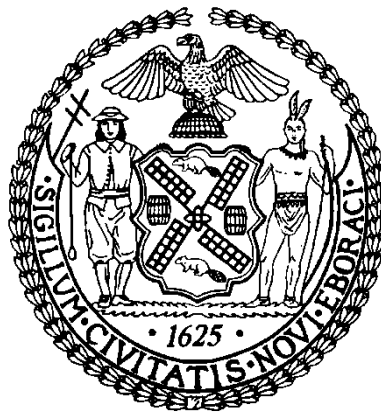


**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

**John C. Liu
COMPTROLLER**

MANAGEMENT AUDIT

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**Audit Report on the Design Commission's
Controls over the Design Review Process**

MD11-089A

May 4, 2012

<http://comptroller.nyc.gov>



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

John C. Liu
COMPTROLLER

May 4, 2012

To the Residents of the City of New York:

My office has audited the New York City Design Commission's (Commission) controls over the design review process. We audit City entities such as this as a means of ensuring that processes are performed in an efficient manner.

The audit found that the Commission held all the required public hearings within the audit scope and posted the agendas, submission guidelines, and presentation guidelines on the Commission's website. The Commission's staff performs a thorough review of the submission documents and sends follow-up questions to agencies in a timely manner.

However, the audit also concluded that the Commission needs to improve its internal controls over the design review process to ensure that the process is completed in an efficient manner. The Commission has not established formal procedures governing the design review process and has not established goals to assess the efficiency and timeliness of the design review process. In addition, the Commission does not formally factor in cost-benefit considerations when requesting design changes.

The audit makes five recommendations, including that the Commission should develop and use formalized written procedures for its design review process, develop efficiency and timeliness measures for the design review process and establish performance targets, and document the discussions with submitting agencies regarding cost changes to projects due to design modifications requested by the Commission.

The results of the audit have been discussed with Commission officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my audit bureau at audit@comptroller.nyc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "JCL".

John C. Liu

Table of Contents

AUDIT REPORT IN BRIEF 1

 Audit Findings and Conclusions..... 1

 Audit Recommendations..... 1

 Agency Response..... 2

INTRODUCTION..... 3

 Background..... 3

 Objectives 4

 Scope and Methodology Statement 4

 Discussion of Audit Results..... 5

FINDINGS AND RECOMMENDATIONS 7

 Commission Has Not Established Formal Procedures for the Design Review Process..... 7

 Recommendation 8

 Commission Has Not Established Performance Targets for the Design Review Process..... 8

 Recommendations..... 10

 Average Time to Complete Design Review Process 10

 Initial Submission by Agency to Commission Staff’s Determination of Submission

 Completeness 11

 Commission Staff’s Determination of Completeness to Commission’s Decision on

 Project 12

 Recommendation 13

 Commission Does Not Formally Factor in Cost-Benefit Considerations when Requesting

 Design Changes..... 13

 Recommendation 15

DETAILED SCOPE AND METHODOLOGY..... 16

Addendum Design Commission Response

*The City of New York
Office of the Comptroller
Management Audit*

**Audit Report on the Design Commission's
Controls over the Design Review Process**

MD11-089A

AUDIT REPORT IN BRIEF

We performed an audit on the Design Commission's (Commission) controls over the design review process to ensure that the process is completed in an efficient manner and to determine whether cost-benefit considerations are formally considered in the design process.

The Commission is responsible for approving permanent works of art, architecture, and landscape architecture proposed on or over City-owned property. Projects include construction, renovation, or restoration of buildings, such as museums and libraries; creation or rehabilitation of parks and playgrounds; installation of lighting and other streetscape elements; and design, installation, and conservation of artwork.

Audit Findings and Conclusions

The audit found that the Commission does not have adequate controls over the design review process to ensure that the process is completed in an efficient manner. The Commission has not established formal procedures governing the design review process and has not established goals to assess the efficiency and timeliness of the design review process. In addition, the Commission does not formally factor in cost-benefit considerations when requesting design changes.

