate all driver complaints . . . or no shows." Officials also stated that "decisions [to refer complaints for

⁸ A CRU agent's review could include, among other things, contacting the customers and other passengers to obtain more information about the incident and reviewing various MTA-NYCT databases to verify customer information, trip details, the route taken, and the location of the AAR vehicle during the time of the incident, as well as information about the DC, vehicle and driver.

investigation] are primarily based on what would be gained from the outcome” and that “when a preliminary investigation does not confirm the facts of the complaint, no further action is taken.” However, as indicated above, without CRU agents documenting the basis for their referral decisions, CRU officials will not know whether all necessary steps were taken.

Incidents Are Not Timely Reviewed and Completed

According to the CRU Guidelines, CRU agents must complete their reviews of all safety-related incidents within five business days and most non-safety-related incidents within three weeks.⁹ At that point, they must refer the complaints to the appropriate units for investigation, if warranted. The guidelines further state that non-safety incidents should not remain open for more than eight weeks. Once a CRU agent completes a review and determines whether an investigation is needed, a complaint is considered closed, as far as the agent is concerned, and is marked as such in OSC.

A closed complaint, however, does not necessarily mean that the matter has been completely resolved. According to CRU, a complaint is considered “finally closed” only when CRU agents complete their reviews and the complaints have been appropriately addressed with the customers, which could include a phone call or a letter to the customers acknowledging their complaint. However, an incident being “finally closed” by CRU does not preclude Paratransit from investigating further, obtaining a resolution, or including additional documentation in OSC.

We reviewed AAR incident data extracted from the OSC system for the 21,274 complaints recorded in Calendar Year 2016 and that were the subject of this audit, and compared the date the incidents were received and finally closed. These included 712 safety-related complaints and 20,562 non-safety-related complaints. Based on our review, we found that 96 (13 percent) safety-related and 9,029 (44 percent) non-safety-related complaints had not been reviewed and completed in a timely manner. Of those not completed timely, 4 safety-related and 4,106 non-safety-related complaints remained open for more than 8 weeks.

By routinely reviewing the OSC management report tracking outstanding complaints and following up with the CRU agents to ensure that incidents are closed in a timelier manner, Paratransit would significantly strengthen its controls over CRU’s review of incidents. This would better ensure that incidents are appropriately addressed with the customers. It would also help Paratransit ensure that further details are obtained, if necessary, so they can be forwarded to the appropriate unit for investigation. Inadequate monitoring of the time taken by CRU to close complaints increases the risk that the investigations may experience unnecessary delays which could increase risks to AAR passengers and the general public alike.

Sampled Incidents Were Generally Categorized Accurately

According to CRU’s policy, to ensure that safety-related incidents are properly categorized and that investigations of incidents (if warranted) are expedited, incidents should be reviewed by at least two CRU agents to confirm the accuracy of the assigned categories and safety classifications. With some exceptions, our review found that CRU agents generally categorized safety-related incidents accurately. Specifically, our review of 81 sampled non-safety-related

⁹ Incidents that are subject to the three-week requirement include those directly related to carriers and their employees. Complaints that are not directly related to carriers and their employees, such as those related to NYCT’s Travel Services and Eligibility units, may take longer to receive a response and are not subject to the two- to three-week response requirement.

incidents identified five (6 percent) that were not correctly categorized.¹⁰ Four of these incidents were not closed within NYCT's established time frame of five business days for safety-related incidents. For three of these incidents, CRU's decision to close ranged from 36 to 41 business days. The incorrect categorization of safety incidents that may warrant investigation creates delays and raises the risk that potentially dangerous conditions continue and endanger public safety.

At the exit conference, NYCT officials informed us that effective July 2017, CRU fully implemented a new quality control review process in which a random sample of incidents are reviewed each month and the results are documented on a checklist. As part of the quality control review, CRU officials will determine whether: the sampled incidents were reviewed and closed in a timely manner; the incidents were correctly categorized and referred for investigation; and the required investigations were completed. Officials provided us with a copy of a checklist dated July 7, 2017, that documented several quality control reviews of incidents recorded in January and February 2017. We did not test, and therefore cannot confirm, that this new quality control review process is operating as intended.

