AUDIT REPORT

CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL AUDIT
WILLIAM C. THOMPSON, JR., COMPTROLLER

Audit Report on the Reliability and Integrity of the Department of Housing Preservation and Development's Emergency Repair Program Data

7A08-086

April 1, 2009

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

To the Citizens of the City of New York

Ladies and Gentlemen:

In accordance with the responsibilities of the Comptroller contained in Chapter 5, §93, of the New York City Charter, my office has audited the reliability and integrity of the Department of Housing Preservation and Development's Emergency Repair Program data.

The Emergency Repair Program performs repairs to correct emergency conditions reported by tenants in privately-owned and City-owned buildings when those conditions are not corrected by property owners. We audit systems and technological resources of the City agencies such as this to ensure that they are cost-effective, efficient, secure, and operate in the best interest of the public.

The results of our audit, which are presented in this report, have been discussed with Department of Housing Preservation and Development officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please e-mail my audit bureau at audit@Comptroller.nyc.gov or telephone my office at 212-669-3747.

Very truly yours,

William C. Thompson, Jr.

WCT/fh

Report: **7A08-086**
Filed: **April 1, 2009**

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Office of the Comptroller
Bureau of Financial Audit
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Emergency Repair Program Data

7A08-086

AUDIT REPORT IN BRIEF

We performed an audit of the reliability and integrity of the Department of Housing Preservation and Development's (HPD) Emergency Repair Program data. The responsibilities of HPD include maximizing the availability, affordability, and quality of housing in New York City. HPD's Central Complaint Bureau, which is part of the City's 311 government information system, receives all complaints about emergency conditions from tenants in privately-owned and City-owned buildings. These complaints are entered into the HPDInfo computer system.

If the repairs are not made within the 24-to-72-hour period, HPD, through its HPDInfo's Emergency Repair Program (ERP),[1] hires a contractor or assigns its own employees to make the repair. Regardless of whether HPD employees or vendors correct the emergency condition, HPD notifies the Department of Finance (DOF) of the cost of the repair. DOF is responsible for billing the owner for the cost of the repair.

Audit Findings and Conclusions

The ERP data exists in a secure environment with restricted access and is readily available to its users. We found that data in all mandatory fields is entered in the correct data format (i.e., numerical format, date format, or letter format). However, we uncovered inaccurate and incomplete data, and unused data fields within ERP database. Access to ERP data is obtained through a pre-approval process, although access-control weaknesses exist: ERP is not equipped with an automatic lockout feature for invalid login after a predetermined number of unsuccessful attempts to access ERP data, and users no longer employed by HPD or on leave still maintain active ERP access. Therefore, we could not ascertain whether the ERP database is accurate, complete, or reliable for the process of paying vendors and billing property owners.

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[1] ERP data resides on the client server of the HPDInfo system.

Audit Recommendations

To address these issues, we recommend that HPD:

- Perform an edit check and create a system control to ensure that the ERP vendor information is complete, accurate, and up-to-date.

- Review ERP tables, deleting any unused fields in a particular table, thus eliminating the possibility that inaccurate information is introduced into the system.

- Develop written policies and procedures for password-security control for the ERP database.

- Develop written policies and procedures for tracking system users and terminating inactive User IDs. In addition, HPD should periodically review the status of inactive user accounts and terminate access, when appropriate.

- Terminate inactive accounts identified in this audit.

INTRODUCTION

Background

The responsibilities of the Department of Housing Preservation and Development include maximizing the availability, affordability, and quality of housing in New York City. HPD's Central Complaint Bureau, which is part of the City's 311 government information system, receives all complaints about emergency conditions from tenants in privately-owned and City-owned buildings. These complaints are entered into the HPDInfo computer system. The Central Complaint Bureau, through its callback service, informs the property owner of the allegation and issues a Notice of Complaint—a copy of which is sent to the property owner and the complainant.