The audit also found that the Commission held all the required public hearings within the audit scope and posted the agendas, submission guidelines, and presentation guidelines on the Commission's website. Our analysis of the project files indicated that the Commission staff performs a thorough review of the submission documents and sends follow-up questions to agencies in a timely manner.

Audit Recommendations

Based on our findings, we make five recommendations, including that the Commission should:

- Develop and use formalized written procedures for its design review process.

- Develop efficiency and timeliness measures for the design review process and establish performance targets to be met.
- Document the discussions with submitting agencies regarding cost changes to projects due to design modifications requested by the Commission. The final outcome of those discussions should also be documented.

Agency Response

In their response, Commission officials disagreed with the audit’s findings and recommendations stating that “the Design Commission will maintain its current procedures with respect to the design review process.” Unfortunately, in addition to presenting some legitimate differences of opinion concerning our conclusions, the Commission’s response includes numerous misrepresentations.

From its response, it appears that the Commission either does not understand or is attempting to obfuscate the audit’s findings. Contrary to the Commission’s claims, we do not suggest that the Commission be a project or budget manager for other City agencies nor do we fault the Commission for not monitoring project development at the agencies. We are aware that the Commission has no control over when or how agencies submit projects for approval. However, for that area which is under the Commission’s control—specifically, the actual design review and approval process—we contend that the Commission should develop formalized procedures and establish performance goals to help ensure that the process is carried out in a consistent, efficient, and timely manner. Additionally, we do not suggest that the Commission perform cost-benefit analyses on projects that are submitted by agencies. That responsibility clearly falls on the agencies themselves. However, we do believe that the Commission should take the costs and benefits of design changes into consideration *for those changes that are requested by the Commission*.

After carefully reviewing the Commission’s arguments, we found them to be without merit.

INTRODUCTION

Background

Established in 1898, the Commission is responsible for approving permanent works of art, architecture, and landscape architecture proposed on or over City-owned property. Chapter 37 of the City Charter (Charter) provides broad-based powers to the Commission to approve or disapprove projects proposed on or over City property. In general, the Commission's written approval is required for any works of art or structure on or over City-owned property¹. Projects include construction, renovation, or restoration of buildings, such as museums and libraries; creation or rehabilitation of parks and playgrounds; installation of lighting and other streetscape elements; and design, installation, and conservation of artwork.

The Commission is composed of 11 members (eight of the 11 members are appointed by the Mayor), who serve pro bono, and include an architect, landscape architect, painter, and sculptor as well as representatives of the Brooklyn Museum, the Metropolitan Museum of Art, and the New York Public Library. In addition, the Commission's staff is made up of four full-time employees who are in charge of reviewing initial submissions for completeness to ensure that all required documents are included in the project submission package. Once the submission is deemed complete, it will be added to the agenda for the Commission's review and approval. The staff also follow up with the agencies when additional information or clarification is needed.

The Commission holds monthly public hearings where projects are formally reviewed and approved. The public hearings' agendas are posted on the commission's website at least three business days in advance of the public hearing date. Projects generally go through a conceptual and a preliminary review by the Commission before they can receive final written approval. Submission guidelines for projects for conceptual, preliminary, and final reviews vary according to the nature of the project. The Commission also holds committee meetings to discuss projects informally prior to their submission to the full Commission. The purpose of these meetings is to get feedback, discuss complex projects, review alternative design directions, resolve outstanding conditions of approval, present design modifications that occur after approval, and address projects tabled by the full Commission.

The City agency that has jurisdiction over the property on which the project is located must make the submission to the Commission. Each City agency has a designated Commission liaison to manage the submission process on behalf of the agency and its consultants. The liaison is responsible for submitting written transmittals on projects to be reviewed, including projects that have been previously submitted. In addition, liaisons ensure that all submissions are complete and accurate and are submitted on or before the submission deadline.² The Commission has established a three-week cycle for the review of submissions for completeness, follow-up with agencies, and review of projects at Committee meetings and/or public hearings.