Recommendations

8. NYCT should require CRU agents to record their referral decisions in OSC, and to document the reason why a complaint was not referred for investigation.

NYCT Response: "NYCT disagrees with this recommendation. CRU has a documented procedure that states what must be investigated and outlines typical/acceptable exceptions. As such, all complaints will continue to be investigated under current practice, which allows the completion of the AAR details tab in OSC. NYCT already tracks all complaints and analyzes trends to help management identify areas of concern that require action."

Auditor Comment: NYCT's response does not address the intent of this recommendation. The procedure cited by NYCT merely provides guidance to agents regarding how investigations should be conducted. It does not, however, provide assurance that the agents are in fact following that procedure and making the correct referral decisions. Requiring CRU agents to document the steps taken to arrive at their referral decisions will better enable Paratransit management to ensure that CRU agents perform all required initial review steps when determining whether or not to refer an incident for investigation. We therefore urge NYCT to reconsider its position and to ensure that this recommendation is implemented.

9. NYCT should require periodic supervisory reviews of the incident records to ensure that CRU agents are appropriately categorizing and referring complaints for investigation.

NYCT Response: "NYCT partially agrees with this recommendation. During the assignment process the agent who is assigning the incidents is responsible for reviewing the incident for accuracy and proper categorization (safety or non-safety). NYCT will enhance its process by including a procedure on the QC checklist to ensure that performance reviews are monitored and conducted in a more consistent manner, and take corrective action with agents as necessary."

¹⁰ The 81 non-safety incidents is comprised of 80 incidents randomly selected from the complete population of Calendar Year 2016 recorded incidents, and one incident judgmentally selected from a three-day sample of OCS records provided to us on November 28, 2016 that covered October 24, 2016 through October 26, 2016. The five incidents incorrectly categorized as non-safety were related to issues of discrimination, reckless driving and lift malfunctions/disputes.

Auditor Comment: In its response, NYCT does not indicate the portion of the recommendation with which it disagrees. Rather, the steps outlined in its response indicates that the agency fundamentally agrees with the recommendation.

10. NYCT should continue to review the OSC management reports to identify those incidents that have not closed, especially those safety-related complaints, and expedite the closing of those incidents to prevent possible delays in referrals and investigations.

NYCT Response: “NYCT agrees with this recommendation. In January 2017, CRU implemented a best practice related to the daily management review of all open incidents enhancing the previous process. Agents are trained on how to prioritize incidents and address them accordingly.

Additionally, emails are sent to the department monthly to highlight key areas of concern, including the number of open incidents, the number of incidents not reviewed within two days of receipt, the number of open safety-related incidents; and the number of open incidents received by email.”

11. NYCT should identify and retrain CRU agents who are misclassifying or failing to refer incidents for appropriate investigation. When in doubt, CRU agents should be required to consult their supervisor to better ensure that proper classification is assigned and referrals are made when necessary.

NYCT Response: “NYCT agrees with this recommendation. In March 2017, CRU implemented a QC program to track and monitor the performance of agents to ensure they are following procedures and to identify agents that require retraining.”

12. NYCT should consider adding features to the OSC system that allow incidents with certain keywords (e.g., discrimination, injury, reckless, speeding and lift) to be automatically categorized as safety-related, thus decreasing the likelihood of a misclassification.

NYCT Response: “NYCT agrees with this recommendation. NYCT is developing an enhancement that will identify key words to facilitate the automatic categorization of safety-related incidents.”