An electronic version of the complaint is forwarded to the appropriate HPD borough Code Enforcement Bureau (a division of the HPD Enforcement Services Bureau), where a callback coordinator attempts to determine whether the emergency condition still exists. If the complainant tenant cannot be reached or if the tenant reports that the condition still exists, an inspector is sent to observe the reported condition. Information gathered during the inspection is entered into HPDInfo. If the inspection found that the emergency condition was not corrected, a notice of violation is issued to the owner, who—depending upon the existing condition—is given 24 to 72 hours to make the repairs.

If the repairs are not made within the 24-to-72-hour period, HPD, through its HPDInfo's Emergency Repair Program, hires a contractor from a pre-approved list using an Open Market Order, or assigns its own employees to make the repair, using its Handyman Work Order. In cases where the complaint involves fuel delivery or lead or asbestos testing and abatement, HPD uses vendors with whom it has annual contracts to supply the necessary services. If the complaint involves a shutoff of electricity or gas because the owner did not pay the building's utility bill, HPD assumes the account and pays the utility company to restore service to the common areas of the building.

Regardless of whether HPD employees or vendors correct the emergency condition, HPD notifies Department of Finance of the cost of the repair. DOF is responsible for billing the owner for the cost of the repair. If the owner fails to pay the bill within 60 days, a lien is placed on the property.

Objectives

The objectives of the audit were to determine whether ERP data:

1. Exists in a secure environment and is readily accessible to all appropriate HPD units.

2. Contains pertinent information and is reliable for the processing of payments to vendors and the billing of property owners.

Scope and Methodology

Our audit scope focused on Fiscal Year 2006 and Fiscal Year 2007 ERP data. Fieldwork was conducted from October 2007 to September 2008. To achieve our audit objectives, we interviewed various HPD officials to obtain background on their data-processing environment, and payment and billing process. In addition, we:

- Reviewed and analyzed ERP's operation policy regarding the sign-off process to determine whether HPD is complying with its policy.

- Observed how the process functions by conducting a walk-through of the HPD data processing area.

- Reviewed ERP data-access control policy and procedures to determine whether these policies and procedures comply with Department of Information Technology and Telecommunication (DoITT) security directives.

- Compared the ERP users on HPDInfo with the City's Payroll Management System (PMS) to determine whether these users are authorized active employees.

- Analyzed the database structure and record-layout information from the ERP data elements and tables in order to select our sample for review.

- Selected 25 of 91 tables containing critical emergency repair information from Fiscal Years 2006 and 2007, analyzing these tables to assess whether they conform to system specification.

- Obtained ERP records and performed data-integrity tests to determine whether the data recorded in the ERP database is accurately entered, complete, and reliable. These tests included evaluating data relationships, assessing the completeness of information, and determining overall reliability of the data in the system.

- Conducted frequency tests to determine whether any of the fields designated as mandatory fields have been left blank.

- Examined records for valid dates and codes in each record to determine whether the information recorded complied with the required attributes as designated by the system specifications.

- Reviewed the Fiscal Unit suspense files to determine whether these files were corrected.

- Randomly selected 50 invoice samples that were greater than $600 to determine whether they had appropriate approvals, as required by the HPD Engineering Audit Division.

- Reviewed and examined the pre-approved ERP vendor file to determine the accuracy and completeness of the data.

- Reviewed the list of the contractors used with the ERP vendor file, to determine whether the contractors are pre-approved ERP vendors.

- Examined the list of ERP handymen to verify that they are not on the ERP vendor file.

- Reviewed ERP's disaster-recovery and contingency-planning procedures.

As criteria, we used the Department of Information Technology and Telecommunications Citywide Information Security Directives and Policies, the National Institute of Standards and Technology (NIST) *Generally Accepted Principles and Practices for Securing Information Technology System*, and the New York City Comptroller's Internal Control and Accountability Directive #18, "Guidelines for the Management, Protection and Control of Agency Information and Information Processing Systems."

This audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included tests of the records and other auditing procedures considered necessary. This audit was performed in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

Discussion of Audit Results

The matters covered in this report were discussed with HPD officials during and at the conclusion of this audit. A preliminary draft report was sent to HPD officials and discussed at an exit conference held on January 7, 2009. On January 23, 2009, we submitted a draft report to the HPD officials with a request for comments. We received a written response from HPD officials on February 12, 2009. In their response to the five recommendations, HPD officials generally agreed with three, disagreed with one, and did not address one. The full text of the HPD response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

The ERP data exists in a secure environment with restricted access and is readily available to its users. We found that data in all mandatory fields is entered in the correct data format (i.e., numerical format, date format, or letter format). However, we uncovered inaccurate and incomplete data, and unused data fields within ERP database. Access to ERP data is obtained through a pre-approval process, although access-control weaknesses exist: ERP is not equipped with an automatic lockout feature for invalid login after a predetermined number of unsuccessful attempts to access ERP data, and users no longer employed by HPD or on leave still maintain active ERP access. Therefore, we could not ascertain whether the ERP database is accurate, complete, or reliable for the process of paying vendors and billing property owners.

Data Reliability

We found that data in all mandatory fields are entered in the correct data format (i.e., numerical format, date format, or letter format). However, the ERP database, specifically the vendor file, contained blanks, negative numbers, and invalid numbers. These weaknesses diminish the integrity, reliability, and completeness of the information, creating the potential for duplicate, inaccurate, and fraudulent payments. Comptroller's Directive #18, §8.2, requires that "agencies must ensure that every transaction entering the information processing environment is authorized, recorded, and processed completely and accurately, protected from physical loss, theft, or unauthorized manipulation, and that the data file integrity is preserved."

Inaccurate and Incomplete Data

HPD is responsible for verifying the authenticity of the vendors that the agency uses for ERP services. Our tests found that 250 of 12,607 ERP vendor records (1.98 percent) in the ERP database contain inaccurate or incomplete information (Table I).

Table I
Inaccurate or Incomplete Information in ERP Vendor Files

Vendor Issues	Number of Inaccuracies
Missing Vendor Names [a]	33
Negative FISA Vendor ID Numbers [b]	8
Invalid FISA Vendor ID Numbers	113
Missing/Zero FISA Vendor ID Numbers	96
Total	**250**

(a) Vendor information should include proper vendor names.
(b) All register vendors should have a legitimate FISA ID consisting of 11 non-negative number and/or character combinations.

We conducted further tests to determine whether any of the 250 vendors were used by HPD and subsequently paid and found that none were used or paid for any services during our audit period. However, the existence of a control weakness that allows these types of inaccuracies

in the data fields creates an environment where there is no assurance that the database will be accurate, complete, and reliable.

Suspended Transactions

If a contractor is used for repairs, a voucher is approved for payment, and HPD's Fiscal Central Administration Unit sends an electronic file to the City's Financial Information Services Agency (FISA) to generate payment from the City's Financial Management System (FMS). HPD uses authentication and encryption methodology to protect its transfer of data. When the check is issued to the vendor, HPD uploads the check information into HPDInfo and forwards the information to DOF. DOF is responsible for recouping the cost of repairs by billing and collecting the amounts from the property owners. However, when a problem occurs during billing transactions, DOF creates and returns a suspense file to HPD. HPD has established a research and reconciliation unit to investigate the condition causing the problem. Once the reconciliation unit corrects the problem, HPD resends the file to DOF. We reviewed the suspense files for 2007 and found that 104 (.01 percent) of 107,221 transactions were suspended due to transaction errors. These suspense files were corrected within two days, and none of the missing information concerned critical emergency repair data. See Table II below.