¹ For projects in which the total estimated cost is \$1 million or less, the Mayor or City Council may request in writing that the Commission's approval not be required.

² All submission materials must be submitted by the agencies in accordance with deadlines established by the Commission in order for projects to be calendared and reviewed at the upcoming meeting.

Regarding time requirements governing the design review process, Chapter 37, Section 855 of the Charter states, “Time for decision limited. If the commission shall fail to take action upon any matter legally submitted to it within sixty days after such submission, its action shall be deemed unnecessary.” The Charter does not specify what constitutes legal submission. According to the Commission, a project is considered to be legally submitted when the project submission package is complete, which is determined by Commission staff; there are no statutory time requirements governing the process leading up to the determination of whether a submission package is complete. Additionally, the Commission asserts that there is no statutory requirement governing the amount of time it may take before deciding whether or not a project should be approved.

Objectives

The objective of the audit was to determine whether the Design Commission maintains adequate controls over the design review process to ensure that it is completed in an efficient manner and to determine whether cost-benefit considerations are formally considered in the design process.

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 except for the limitations imposed on our information gathering techniques which prevented us from independently verifying information obtained from the Commission’s files. This issue is detailed in the following paragraphs. 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.

To independently verify the information obtained from the Commission’s files, we sent a questionnaire to five submitting agencies and asked to meet with them to discuss and review their files on specific projects that were selected as part of our audit sample. Initially, the agencies seemed to be receptive and willing to provide the requested information and meet with us; however, the tone of the agencies seemed to change after the Commission and the Mayor’s Office intervened.

Prior to sending our questionnaires and information requests, we attempted to contact the agency liaisons to the Commission and were able to speak with three of them. (The remaining two were unavailable at the time.) We stated the purpose of our inquiry and all three appeared cooperative. We sent the requests to all five agencies and asked them to contact our office if they had any questions or concerns. After sending the requests to the agencies, officials from the Mayor’s Office and the Commission contacted our office and stated that the agencies complained that the request for information was too voluminous. Soon after, we reached out to

each agency to see whether it had concerns so that, if needed, we could revise our request accordingly. Even though some agencies stated that the request was extensive, none stated that they could not provide the information. However, some agencies did request additional time to respond.

Subsequently, our office received additional calls from officials from the Mayor's Office and the Commission, following up on our request on behalf of the agencies. Other than representations made by the Mayor's Office and the Commission, we received no complaints from the agencies themselves at the time we spoke with them regarding our requests. We later asked one of the agencies whether it contacted the Commission regarding our request, and the agency officials responded that the Commission initiated the contact. We feel that the audit process was obstructed. The Commission and the Mayor's Office exert considerable influence over the agencies. Whether intentional or unintentional, we believe that the intervention of the Mayor's Office and the Commission had a chilling effect upon survey participants. Following the intervention, only one of the agencies responded (albeit partially) to the questionnaire and agreed to meet with us. Officials from one other agency also agreed to meet with us, but did not respond to the questionnaire and claimed that they were unable to locate the project files we asked to review. Consequently, we were unable to independently verify the information in the Commission's files with documentation from the agencies' project files, and our audit was based solely on the information obtained from the Commission.

The audit scope was Fiscal Years 2008 through 2010. Please refer to the Detailed Scope and Methodology at the end of this report for the specific procedures and tests that were conducted.

Discussion of Audit Results

The matters covered in this report were discussed with Commission officials during and at the conclusion of this audit. A preliminary draft report was sent to Commission officials and discussed at an exit conference held on February 3, 2012. On February 22, 2012, we submitted a draft report to Commission officials with a request for comments. We received a written response from Commission officials on March 7, 2012. In their response, Commission officials disagreed with the audit's findings and recommendations, stating that "the Design Commission will maintain its current procedures with respect to the design review process." Unfortunately, in addition to presenting some legitimate differences of opinion concerning our conclusions, the Commission's response includes numerous misrepresentations.