Inadequate Controls over AAR’s Recording of Incident Reports Received

We found that NYCT’s controls do not provide reasonable assurance that AAR incident reports are completely and accurately recorded in OSC. Among other things, we found that NYCT cannot account for every incident report number that was created by OSC relating to an incident made about AAR service. In addition, we found that there are insufficient procedures in place to ensure that every AAR incident reported, including complaints, is adequately recorded. As a result, there is an increased risk that complaints may be made that are never adequately investigated and appropriately resolved.

The New York State Public Authorities Law (Article 9, Title 8, §2930-§2931) requires public authorities, such as the MTA and its subsidiary operations, to establish and maintain a system of internal controls “designed to provide reasonable assurance that the organization will achieve its objectives and mission.” CRU Guidelines specifically identify CRU’s mission to include that it, “ensure that the Division of Paratransit responds in an appropriate and timely manner to the concerns, commendations and inquiries that are submitted about its Access-A-Ride [AAR] service.”

Unaccounted for Incident Report Numbers

We found that the OSC system, which is used to process Paratransit complaints, does not completely account for all of the incident reports it receives, and thus that Paratransit receives. Rather, while the OSC system issues a unique 12-digit sequential incident reference number for every incident reported to NYCT, it does not keep a record of those reference numbers that for various reasons have not been used.¹¹ As a result, NYCT officials were unable to provide a specific explanation for the numerous gaps we found in the incident reference numbers that were actually used, some of which could be related to Paratransit.

Our review of Calendar Year 2016 incidents recorded by all MTA divisions identified over 26,000 missing record reference numbers in the data. Since OSC is also used to record incidents (including complaints) related to other MTA divisions, and the same 12-digit record number sequence is used and automatically assigned by OSC for all incidents regardless of the division initiating the record, it is possible that some of the missing record numbers could relate to divisions other than Paratransit and the AAR program. However, NYCT was only able to provide a deleted record report that identified 67 records deleted throughout MTA by authorized MTA personnel in Calendar Year 2016.

For the remaining missing OSC reference numbers, NYCT officials cited two possible reasons for the gaps, both of which point to deficiencies in OSC's application controls. First, each time an agent initiates a new incident in the OSC system as a result of a received call, the system automatically assigns an incident reference number. However, according to Paratransit officials, if the incident record is canceled by the agent—for example, because the caller was not actually reporting an AAR incident—the incident is not saved in the system and no record is maintained indicating that the reference number was used and later discarded.¹²

In addition, although the public is instructed on the MTA's website to use an email form on the website to report incidents, sometimes individuals attempt to report an incident in emails directly sent to the MTA customer support email address. In these cases, the OSC system is programmed to initially reserve an OSC reference number. However the system is also programmed to block and discard any attempt to create an incident via email, and the system will send a reply stating that the "mailbox is not monitored," providing a link to the MTA website for the sender to report an incident. Therefore, these reserved reference numbers are then discarded, with no record maintained in the system of the number and why it was discarded.

NYCT officials informed us that OSC does not have the ability to generate an exception report, nor does it maintain an audit log tracking the details of missing reference numbers for records that were initiated, but then cancelled. Consequently, neither we nor NYCT can be reasonably assured that the missing record numbers do not represent AAR incidents that should have been recorded and captured in the OSC. As a result, it is possible that serious safety complaints were not recorded or addressed, potentially putting public safety at risk. It also jeopardizes NYCT's ability to assess whether any potential issues exist (such as a possible flaw in the OSC system and procedures, or the agents' misunderstanding of the system) that need to be addressed.

¹¹ The first six digits of the 12-digit number represents the record entry date (two digits each for the year, month and day) and the last six digits represent a system-assigned sequential reference number.

¹² This is particularly an issue where agents take reports from the Comment Line. When responding to calls, agents may initiate an incident in the OSC system prior to getting a full statement from the caller and may learn thereafter that the call does not concern an incident report.