Table II
Suspended Transactions

Reason for Suspension	Number of Inaccuracies
Account Error	12
Charge Adjustment Error	9
Entity Error	50
Multi-Charge Error	3
Period Error	30
Total	**104**

Although these items do not suggest a serious problem, it does indicate that errors are made and released to DOF for payment. However the controls in FMS prevent incorrect payments from being made.

Recommendation

HPD should:

1. Perform an edit check and create a system control to ensure that the ERP vendor information is complete, accurate, and up-to-date.

HPD Response: "Suspended transactions have nothing to do with vendor information. Vendor information is thoroughly checked prior to the payment being made. Suspensions are caused by property record differences between HPD and DOF. The point of the suspended transactions is to identify records that have differences and review and edit prior to writing the record at DOF. The low percentage rate of suspensions

indicates that the systems are doing their jobs. The 24-48 hour correction period indicates that the records are being corrected in a timely manner."

Auditor Comment: HPD did not address the recommendation. During the course of the audit, we found problems in the ERP vendor records such as missing vendor names, missing FISA IDs, and invalid FISA Vendor ID numbers.

Unused Data Fields

NIST Publication 500-223, *Software Engineering Practices*, §§4 and 5, states, "Software engineering practices are those techniques recommended either to prevent errors from being entered into the software during development, or are properties to be built into high integrity software. . . . The way in which the software is designed contributes greatly to its quality." Properly identifying necessary data fields in the design of a system ensures that the system is properly documented and will thereby maintain a high level of quality and integrity. Conversely, unused and unnecessary data tables and fields could degrade the integrity of a database and lengthen the processing time of critical information. Table III below, shows the data fields in specific data tables that contain no information and are defined in the ERP tables as *not* mandatory. Therefore, these fields are most likely not used by HPD. (For a full list, see Appendix.)

Table III
Number of Blank Fields in ERP Tables

Table Name	Number of Blank Fields
BU	2 of 28 fields
BU_EMPL	2 of 29 fields
BU_ITEM	2 of 28 fields
CHECKBOOK	1 of 20 fields
CMPLNT_HEADER	5 of 73 fields
CMPLNT_DETAILS	20 of 78 fields
CMPLNT_RESULT	1 of 80 fields
EMPL	1 of 24 fields
INSPECTION	3 of 61 fields
INVOICE	29 of 79 fields
INVOICE_ADJ	1 of 17 fields
INVOICE_REJ	2 of 12 fields
ITEM	3 of 32 fields
OMO	35 of 203 fields
PAYMENT	6 of 41 fields
VENDOR	1 of 38 fields
VIOLATION	14 of 61 fields
VIOL_REINSP_RESULT	3 of 27 fields
VIOL_OMO	1 of 14 fields
VOUCHER	8 of 40 fields
VIOL_CNTCT	3 of 24 fields
VIOL_SCOPR_RESULT	5 of 24 fields
WORK_ORDER_ITEM	5 of 39 fields

By properly identifying and removing these unused ERP data fields, HPD can ensure the integrity of the data and improve the efficiency of program changes and maintenance of ERP data. In addition, removing those unused fields would prevent the possibility of erroneously entering any data into those fields.

Recommendation

HPD should:

2. Review ERP tables, deleting any unused fields in a particular table, thus eliminating the possibility that inaccurate information is introduced into the system.

HPD Response: "Fields identified as unused for the audit period have been used in the past and hold historic data. The same fields could be used in the future. Eliminating them would affect the functionality of the application. In addition, the number of fields that fall into this category is very small."

Auditor Comment: We believe HPD should thoroughly review its unused data fields and determine whether they are obsolete. Once the fields have been identified as obsolete, the historic data that resides in those fields should be archived.

Access Control Weaknesses

DoITT's Vulnerability Management Policy states, "All City of New York information systems must be monitored for vulnerabilities to maintain their operational availability, confidentiality, and integrity." One monitoring control is to restrict access to only those users who are authorized to access the system. User identifications (IDs) and passwords are among the most widely used forms of access control. Our review revealed the following weaknesses in HPD's access controls over ERP data in HPDInfo.