In its response, the Commission brings attention to the fact that the audit took over a year to complete. Curiously, officials fail to identify the primary reason for the audit's length of time, which was to accommodate the Commission staff's limited availability. In fact, both the Commission and the Mayor's Office advised us at the audit's commencement that, due to limited staff and space availability, requests for meetings and information may take longer than is typical to fulfill. For example, regarding our April 6, 2011, request for sampled files, we did not receive the last set of files from the Commission until August 11, 2011, more than four months later.

Regarding the limitations placed on the audit, we are puzzled by the Commission's claim that we did not follow up with agencies regarding our requests related to projects they submitted to the Commission. We made a number of telephone calls—in addition to sending e-mails—to agencies over a two-month period and received little, if any, feedback before concluding that further efforts to obtain the requested information were futile. We shared this information with officials from the Commission and Mayor's Office at the exit conference. Consequently, we are troubled that the Commission would falsely claim in its response that we "confirmed" that no follow-up was done.

From its response, it appears that the Commission either does not understand or is attempting to obfuscate the audit's findings. Contrary to the Commission's claims, we do not suggest that the Commission be a project or budget manager for other City agencies nor do we fault the Commission for not monitoring project development at the agencies. We are aware that the Commission has no control over when or how agencies submit projects for approval. However, for that area which is under the Commission's control—specifically, the actual design review and approval process—we contend that the Commission should develop formalized procedures and establish performance goals to help ensure that the process is carried out in a consistent, efficient, and timely manner. Additionally, we do not suggest that the Commission perform cost-benefit analyses on projects that are submitted by agencies. That responsibility clearly falls on the agencies themselves. However, we do believe that the Commission should take the costs and benefits of design changes into consideration *for those changes that are requested by the Commission*.

In its response, the Commission also claims that we were unable to explain the relevance of performance criteria. As we communicated to Commission staff during the audit and as we state in this report, performance criteria are essential in assessing how well staff achieve desired results. Throughout the audit, the Commission asserted that the Commission performed its responsibilities efficiently, yet failed to identify any relevant criteria by which to make that assertion.

After carefully reviewing the Commission's arguments, we found them to be without merit. The full text of the Commission response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

The audit found that the Commission does not have adequate controls over the design review process to ensure that it is completed in an efficient manner. The Commission has not established formal procedures governing the design review process and has not established goals to assess the efficiency and timeliness of the design review process. In addition, the Commission does not formally factor in cost-benefit considerations when requesting design changes.

We found that for 74 percent of the sampled projects, it took 60 days between the Commission staff's determination that a project submission was complete to the Commission's final decision. The average timeframe was 55 days³ (ranging from three days to 530 days), with 12 percent of the sampled projects taking more than 120 days. The average timeframe between the initial submission by an agency to the Commission staff's determination that the submission was complete for our sampled projects was 20 days (ranging from one day to 230 days). In the absence of any time standards governing the entire design review process, however, we cannot be assured that the Commission (including its staff) is completing the review process in an efficient and timely manner.

Commission Response: "In the absence of any indication of error, the Comptroller's Office nonetheless levels criticism that it has "no assurance" that the Commission functions efficiently."

Auditor Comment: The absence of errors in and of itself is not evidence that a process is being performed efficiently. Our lack of assurance is due to the Commission's inability to demonstrate or provide evidence that it has established benchmarks or measures to evaluate its own performance.

On a positive note, the audit found that the Commission held all the required public hearings within the audit scope and posted the agendas, submission guidelines, and presentation guidelines on the Commission's website. Our analysis of the project files indicated that the Commission staff performs a thorough review of the submission documents and their follow-up questions are pertinent and necessitated by the Commission's instructions to revise designs and technical details. Additionally, we found that the Commission generally sends follow-up questions to agencies in a timely manner.