Inadequate Verification of Calls Received by the Comment Line

We also found that Paratransit does not have a procedure to provide reasonable assurance that all calls received via the Comment Line are manually recorded into OSC and that specific details as reported by the callers are correctly documented. Of the 47,001 AAR incidents recorded in OSC, 41,722 (89 percent) were received through calls to the Comment Line. We found that the Comment Line has procedures for its supervisors to: (1) listen to a sample of call recordings to assess call agent performance, including determining whether agents are being courteous and polite, and acting in a professional manner; and (2) review a sample of OSC entries recorded by each agent to determine compliance with the Comment Line's standard operating procedures, including assessing the completeness of the entries. However, we also found that Paratransit does not have any procedure in place requiring the comparison of the call recordings with the OSC entries to confirm that calls are properly recorded in OSC and that the specific incident details are correctly documented as reported by the caller.

Paratransit should institute adequate controls to ensure that customer incidents are recorded and the events are accurately captured in OSC to help achieve its mission of responding timely to customer issues. Moreover, because NYCT has limited assurance that the received incidents are completely and accurately recorded into OSC, and as discussed above, because NYCT has inadequate tracking of incident resolutions, there is a risk that CRU's mission will not be achieved and some incidents may not be addressed in a timely manner or at all.

At the exit conference, NYCT officials informed us that the Comment Line implemented a new procedure in June 2017 in which a sample of calls from each Comment Line agent are periodically reviewed and traced to the OSC entries to determine whether the incident was actually recorded and the incident details were correctly documented. Officials also provided us with copies of completed Comment Line Monitoring Forms prepared in June 2017 and October 2017 for calls received in March 2017 and August 2017, respectively. We reviewed the provided forms and verified that a procedure was added in October 2017 documenting the sampled calls tracing to the corresponding OSC entries to confirm the accuracy of the recorded call details.

Recommendations

13. NYCT should modify OSC to allow it to generate an exception report and/or audit trail, which would identify missing reference numbers and associated record details, such as the source of a reference number, the agent's name and unit. This would enable NYCT to investigate the cause of missing records, and to assess whether any potential issues need to be addressed.

NYCT Response: "NYCT agrees with this recommendation. In October 2017, NYCT began working with its software vendor to modify the OSC database to identify missing reference numbers and associated record details, such as the source of a reference number, the agent name, unit, etc. to improve the quality of data and improve our ability to respond to incidents. NYCT is awaiting a quote from the vendor to determine if the modification is feasible, and if so, the cost. The quote is anticipated to be received in January 2018."

14. NYCT should periodically compare a sample of the Comment Line call recordings with the OSC, so it can be reasonably assured that calls are appropriately recorded into OSC and that the specific incident details are correctly documented as reported by the caller.

NYCT Response: “NYCT agrees with this recommendation. NYCT is identifying opportunities for improvement on an ongoing basis. The call monitoring process was revised in March 2017 to include agent verification of incident details. Further, in November 2017, NYCT implemented functionality that captures the comments section details from the Oracle database (Right Now) incident and attaches it to the related evaluation form in the Nice system. In addition, the Nice system will provide a digital signature file of the call and the review of the Right Now incident.”

DETAILED SCOPE AND METHODOLOGY

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The audit scope was Calendar Year 2016 (January 1, 2016 through December 31, 2016).

To obtain a general understanding of the policies, procedures and regulations governing NYCT Paratransit's complaint resolution process, we reviewed and used as criteria:

- MTA NYCT, Paratransit, Customer Relations guidelines, "55 things you need to know RightNow: Guidelines for assigning, managing, documenting and closing customer incidents," as of March 2015 (CRU's Guidelines);
- MTA NYCT, Department of Buses, "Customer Service Associates Training Manual Comment Line 2016" (Comment Line Manual);
- NYCT Paratransit/Comment Line, "Right Now Checklist," revised on February 22, 2016;
- MTA NYCT Policy/Instructions for Title VI Complaints;
- MTA NYCT "Contract Management Process for Handling Complaints;" and
- MTA NYCT "Standards and Compliance Process for Handling Complaints."

