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OFFICE OF THE COMPTROLLER
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AUDIT

BUREAU OF AUDIT

May 12, 2015

By Electronic Mail

Commissioner Emily Lloyd
New York City Department of Environmental Protection
59-17 Junction Blvd.
Flushing, NY 11373

**Re: Letter Report on the New York City Department of Environmental Protection's
Compliance with Local Law 36 (Audit Number SZ15-106AL)**

Dear Commissioner Lloyd:

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

Background

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

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

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

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

Findings and Recommendations

Our audit found that DEP fully complies with Local Law 36. We found that DEP source-separates its recyclable materials, has designated a lead recycling/sustainability coordinator and assistant coordinators, and has established an agency waste prevention, reuse and recycling plan which is updated and reported annually. Our findings are outlined in the table entitled Compliance Summary below.

COMPLIANCE SUMMARY		
Local Law 36 Criteria	Compliance	Notes
Recycles designated materials	Yes	Overall, the program complied
Designates waste prevention, reuse and recycling coordinator	Yes	DEP designated a lead coordinator and assistant coordinators
Establishes a waste prevention, reuse and recycling plan by July 1, 2011	Yes	DEP has a waste prevention, reuse and recycling plan
Submits annual report to the agency head and DSNY Commissioner	Yes	Annual reports were submitted for Fiscal Years 2012, 2013, and 2014

In addition to these findings, we observed that DEP has made additional efforts to address waste prevention, reuse, and safe handling of hazardous waste beyond the requirements of the local law. Specifically, DEP has a Recycling Team that focuses on ways to make recycling more accessible and uses its intranet and SharePoint communication systems to share this information and ideas with its employees. In addition, DEP has integrated its recycling plan into the Agency Recycling and Pollution Prevention Policy to facilitate the recycling process at all of DEP’s facilities. DEP has also assembled a recycling committee to oversee the strategic implementation of its recycling plan. Furthermore, DEP’s Audit Department conducts periodic audits and on-site observations to assess compliance with Local Law 36 at each facility. These measures were taken in accordance with DSNY’s additional guidelines enacted pursuant to Local Law 36.

Scope and Methodology

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

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

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

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

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

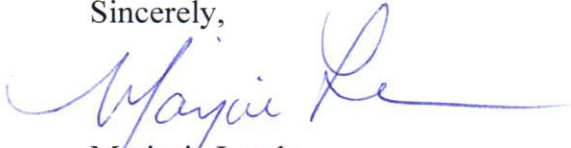
Because many agencies may have pursued initiatives beyond these core requirements, we recognized agencies' additional actions regarding recycling and sustainability. Our observations are based on the additional actions established by DSNY in its waste prevention, reuse and recycling plan implementation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

Based on our positive conclusion, we recommend that DEP continue its current process in accordance with the applicable regulations and continue with its other initiatives.

The issues covered in this report were discussed with DEP officials during and at the conclusion of this audit. On April 21, 2015, we submitted a draft letter report providing DEP with an opportunity to formally respond. DEP's response was received on May 4, 2015. In its written response, DEP agreed with the report and stated that it will continue to improve its waste prevention initiative.

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

Sincerely,



Marjorie Landa

- c: Persis Luke, Assistant Commissioner of Environmental Health & Safety
- David Nadler, Director of EHS Strategic Planning
- Mark Ritze, Assistant Commissioner, Management Planning and Analysis
- John Lento, Special Assistant, Management and Audit
- Mindy Tarlow, Director, Mayor's Office of Operations
- George Davis, III, Deputy Director, Mayor's Office of Operations



May 4, 2015

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Office of the Comptroller
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Attn: Marjorie Landa

Emily Lloyd
Commissioner

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Re: Draft Letter Report –NYC DEP Compliance to Local Law 36
(Audit Number SZ15-106AL)
Issuance Date 04/21/2015
Compliance Summary: Fiscal Years 2012-2014 (Annual
Reports)

Dear Deputy Comptroller Landa:

This letter responds to the above-referenced Draft Letter Report on the NYC Department of Environmental Protection's (DEP) compliance with Local Law 36, which addresses waste prevention, reuse and recycling by City agencies. Your recent audit findings state that DEP fully complies with Local Law 36.

This achievement was accomplished through the diligent efforts of all DEP employees under the guidance of our lead and assistant sustainability coordinators. Online and in-person trainings and a clear communications plan have been essential to the success of DEP's recycling program. Our agency continues to improve our waste prevention initiative by pursuing a number of additional efforts:

- The Recycling Committee has expanded to include members of upstate offices as the program has been extended beyond the five boroughs.
- DEP has developed a new mandatory computer-based training program that provides information about the centralized waste and recycling centers.
- Our agency is committed to the continual improvement of our recycling education and infrastructure. DEP's Recycling Committee will regularly evaluate its operations and outreach efforts for optimal effectiveness.

If you have any further questions regarding DEP's recycling policies or procedures, please do not hesitate to reach out.

Sincerely,

A handwritten signature in black ink, appearing to read 'Emily Lloyd', written over a horizontal line.

Emily Lloyd

c: Steven Lawitts, First Deputy Commissioner
Persis Luke, Assistant Commissioner, Environmental Health & Safety
John Lento, Special Assistant, Management and Audit