Commission Has Not Established Formal Procedures for the Design Review Process

The Commission has not established a formal process governing the entire design review process. According to Directive 1, Principles of Internal Control, internal control activities help ensure that management's directives are carried out. They are, basically, the policies, procedures, techniques, and mechanisms used to enforce management's direction. They are an integral part of an agency's planning, implementing, review, and accountability for stewardship of its resources and are vital to its achieving the desired results.

³ Unless otherwise specified, days indicate business days.

We asked the Commission to provide us with the policies, procedures, and guidelines that it follows for the review process. We were provided with the submission guidelines (a listing of required documents) for the different types of projects submitted and presentation guidelines (demonstration of how projects should be presented). However, we were not provided with any written procedures or standards that the staff follows when reviewing project submissions. In addition, the Commission did not provide us with any standards or guidelines for determining whether a project should be approved or rejected nor did it provide us with evidence that any such guidelines are communicated to submitting agencies. The lack of formalized procedures for the design review process makes it difficult for us or the Commission itself to assess the efficiency of the process. At a minimum, the written procedures should include the detailed steps for the review of initial submissions, follow-up timeframes, tracking of projects, and staff responsibilities.

Commission Response: “The Commission’s expectations of design excellence are clearly and regularly communicated to design teams and agency representatives, both of which are familiar with the professional standards, at design review meetings. These expectations are further reinforced by the Commission’s Annual Awards for Excellence in Design, which is in its 30th year.”

Auditor Comment: It is clear from its response that the Commission has certain expectations for design excellence. It is unclear, therefore, why these expectations cannot then be formalized in writing for use by the Commission as well as shared with the agencies.

Recommendation

1. The Commission should develop and use formalized written procedures for its design review process.

Commission Response: The Commission did not specifically address this recommendation in its response.

Commission Has Not Established Performance Targets for the Design Review Process

The Commission has not established performance targets to measure its efficiency in the design review process nor has it established time benchmarks to measure its timeliness. It has not defined its goals and objectives in measurable terms. According to Directive 1, “effective internal control provides a necessary and continuing surveillance over the various processes, plans and procedures that are the foundation for which management relies upon to successfully achieve the purpose, goals and objectives of the agency. . . . Internal control should provide reasonable assurance that the objectives of the agency are being achieved effectively and efficiently.” Directive 1 also states that management should compare actual functional or activity level performance data to planned or expected results, analyze significant variances, and introduce corrective action as appropriate.

Because the Commission has no performance targets and no written procedures for its review process, we have no assurance that reviews are being completed in an efficient and timely manner. For example, the Commission has not established a target timeframe for the completion of its review process. Commission staff stated that they have not done so because each project submission is different and the review process depends on the scale of the project and whether the submission is complete. They added that the process is mainly controlled by the submitting agency and they have no control as to when the agency will submit the requested information. However, the nature of the information requested by the Commission can affect the amount of time needed by an agency to provide the information. Information that necessitates an architectural redesign or project cost modification would be expected to require more time to provide than information for which such items are not needed. Additionally, projects that are returned numerous times to agencies for further information would be expected to take more time than projects that are returned only once (all other things being equal).

Other than a few instances where agencies were given one day to provide requested information, there is no evidence of time management in the project files. In fact, when reviewing a subset of sampled project files in detail, we noticed gaps in time between dated correspondences, in some instances, which made it difficult to establish project review timelines.

When we met with Commission officials to discuss the issues identified during the audit, they stated that they do not understand how they could measure efficiency and feel that it would not be relevant to do so because the calendars are controlled by the agencies' submissions. Commission officials emphasized that their sole mission is aesthetic review of projects submitted.