To obtain an initial understanding of NYCT Paratransit's organizational structure, as it relates to the AAR complaint resolution process, we reviewed NYCT's organization charts to identify the reporting structures for the various units involved.

To obtain a general understanding of Paratransit's responsibilities and activities related to AAR incidents, an understanding of the various roles and responsibilities of the Paratransit personnel involved with addressing AAR incidents, as well as to assess existing internal controls over the complaint resolution process, we conducted walkthroughs and interviewed the following Paratransit officials:

- Vice President and Deputy Vice President of Paratransit;
- CRU's Deputy Director of Customer Communications;
- Contract Management Unit's Contract Management Officer;
- Deputy Director of the Comment Line;
- Standards and Compliance Director over Transportation Support; and
- Standards and Compliance Director over Maintenance Support.

In addition, we interviewed the following Paratransit personnel involved with the daily activities to address the AAR incidents:

- CRU Supervisor
- Three CRU Agents

- Comment Line Supervisor
- Two Comment Line Agents
- Four Contract Managers

We documented our understanding of the matters discussed at the walkthroughs and obtained written confirmation from the NYCT Paratransit officials and personnel interviewed.

We conducted a walkthrough of the OSC with CRU's Deputy Director of Customer Communications and met with the Assistant Vice President of Customer Service and Senior Director of Corporate Communications to obtain an understanding of the system, its functions and available data fields tracked in OSC related to AAR incidents. We also observed the Comment Line staff recording complaints received by telephone and reviewed the system's recording and tracking functions used by both the Comment Line and CRU. In addition, to familiarize ourselves with OSC and how it is used by the Comment Line and CRU personnel to record and track AAR incidents, we reviewed the Comment Line Manual, CRU's Guidelines and the RightNow Checklist, as well as obtained read-only access to the system.

NYCT provided us with an electronic file containing 47,001 AAR incidents recorded in OSC from January 1, 2016 through December 31, 2016, and the status of those incidents as of March 17, 2017 (the date the data was extracted and provided to us). Because the OSC reference numbers are generated using the same sequential numbering system for all MTA incidents, to account for all issued OSC reference numbers, we also requested a list of all OSC reference numbers for incidents recorded by all other MTA divisions, including, but not limited to NYC Buses, Subways, Metro-North Railroad and Long Island Railroad. Each incident recorded in the OSC system is automatically assigned a unique 12-digit number: the first six digits represents the OSC record entry date (two digits each for the year, month and day) and the last six digits represent a system-assigned sequential reference number. By review of the provided reference numbers from the population of 219,615 incident records for all MTA and NYCT divisions, we identified over 26,000 missing record numbers in the sequence. To provide reasonable assurance that those missing reference numbers were not AAR recorded incidents, we randomly selected 297 missing incident reference numbers and checked OSC for any record information.

As part of the data reliability, we also evaluated the file to assess the reliability of the information for audit testing purposes. We performed analyses to assess whether duplicate or anomalous records existed (such as data mismatches, date sequence issues, etc.). Based on our review and the results of our testing of the sampled complaints discussed below, we were reasonably assured that the OSC data extract provided by NYCT was a fair representation of the OSC system and that the provided AAR data was reliable for audit testing purposes.

Our review of the 47,001 AAR incident records covering Calendar Year 2016 identified: (1) 22,611 incident records related to DCs; (2) 14,063 incident records related to the BCSPs and voucher car services; and (3) 10,327 incident records that did not have a carrier identified. Because the focus of the audit was on customer complaints against the DCs, we excluded the 14,063 incident records recorded against the BCSPs and voucher car services, and focused our review on the incidents recorded against the DCs. In addition, as part of our audit population we included the 10,327 incidents without an identified carrier. In total, our audit population consisted of 32,938 incident records—the 22,611 records recorded against the DCs and the 10,327 records without an identified carrier.