Lack of Password-Security Controls

HPD has password access controls for its network. However, HPD does not have user account password policies and procedures for the ERP database. Access to ERP data does not require users to periodically change their passwords by having a password expiration date. DoITT's Password Policy states that "All passwords and Personal Identification Numbers used to protect City of New York systems must be appropriately configured, periodically changed, and issued for individual use."

Lack of Central Access Controls

The HPD network is equipped with automatic lock-out features. However, the ERP database is not equipped with a feature that suspends or disables a user's access to the system after a predetermined number of unsuccessful log-in attempts. DoITT Password Policy also states, "All accounts that provide access to sensitive, private or confidential information must be automatically disabled after five (5) sequential invalid login attempts within a fifteen (15) minute

period. After being disabled, the account must remain locked out for a minimum of fifteen (15) minutes."

User Accounts Not Adequately Controlled

HPD provided a list of current ERP users as of August 2008. We found 41 of 524 users had not logged onto the ERP database in the previous six months. These inactive users were not disabled or deleted from the system. To determine whether the ERP users were active employees, we matched the 524 ERP users with the PMS database. We found that 18 of the 41 users were no longer employed by HPD or were on leave according to the PMS database, but still had active ERP data access. DoITT's Password Policy also states, "Administrative passwords must be changed every sixty (60) days, or when an individual who has knowledge of the password leaves their job function." Neglecting to delete inactive users increases the vulnerability of the system to error, misuse, and abuse.

Recommendations

HPD should:

3. Develop written policies and procedures for password-security control for the ERP database.

HPD Response: "TSD [Technology and Strategic Development] will institute a UserID/Password procedure for the entire HPDINFO module (ERP included). Policy rules will be identical to existing accepted network policy (complex password that must be changed every 90 days with a 3 log-on lockout policy)."

4. Develop written policies and procedures for tracking system users and terminating inactive User IDs. In addition, HPD should periodically review the status of inactive user accounts and terminate access, when appropriate.

HPD Response: "HR along with TSD will refine the protocol for de-activating employees when they disengage from the agency."

5. Terminate inactive accounts identified in this audit.

HPD Response: "Through a 'cleanup' project, TSD will inactivate all accounts identified in the report."

Blank Field Names in the ERP Tables

Table Name	Field Name
BU	BUSB_PHON2_EXT
	FAX2
BU_EMPL	BUSN_PHON2_EXT
	TAS_EXT_DT
BU_ITEM	WHS_SEC_B
	PLAN_QTY
CHECKBOOK	ENCUMBRANCE_SEQ_NO
CMPLNT_HEADER	RERL_MSG
	AM_PM_IND
	DATE_NOTICE_SENT
	MORE_THEN_2_APT
	CHILD_SURVEY_FLAG
CMPLNT_DETAILS	DOWN_DT
	RFRL_MSG
	CMPLNT_MATRL_TYP
	MNFCTR_MAKE
	MNFCTR_MODL
	OWNER_AGNT_INSTL_FLAG
	PROB_HT
	PROB_LNGTH
	PROB_WID
	VIOL_TYPE
	OFFNS_CLR_DT1
	AREA_CLR_DT
	OFFNS_CLR_DT2
	CATGRY_PROB_DESC
	REG_SRVC_STRT_DT
	REG_SRVC_END_DT
	FUEL_TYPE
	LEAD_FLAG
	OWNER_APPNTMNT_DT
	CHILD_OVER_SIX
CMPLNT_RESULT	ADDTNL_COND_INFO
EMPL	AVL_UNTL
INSPECTION	INS_MI_REJECT_CD
	INS_M_DOM_HEAT_REST_DT
	INS_M_AO_HEAT_REST_DT
INVOICE	I_REJ_LTR_SENT
	I_REJ_LTR_DT
	NO_OF_GL
	VNDR_STMT_SEQ_NO
	VNDR_TICKET_NO
	VNDR_CNTCT_SEQ_NO
	DLVRY_DT
	VNDR_TRUCK_SEQ_NO
	LOAD_NO
	BU_EMP_SEQ_NO
	WAIVER_NUM
	METER_IN_NUM