However, their role encompasses more than a mere review. As established by the Charter, the Commission has the authority to approve or reject projects, some of which have an estimated cost of millions of dollars. Additionally, it is the Commission, not the submitting agencies, that 1) establishes the criteria for determining whether projects are approved and 2) determines the information that is required before decisions on projects are rendered. As such, the Commission plays a key role in determining whether many of the construction, restoration, rehabilitation, and installation projects proposed on City-owned property are allowed to proceed. It is, therefore, important that the Commission fulfill its role in an efficient and timely manner so that projects may be completed without undue delay. The establishment of performance and efficiency measures—in conjunction with the establishment of formalized procedures—would help the Commission in that regard.

Once performance and efficiency measures are established, the Commission could design and generate management reports to aid in an assessment of the project review process. Commission officials stated that their Management Information System staff is in the process of trying to improve its database. Recently, a field for the cost of the projects has been added to the database for more complete project information. In addition, the Commission informed us that the long-term goal for the system is to have the ability to generate agendas, issue certificates, and assign series numbers. This would help the Commission to streamline the process and improve efficiency.

Commission Response: “In response to the volume and time sensitivity of submissions, the Commission increased the number of public meetings per year from 11 to 16 The Commission thereby established the 15-business-day cycle (previously 20 business days) as its performance metric, and has consistently met that target since it was implemented in 2009.”

Auditor Comment: We disagree with the Commission’s assertion that its 15-business-day cycle is a performance metric. A performance metric is a measure of an organization’s activities and performance throughout its entire work flow process. The 15-business-day cycle merely relates to the approximate span of time between public meetings (249 business days a year divided by 16 public meetings); it does not measure the Commission’s performance regarding the entire design review process.

Recommendations

The Commission should:

2. Develop efficiency and timeliness measures for the design review process and establish performance targets to be met.

Commission Response: The Commission did not specifically address this recommendation in its response.

3. Create a new database or modify its existing database to generate management reports to track its efforts in meeting the above-mentioned efficiency and timeliness measures.

Commission Response: “Staff will . . . continue to improve the functionality of the data base.”

Auditor Comment: Although Commission officials have stated that they will continue to improve the functionality of the database, they give no indication that they will use it to generate management reports or to track efficiency or timeliness measures.

Average Time to Complete Design Review Process

The Commission cannot provide assurance that reviews are completed in a timely manner because it has not established time benchmarks. We reviewed 100 sampled projects and determined that 17 projects⁴ did not require approval at the time of the Commission’s review. Of the remaining 83 projects, two were withdrawn by the agency. The average timeframe from the initial submission of a project by an agency to the Commission’s decision⁵ for the remaining 81 projects was 72 days (approximately three months), ranging from five days to 530 days. The

⁴ These 17 projects did not require approval because 15 were conceptual reviews, one was a courtesy review, and one went to construction without Commission approval.

⁵ Rejection or approval.

frequency distribution between initial submission and Commission decision for these 81 projects can be seen in Table I.

Table I
Timeframe between Initial Submission by Agency and Commission Decision

Days Between Initial Submission and Commission Decision	Number of Projects	Percentage
0 to 30 days	32	39%
31 to 60 days	18	22%
61 to 90 days	15	19%
91 to 120 days	3	4%
121 days and above	13	16%
TOTAL	81	100%

Thirteen (16 percent) of the 81 projects reviewed took more than 120 days (over five months) between initial submission and decision. In fact, one project took 424 days (over a year and a half), and one took 530 days (over two years) from the referring agency’s initial submission until the Commission’s decision.

Initial Submission by Agency to Commission Staff’s Determination of Submission Completeness

The average timeframe from agencies’ initial submission to the Commission staff’s determination that the submission was complete⁶ for the 81 projects was 20 days, ranging from one day to 230 days. The frequency distribution between initial submission and Commission staff’s determination of completeness for these 81 projects can be seen in Table II.