Of the 32,938 incident records, 21,274 (65 percent) were recorded as complaints, while the remaining 11,664 incident records related to non-complaint incidents (i.e., commendations, reasonable modifications, requests, suggestions and other.) To provide reasonable assurance that the non-complaint incidents were properly categorized and not DC complaints, we randomly selected 40 of the 11,664 incidents and reviewed the OSC records.

We reviewed the 21,274 complaints and identified 712 complaints categorized as safety-related, 20,562 complaints categorized as non-safety-related.¹³ To determine whether NYCT appropriately processed the recorded complaints, we randomly selected a sample of 145 complaints—65 safety-related and 80 non-safety-related. To provide reasonable assurance that the OSC data extract was reliable for audit testing purposes, we compared key data elements (e.g., record date, AAR trip date, incident status, safety relatedness of the complaint, DC name, driver/dispatcher name and closed date) for each sampled complaint to data in the OSC system. Using the same sample of complaints, we reviewed the OSC records for each complaint, including the Comment Line and CRU agents' notes and uploaded attachments. We reviewed this data to determine whether NYCT properly categorized each complaint and followed the appropriate steps while processing and investigating the complaints, as outlined in NYCT's procedures and as explained to us by NYCT officials. We also determined NYCT's timeliness in processing and investigating such complaints. Any noted exceptions were discussed with NYCT officials, and further explanations and additional documentation was requested when necessary.

The results of the above tests, while not statistically projected to their respective populations, provided a reasonable basis, along with other analyses, for us to assess the adequacy of NYCT's controls over its AAR complaint resolution process.

¹³ There was one complaint not categorized in OSC, but we determined to be a non-safety-related incident after our review of the incident details in OSC.



December 28, 2017

Ms. Marjorie Landa
Deputy Comptroller for Audit
NYC Office of the Comptroller
One Centre Street, Room 1100N
New York, NY 10007

Re: Draft Report #MJ17-086A (NYC Transit's Controls over the Process of Handling Access-A-Ride Customer Complaints)

Dear Ms. Landa:

This is in reply to your letter requesting a response to the above-referenced draft report.

I have attached for your information the comments of Phillip Eng, Acting President, MTA New York City Transit, which address this report.

Sincerely,

A handwritten signature in blue ink that reads 'V. Hakim'.

Veronique Hakim
MTA Managing Director

c: Joseph J. Lhota, MTA Chairman
Michael J. Fucilli, Auditor General, MTA Audit Services

Attachments

Memorandum



Date December 27, 2017

To Joseph Lhota, Chairman, MTA

From Phillip Eng, Acting President

A handwritten signature in blue ink, appearing to read "Phil Eng", written over the "From" line.

Re New York City Comptroller Report #MJ17-086A: Controls over the Process of Handling Access-A-Ride Customer Complaints

This information is being provided in response to the New York City Comptroller's audit report on controls over the process of handling Access-A-Ride (AAR) customer complaints at NYC Transit. The purpose of the audit was to determine whether adequate controls over the complaint resolution process have been established.

NYC Transit is committed to providing high quality, safe, and cost-effective paratransit service to our customers in accordance with federal regulatory standards promulgated by the Federal Transit Administration. As the largest operation of its kind in the nation, AAR provided over 6.4 million trips in 2016, supplying enhanced mobility to more than 147,000 residents of New York City. The Paratransit Customer Relations Unit (CRU) receives approximately 33,000 complaints (.005% of trips provided) and 8,000 commendations on a yearly basis. Of the 33,000 complaints, approximately two percent (2%) were safety related which represents .0001% of the total trips provided in 2016.

The CRU has experienced staff of employees that are trained and responsible for booking reservations, addressing customer and executive correspondence, and educating AAR participants through extensive outreach offerings in compliance with departmental policies and procedures. We believe that the internal controls for these functions are adequately designed and performed in a consistent manner. NYC Transit acknowledges that opportunities always exist to enhance the efficiency and effectiveness of our processes while at the same time strengthening our internal controls.