Table Name	Field Name
INVOICE (continued)	METER_OUT_NUM
	VNDR_PRICE_PER_GL
	HPD_PRICE_PER_GL
	SRVC_ITEM_SEQ_NO
	TYP_OF_SRVC
	DLVRY_QTY
	DLVRY_QTY_UOM
	FUEL_TYP_COD
	FMS_REF_LINE
	I_INVC_BILL_AMT_TEMP
	I_INVC_PAY_AMT_TEMP
	SUB_VNDR_SEQ_NO
	INVC_STATUS_REASN
	ACTUAL_START_DT
	ACTUAL_END_DT
	CORRECTED_BILL
	BU_EMPL_SEQ_NO
INVOICE_ADJ	TIMESTAMP
INVOICE_REJ	REC_STTS
	TIMESTAMP
ITEM	ALT_NUM
	CONV_FACTOR
	VNDR_SEQ_NO
OMO	DEMOL_COMM_OVRWRGHT_DT
	DEMOL_COMM_OVRWRGHT_USERID
	DEMOL_COMM_OVRWRGHT_FLAG
	CONTRACT_ITEM_SEQ_NO
	MAILING_RULE_SEQ_NO
	O_RECOMMNDD_VNDR
	GORDIAN_FEE
	OMO_CANCEL_DT
	O_ACTION_CD
	O_BARR_REFFERAL_NO
	O_SIG_BMRS_FLAG
	O_SIG_BMRL_FLAG
	O_SIG_DD_FLAG
	O_SIG_AOD_FLAG
	O_OMOWTS_SEQNO
	O_OMO_DESC_FLAG
	O_REPORT_CAT
	O_FEDERAL_FUND_PCT
	O_STATE_FUND_PCT
	O_CITYNONEX_FUND_PCT
	CANCEL_APPRV_REQR
	ER1_SUB_COD
	O_DELETE1
	O_DELETE3
	O_ENCUMBERED_DT
	O_DATE_REDUCED
	O_DOM_HEAT_REST_DT
	O_AFFIRMATION_DT

Table Name	Field Name
OMO (continued)	O_DOM_SRVC_REST_DT
	O_TMP_HEAT_REST_DT
	O_TMP_SRVC_REST_DT
	REQ_SRVC_END_DT
	REQ_SRVC_STRT_DT
	REQ_SRVC_WORK_TYPE
	RETAIN_PERCENT
PAYMENT	EXT_COD
	CANCEL_BY
	PMS_OMO_PREFIX
	FMS_REF_LINE
	LINE_AMT_TEMP
	DISC_MNT_TEMP
VENDOR	DELETE1
VIOLATION	WORK_LOC
	ER1_EXTRCT_DT
	ER1_EXTRCT_IND
	IBM_EXTRCT_IND
	SECD_OFFNS_FLG
	VIOL_CLR_FLG
	ESB_VIOL_REPR_PRTY
	TANK_SIZE
	REINSP_REQ_SEQ_NO
	VIOL_APPR_DT
	FUNCTION
	NO_OF_WG_TO_REPAIR
	NO_OF_WG_TO_INSTALL
	NO_OF_WG_TO_REINSTALL
VIOL_REINSP_RESULT	MAIL_ER_VIOL
	DOC_TYPE
	FUNCTION_NM
VIOL_OMO	SCOPE_VIOL_SEQ_NO
VOUCHER	BATCH_NUMBER
	BATCH_DT
	MAIL_VENDOR_NM
	ASSIGN_VENDOR
	ASSIGN_VENDOR_ALT_ADDR_SEQ_NO
	DT_TRX_DOF
	VOUCHER_TYPE
	CHECK_AMT_TEMP
VIOL_CNTCT	AVLBL_TIME_FROM2
	AVLBL_TIME_TO2
	FUNCTION_NM
VIOL_SCOPE_RESULT	INSP_TYPE
	INSP_ORGN
	INSP_RESULT_REASON
	DOC_TYPE
	FUNCTION_NM
WORK_ORDER_ITEM	CURNT_COST_PER_UNIT_MSUR
	PICK_APPRV_BY
	PICK_APPRV_DT
	EXCESS_QTY_RTN
	WHS_QTY_TRX_TO