Table II
Timeframe between Initial Submission by Agency and Commission Staff’s Determination of Submission Completeness

Days Between Initial Submission and Determination of Completeness	Number of Projects	Percentage
0 to 30 days	68	84%
31 to 60 days	8	10%
61 to 90 days	1	1%
91 to 120 days	0	0%
121 days and above	4	5%
TOTAL	81	100%

As can be seen in Table II, five projects (6 percent) took over 60 days (over two months) between the initial submission and the Commission staff’s determination of completeness. For

⁶ Commission staff review initial submissions by the agencies and determine if all required documents have been received. Once all required documents are received, the submission is deemed complete and the project is included on the agenda.

example, one project took 153 days (seven months) from the agency’s initial submission before Commission staff deemed it a complete submission, and another project took 230 days (10 months) to be deemed a complete submission by Commission staff.

According to Commission officials, the amount of time between initial submission by the agency and the project being deemed a complete submission by the staff is not considered relevant to the overall design review timeliness. However, as shown in Table II above, there are some projects where months elapse between initial submission and complete submission, which could significantly delay the completion of the project.

Commission officials stated that many initial submissions by the agencies are incomplete to varying degrees. They added that to help address this, they work with agency liaisons and revised the submission guidelines based on agency input in 2007 and created presentation guidelines. Commission officials stated that the submission guidelines are now clearer and more specific so that the agencies have a better understanding of the Commission’s requirements. Because the Commission has not established time benchmarks and does not monitor and track submissions, it cannot evidence that the revised submission guidelines or presentation guidelines have helped to improve the submission process. (Based on discussions with Commission officials and our analysis, it appears that incomplete submissions by the agencies are still an issue.)

Commission Staff’s Determination of Completeness to Commission’s Decision on Project

We also created a timeline for the 81 projects for which the Commission made a decision (all 81 projects were approved). The average timeframe from the Commission staff’s determination that a project submission was complete to the Commission’s decision on the project was 55 days, ranging from three days to 530 days. Overall, for 60 (74 percent) of the sampled projects, a decision was reached within 60 days. The frequency distribution for these 81 projects can be seen in Table III.

Table III
Timeframe between Commission Staff’s Determination of Completeness and the Commission’s Decision on Project

Days Between Determination of Completeness and Decision on Project	Number of Projects	Percentage
0 to 30 days	52	64%
31 to 60 days	8	10%
61 to 90 days	10	12.5%
91 to 120 days	1	1%
121 days and above	10	12.5%
TOTAL	81	100%

As shown in Table III, 21 (26 percent) of the 81 projects exceeded 60 days for the Commission to make a decision on the project. For example, for one project, the Commission took 207 days (10 months) before making a decision and for another project took 315 days (15 months) before making a decision.

The absence of benchmarks and design review guidelines makes it difficult to determine whether these timeframes are reasonable and justified. While we are not questioning the quality or necessity of the changes required by the Commission, we note that extensive time from the first review to final approval could add to the project's critical path and overall cost. In addition, extensive time for approval could affect certain communities because projects may include construction, renovation, or restoration of museums and libraries; creation or rehabilitation of parks and playgrounds; and installation of lighting and other streetscape elements.

It is not always clear whether the extended timeframes were due to the submitting agency, the Commission, or both. However, the Commission should ascertain the causes of the long timeframes to determine whether improvements in the review process can be made or whether there are specific underlying conditions that may be preventing the agencies from complying with the Commission's requested changes in a more timely manner. Without this information, the Commission could be hindered from identifying common causes for lengthy reviews and in developing strategies to address them.

Recommendation

4. The Commission should identify and document issues with projects that do not meet the established time benchmarks, determine whether there are recurring or common causes for the long timeframes, and develop strategies to address them.

Commission Response: "The Comptroller's Office suggests that the Design Commission should be responsible for determining why agencies do not always immediately resubmit in response to the Commission's feedback."