NYC Transit has numerous efforts underway to continually improve the performance of the AAR providers it engages to deliver service. Toward that end, NYC Transit includes very demanding performance standards in its contracts, which place an emphasis on trip performance in terms of timeliness and reliability. In October 2017, NYC Transit initiated an E-hail pilot program to build a better, more efficient and flexible multi-modal trip platform. The E-hail services use web-based applications to match customers with drivers of yellow and green taxis. A significant benefit of the E-hail program is that customers are not expected to pay any out-of-pocket expenses other than the \$2.75 transit fare for themselves and their guests. In the fourth quarter of this year, NYC

Transit launched an enhanced website in an effort to provide greater flexibility in booking AAR trips; and, in January 2018, there will be the ability to provide immediate confirmation.

Recommendation #1: NYCT should immediately review the Oracle Service Cloud (OSC) records to identify any referred complaints without investigation results and follow up with the units to which these complaints were referred to ensure that investigations have been completed and that the complaints have been appropriately addressed. The incident records should then be updated to reflect the investigations results.

NYCT Response: NYCT partially agrees with this recommendation. NYCT has a system in place to ensure investigations have been completed and are appropriately addressed. In September 2017, the CRU implemented an additional flagging process to further track incidents sent for investigation, The OSC was modified, and currently the agents use the status “Investigation Flagged,” which allows the incident to stay more easily visible in the queue until a response is received and the status is changed to closed.

Recommendation #2: NYCT should consider modifying OSC to enable better tracking of incidents and the results of investigations. This would improve the ability of CRU agents to perform their responsibilities, and would increase the ability of management to oversee and evaluate the agency’s operations and those of its contractors by enabling the generation of reports, allowing officials to identify outstanding complaints pending investigation and to assess the overall timeliness of complaint resolutions.

NYCT Response: NYCT agrees with this recommendation. In September 2017, NYCT modified the OSC to include an “Investigation Flagged” status to identify outstanding complaints pending investigation. It should be noted that, prior to this implementation, incidents and resolutions were tracked by the NYCT, however, they were not flagged in the manner recommended. In addition to the above modification, going forward, beginning in February 2018, NYCT will implement a new process in which designated departments receive a report that highlights pending investigation requests.

Recommendation #3: If OSC cannot be modified in the manner recommended above, NYCT should develop and institute a centralized tracking method of referred complains that enables management and CRU agents to better track outstanding complaints referred to other units for investigation.

NYCT Response: See response to recommendation 2.

Recommendation #4: NYCT should require the Contract Management Unit Directors to formally review and assess the individual Contract Managers performance in addressing referred complaints, to ensure that adequate steps are taken and that proper assessments of the dedicated carrier’s actions are made.

NYCT Response: NYCT agrees with this recommendation. In January 2018, NYCT will formally document the procedure, that has previously been in place informally, by requiring Contract Management Unit Directors to formally review and assess the individual Contract Managers’ performance in addressing referred complaints to ensure that adequate steps are taken and that proper assessments of the dedicated carrier’s (DC’s) actions are made.

Recommendation #5: NYCT should develop and disseminate written policies and procedures to appropriate personnel, including Contract Management Unit Contract Managers, detailing the required steps to be performed for each complaint referred for investigation, including the initial complaint review, assessment of DC's actions and follow-up reviews.

NYCT Response: NYCT agrees with this recommendation. Currently, the CMU does follow complaint process guidelines. In November 2017, CMU has enhanced this procedure to include the details of the steps to be performed for each complaint referred for investigations, this will also include the initial complaint review, and an assessment of the direct carriers actions and their follow-up reviews.

Recommendation #6: NYCT should formally assess and document its assessment of the DC'S investigative steps and corrective actions taken to address referred complaints.

NYCT Response: NYCT agrees with this recommendation. In January 2018, NYCT will add to the current process to allow for a formal assessment of the DC's investigative steps and corrective actions to its internal controls.

Recommendation #7: NYCT should formally document its methodology in selecting complaints for follow-up reviews and the results of such reviews.

