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October 22, 2012

Ms. Cathy Potler, Esq.
Executive Director
New York City Board of Correction
51 Chambers Street, Room 923
New York, New York 10007

**Re: Letter Report on the Board of Correction's Monitoring of Its Employees
Who Drive City-Owned or Personally-Owned Vehicles on City Business
(Audit Number 7R13-063AL)**

Dear Ms. Potler:

We are sending this Letter Report regarding the audit of the Board of Correction's (BOC) monitoring of its employees who drive City-owned or personally-owned vehicles on City business.

The objective of this audit was to determine if the Board of Correction is effectively monitoring its employees who drive City-owned or personally-owned vehicles on City business. BOC currently does not own nor has a contractor-leased vehicle.

Conclusion

We found that BOC does not effectively monitor the driving behavior of its authorized drivers. The details of this audit are below.

Failure to Monitor Driving Behavior

According to the City of New York's "City Vehicle Driver Handbook" (Regulations), dated February 2009, §5 Monitoring Drivers the Agency Transportation Coordinator (ATC), the ATC is responsible for the following:

1. Maintaining a copy of each driver's record, which includes tickets, violations, training, and accident reports.
2. Enrolling each City Authorized Driver in the New York State License Event Notification System (LENS). (LENS notifies the Agency of any event that affects a driver's license such as the suspension or revocation of a license).

BOC's ATC did not enroll the Agency's City Authorized Drivers in LENS and last reviewed drivers' records on April 14, 2011. While the most current version of the City Vehicle Driver Handbook says nothing about the frequency of each review, §3.4.2 of the previous handbook, dated 1997, states, "The agency obtain and

review[sic] the driver's Abstract of Operating Record (Abstract) from NYS DMV, or the equivalent from the driver's licensing state, annually."

As agency personnel were not enrolled in LENS and no reviews were performed after April 2011, no monitoring of drivers occurred at BOC for over a year.

The Board of Correction Ineffectively Monitored the Driving Record of the ATC

BOC is required by City policy to review and monitor the annual drivers' records, registration information, and proof of insurance check for all BOC employees who use a personally-owned vehicle on City business. Ensuring compliance with the regulations is the responsibility of the ATC. However, at BOC, the ATC is assigned a City vehicle and is an authorized City driver. Our review of the ATC's driving history shows the following:

- On January 19, 2008, the ATC was charged with Driving While Intoxicated (DWI).
- On February 1, 2008, the ATC's license was suspended.
- On December 18, 2008, the ATC was convicted of DWI and the NYS DMV issued him a conditional¹ license.
- On March 17, 2009, the ATC received a non-restricted license.
- On August 10, 2010, the ATC was in an accident while driving a City vehicle.
- On April 12, 2011, the ATC was informed by BOC that he was not permitted to have access to a City vehicle.

Section 2.2 of the City Regulations states, "Employees assigned to a City Government Vehicle who are charged with and convicted of a DUI or DWI will lose their driving privileges." Based on City Regulations, the ATC should not have had access to a City vehicle on August 10, 2010, when he was involved in an accident because his driving privileges should have been revoked by BOC due to his DWI conviction. BOC did not inform the ATC that he was not permitted to have access to a City vehicle until April 12, 2011.

Other Matter

Despite being informed on April 12, 2011, that he was no longer to have access to a City vehicle, the ATC was assigned a City vehicle on July 18, 2012, by the Department of Correction (Correction). BOC states that it did not authorize this assignment.

¹ A restricted or **conditional license** is issued to a person whose driver's license or privileges for operating a motor vehicle have been suspended or revoked because it is necessary for him/her to have a valid license for his/her employment, business, trade, occupation, or profession, or to travel to and from school. A conditional license is issued if a vehicle is the only means of getting to and from work or if the person's employment requires operation of a motor vehicle. It is also issued for traveling to and from a class or activity that is an authorized part of a drug or rehabilitation program or to court-ordered probation activities. (In all cases, a motor vehicle can only be used during specific hours).

Recommendations

We recommend that BOC should:

1. Immediately re-assign the responsibility of monitoring its drivers to the appropriate senior manager.
2. Enroll BOC employees in LENS.
3. Check on an annual basis the licenses and insurance of those BOC employees who use personally-owned vehicles for City business.
4. Immediately retrieve the City vehicle assigned to the ATC and return it to Correction.
5. If Correction's vehicles are to be used by BOC employees, establish procedures with Correction to prevent unauthorized individuals from obtaining access to vehicles.

Background

As you are aware, New York City requires that only those employees who exercise reasonable care in operating City- or personally-owned vehicles be allowed to use them to conduct City business. This requirement is outlined in the City of New York's "City Vehicle Driver Handbook." All agency heads, through the ATC, must ensure that all employees assigned a City-owned vehicle either for full-time use or temporary use are authorized to drive. It is also the ATC's responsibility to ensure that these drivers have valid licenses and insurance (if they are driving their personal vehicles). The driver's license should be a New York State License unless the employee is exempt from City residency requirements. If this is the case, then the authorized driver must have a valid license from the state where he/she resides and must have the appropriate classification for the vehicle which he/she is driving on City business. The Regulations further specify that City agencies must establish programs that promote safety along with proper training in the use of motor vehicles.

In following these criteria, City agencies use the New York State Department of Motor Vehicles (DMV) LENS program. The ATC is responsible for notifying DMV of all agency-authorized drivers. This enables DMV to notify the ATC of any event that affects the driver's license. This includes: if a license is expiring; points accrued; accidents; driving while impaired; or driving while under the influence. This enables the ATC to ensure that only employees with valid licenses are driving on City business. The City's policy recommends that agencies participate in LENS to monitor the driving behavior of their employees.