NYC

**Department of
Housing Preservation
& Development**
nyc.gov/hpd

MARC JAHR
Acting Commissioner

Office of the Commissioner
100 Gold Street
New York, N.Y. 10038

February 12, 2009

John Graham
Deputy Comptroller for Audits, Accountancy & Contracts
Office of the New York City Comptroller
1 Centre Street- Room 530 South
New York, New York 10007-2341

Re: Audit on the Reliability and Integrity of the Department of Housing Preservation and
       Development's Emergency Repair Program Data
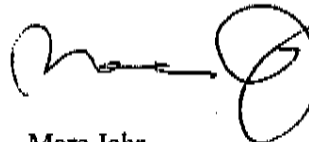   Audit Number: 7A08-086

Dear Mr. Graham:

The following represents the Department of Housing Preservation and Development's response to the
recommendations made in your audit on the Reliability and Integrity of the Department of Housing
Preservation and Development's Emergency Repair Program Data.

If you have any additional questions, please call Deputy Commissioner Bernard Schwarz at 863-6610.

Thank you.

Sincerely,

Marc Jahr

AUDIT RESPONSE
NEW YORK STATE COMPTROLLERS AUDIT
NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
RELIABILITY AND INTEGRITY OF HPD'S EMERGENCY REPAIR PROGRAM DATA
REPORT 7A 08-086

Finding	**Recommendation 1.**	**Response 1.**
Suspended Transactions	HPD should perform an edit check and create a system control to ensure that the ERP vendor information is complete, accurate, and up-to- date.	Suspended transactions have nothing to do with vendor information. Vendor information is thoroughly checked prior to the payment being made. Suspensions are caused by property record differences between HPD and DOF. The point of the suspended transactions is to identify records that have differences and review and edit prior to writing the record at DOF. The low percentage rate of suspensions indicates that the systems are doing their jobs. The 24-48 hour correction period indicates that the records are being corrected in a timely manner.
Unused Data Fields	**Recommendation 2.** HPD should review ERP tables, deleting any unused fields in a particular table, thus eliminating the possibility that inaccurate information is introduced into the system.	**Response 2.** Fields identified as unused for the audit period have been used in the past and hold historic data. The same fields could be used in the future. Eliminating them would affect the functionality of the application. In addition, the number of fields that fall into this category is very small.
Access Control Weaknesses	**Recommendation 3.** HPD should develop written policies and procedures for password – security control for the ERP database.	**Response 3.** TSD will institute a UserID/Password procedure for the entire HPDINFO module (ERP included). Policy rules will be identical to existing accepted network policy (complex password that must be changed every 90 days with a 3 log-on lockout policy).
	Recommendation 4. HPD should develop written policies and procedures for tracking system users and terminating inactive User IDs. In addition, HPD	**Response 4.** HR along with TSD will refine the protocol for de-activating employees when they disengage from the agency.

AUDIT RESPONSE
NEW YORK STATE COMPTROLLERS AUDIT
NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
RELIABILITY AND INTEGRITY OF HPD'S EMERGENCY REPAIR PROGRAM DATA
REPORT 7A 08-086

should periodically review the status of inactive user accounts and terminate access, when appropriate.

Recommendation 5.
Terminate inactive accounts identified in this audit.

Response 5.
Through a 'cleanup' project, TSD will inactivate all accounts identified in the report.