NYCT Response: NYCT agrees with this recommendation. In January 2018, NYCT will enhance the formal documentation of its methodology in selecting complaints for follow-up reviews and the results of such reviews in addition to the current process.

Recommendation #8: NYCT should require CRU agents to record their referral decisions in OSC, and to document the reason why a complaint was not referred for investigation.

NYCT Response: NYCT disagrees with this recommendation. CRU has a documented procedure that states what must be investigated and outlines typical/acceptable exceptions. As such, all complaints will continue to be investigated under current practice, which allows the completion of the AAR details tab in OSC. NYCT already tracks all complaints and analyzes trends to help management identify areas of concern that require action.

Recommendation #9: NYCT should require periodic supervisory reviews of the incident records to ensure that CRU agents are appropriately categorizing and referring complaints for investigation.

NYCT Response: NYCT partially agrees with this recommendation. During the assignment process the agent who is assigning the incident is responsible for reviewing the incident for accuracy and proper categorization (safety or non-safety). NYCT will enhance its process by including a procedure on the QC checklist to ensure that performance reviews are monitored and conducted in a more consistent manner, and take corrective action with agents as necessary.

Recommendation #10: NYCT should continue to review the OSC management reports to identify those incidents that have not closed, especially those safety related complaints, and expedite the closing of those incidents to prevent possible delays in referrals and investigation.

NYCT Response: NYCT agrees with this recommendation. In January 2017, CRU implemented a best practice related to the daily management review of all open incidents enhancing the previous process. Agents are trained on how to prioritize incidents and address them accordingly.

Additionally, emails are sent to the department monthly to highlight key areas of concern, including the number of open incidents, the number of incidents not reviewed within two days of receipt, the number of open safety-related incidents; and the number of open incidents received by email.

Recommendation #11: NYCT should identify and retrain CRU agents who are misclassifying or failing to refer incidents for appropriate investigation. When in doubt, CRU agents should be required to consult their supervisor to better ensure that proper classification is assigned and referrals are made when necessary.

NYCT Response: NYCT agrees with this recommendation. In March 2017, CRU implemented a QC program to track and monitor the performance of agents to ensure they are following procedures and to identify agents that require retraining.

Recommendation #12: NYCT should consider adding features to the OSC system that allow incidents with certain keywords (e.g., discrimination, injury, reckless, speeding and lift) to be categorized as safety related, this decreasing the likelihood of a misclassification.

NYCT Response: NYCT agrees with this recommendation. NYCT is developing an enhancement that will identify key words to facilitate the automatic categorization of safety-related incidents.

Recommendation #13: NYCT should modify OSC to allow it to generate an exception report and/or audit trail, which would identify missing reference numbers and associated record details, such as the source of a reference number, the agent's name and unit. This would enable NYCT to investigate the cause of missing records, and to assess any potential issues to be addressed.

NYCT Response: NYCT agrees with this recommendation. In October 2017, NYCT began working with its software vendor to modify the OSC database to identify missing reference numbers and associated record details, such as the source of a reference number, agent name, unit, etc. to improve the quality of data and improve our ability to respond to incidents. NYCT is awaiting a quote from the vendor to determine if the modification is feasible, and if so, the cost. The quote is anticipated to be received in January 2018.

Recommendation #14: NYCT should periodically compare a sample of the Comment Line call recordings with the OSC, so it can be reasonably assured that calls are appropriately recorded into OSC and that the specific incident details are correctly documented as reported by the caller.

NYCT Response: NYCT agrees with this recommendation. NYCT is identifying opportunities for improvement on an ongoing basis. The call monitoring process was revised in March 2017 to include agent verification of incident details. Further, in November 2017, NYCT implemented functionality that captures the comments section details from the Oracle database (Right Now) incident and attaches it to the related evaluation form in the Nice system. In addition, the Nice system will provide a digital signature file of the call and the review of the Right Now incident.