Scope and Methodology

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

The scope period of this audit was from January 1, 2009, through September 12, 2012. Our audit reviewed all 10 drivers in our scope period for the agency in the Fiscal Year 2011 Mayor's Management Report.

To meet our objectives, we obtained and reviewed the City of New York "City Vehicle Driver Handbook" issued February 2009 and the subsequent addendum. To determine whether BOC monitors its drivers in

accordance with the City's Regulations, we obtained and reviewed the following: 1) list of all employees who were authorized to drive on City business during our scope period, which included whether a license was necessary to maintain employment; 2) copy of the agency's annual LENS Report, if applicable, which should list all the individuals that the agency has authorized to drive on behalf of City business; 3) documentation that the agency periodically checks the driver's license and insurance coverage of all employees who use a personally-owned vehicle; 4) documentation regarding disciplinary action (if necessary) for DMV notifications of change in driver's license status; and 5) copy of policies and procedures concerning driving a City- or personally-owned vehicle on City business.

BOC is the oversight agency for the Department of Correction. Consequently, its employees have access to Department of Correction vehicles. We also verified that BOC does not own nor lease a vehicle from a contractor to conduct City business as of June 30, 2012.

We accessed the New York State Department of Motor Vehicle Dial-In-Inquiry database to determine whether BOC employees have valid driver's licenses as of August 29, 2012. We also accessed the DMV Dial-In-Inquiry to determine the driving status of those employees who resided outside of New York State (if applicable). Additionally, we performed DMV searches for the driving records of those employees and DMV searches to determine whether vehicle registrations and car insurances were current and valid.

To determine whether BOC possessed a City vehicle, we accessed the DMV Dial-In-Inquiry to determine if any vehicles were registered to BOC as of June 25, 2012. In addition, we contacted the Department of Citywide Administration Services (DCAS) to determine if DCAS had purchased any vehicles for the Commission as of June 30, 2012. We further checked to ensure that BOC and its employees did not have fuel/gas cards.

To determine whether BOC had a contract with a contractor vendor to supply a vehicle, we checked the Comptroller's Office Omnibus Automated Image Storage and Information System (OAISIS) as of June 30, 2012. In addition, we checked the Comptroller's Financial Management System (FMS) and MY CHECKBOOK to determine if any vendors were paid for the use of a vehicle as of June 30, 2012.

The matters covered in this report were discussed with BOC officials during and at the conclusion of this audit. A preliminary draft report was sent to BOC officials and discussed at an exit conference held on October 3, 2012. On October 3, 2012, we submitted a draft letter report to BOC officials with a request for comments. We received a written response from BOC officials on October 17, 2012. In their response, BOC officials generally agreed with the audit's findings and recommendations, stating that they had begun to implement the recommendations.

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

Sincerely yours,



Tina Kim

- c. Amanda Masters, Deputy Executive Director
Elizabeth Weinstein, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations
Vincent Liquori, Director, Financial Audit

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October 17, 2012

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 One Centre Street, Room 1100
 New York, New York 10007-2341

Dear Deputy Comptroller Kim:

This letter constitutes the response of the Board of Correction (BOC) to the Draft Letter Report of the Board of Correction's Monitoring of Its Employees Who Drive City-Owned or Personally-Owned Vehicles on City Business (Audit Number 7R13-063AL).

By way of background and as you know, the Board of Correction is a small agency with a staff of 11 employees. The Board has one City vehicle, which is on loan from the Department of Correction. This vehicle is shared by the Executive Director and Deputy Executive Director, and is used to travel from the Board's downtown office to Rikers Island and Borough jail facilities and hospital prison wards. It is also used to transport Board Members on visits to the City's jails. No BOC staff uses a City car for commuting purposes. Indeed, the Board's six field investigators use their personal vehicles to travel from Rikers Island to borough facilities.

With respect to the recommendations contained in the Draft Letter Report, prior to receipt, the Board began to implement the following measures:

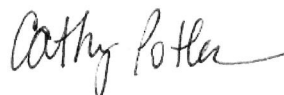
- The responsibility of monitoring drivers [the Agency Transportation Coordinator (ATC) role] was reassigned to the Deputy Executive Director.
- The Deputy Executive Director initiated actions to ensure that all Board staff is enrolled properly in LENS.
- The Board already conducts annual checks of its eight employees who either use our one City vehicle or who use their personal vehicles in the course of

conducting agency business. We will continue to ensure timely reviews in this regard, as well as follow-up actions as appropriate.

- Unfortunately, without my authorization or that of the former head of the agency, a second City vehicle was assigned in July of 2012 to the BOC employee referenced in the audit. Indeed, the employee was not assigned or authorized a City vehicle by the BOC agency head and as the Draft Report points out, was explicitly denied such privilege by the Board. Moreover, as recommended, the car has been returned to the Department of Correction; appropriate disciplinary actions will be taken.
- Lastly, we have established the necessary procedures to ensure that the Department of Correction does not assign a City vehicle to BOC staff without the approval of the Board's Executive Director.

We appreciate the time and effort spent by your staff on the audit. The Board will ensure the effective monitoring of its drivers.

Very truly yours,



Cathy Potler

- c. Amanda Masters, Deputy Executive Director
Elizabeth Weinstein, Director, Mayor's Office of Operations
George Davis III, Deputy Director, Mayor's Office of Operations
Vincent Liquori, Director, Financial Audit