Auditor Comment: The Commission misunderstands our recommendation. We are not suggesting that the Commission should be responsible for determining why agencies do not always immediately resubmit in response to the Commission's feedback. We are recommending that the Commission set a reasonable benchmark for project timelines, review any projects that go beyond this timeframe, and develop strategies to address any common causes.

Commission Does Not Formally Factor in Cost-Benefit Considerations when Requesting Design Changes

The Charter does not include a requirement that the Commission formally take cost-benefit considerations into account when requesting design changes. Nevertheless, cost constitutes an important aspect of any project. We found limited evidence in the reviewed project files that the Commission takes the costs and benefits of design changes into consideration when requesting changes. The Commission requested changes for 28 (28 percent) projects of the 100 projects reviewed. Of these 28 projects, we found that the cost of a modification (due to requested changes) was mentioned in only four (14 percent) project files. For example, in two instances the agency informed the Commission that its requested changes would increase the cost of the project. The final drawings for one of these two projects showed

that the Commission's suggested changes were incorporated. The other project was approved by the Commission with the understanding that one of two types of roofs be used.

For 24 out of 28 project files where the Commission proposed changes, we found no documentation in the files pertaining to cost increases or decreases. However, changes in design can result in cost changes. For example, we identified a project that was submitted to the Commission which had three change orders registered with the Comptroller's Office. The cost of the project increased by \$3.5 million according to the information on these change orders. The change order justifications cited changes requested by the Commission as the reason for the increased costs. However, there was no documentation in the project files maintained by the Commission that addressed the cost increases.

According to Commission officials, the Commission's jurisdiction is aesthetic and it is not a value engineering agency; however, the Commission is sensitive to cost issues. In addition, they stated that all projects have a budget, but the Commission does not receive an itemized budget for the project. Commission officials further stated that if the agency raises concerns about cost, they will work with the agency to provide alternatives and that they are sensitive to cost issues both in terms of the initial expenditure and ongoing maintenance. However, this practice was not evident from the project files reviewed. Commission officials stated that sometimes the Commission's recommendations are more expensive, but many times the Commission suggests simpler and less expensive alternatives. The officials provided an example of the design of a kiosk in Brooklyn that was originally proposed to be made of curved glass, which they stated is both expensive and costly to maintain. Because we found no evidence of design requests that yielded cost savings in the reviewed project files, we asked the Commission for examples and evidence of projects where the changes proposed yielded any cost savings. However, no evidence was provided regarding the cost savings for the kiosk project and no additional examples or evidence were provided for any other projects where design requests yielded cost savings. In addition, Commission officials stated that the Commission is not involved in the agency budgeting process for projects.

The Commission officials stated that not all design changes requested by the Commission result in increased costs to the City. However, in light of the economic climate, if changes are requested, the resulting additional costs or savings should be discussed with agency officials to determine whether the changes are justified.

Commission Response: "It was surprising when, several months into the audit, the Comptroller's Office indicated that one of its primary objectives was 'to determine whether cost-benefit considerations are formally considered' by the Commission. This objective was not included in the January 6, 2011 engagement letter, and is not, as the Comptroller's Office acknowledges, within the Commission's jurisdiction as defined by the New York City Charter."

Auditor Comment: The Commission is being disingenuous in its response. The engagement letter does not always include the detailed objectives for an audit; however, the detailed objectives are discussed at the entrance conference. At the entrance conference for this audit, held on February 1, 2011, we informed officials from both the

Commission and the Mayor's Office that our audit would include a determination of whether cost-benefit considerations are made when the Commission requests design changes. Additionally, while we note that the Charter does not *require* that the Commission take costs into account when it requests that agencies make design changes, there is nothing in the Charter that *prohibits* the Commission from taking such action, as the Commission appears to infer.

Recommendation

5. The Commission should document the discussions with submitting agencies regarding cost changes to projects due to design modifications requested by the Commission. The final outcome of those discussions should also be documented.

Commission Response: “The Design Commission does not have the jurisdiction to approve, reject or alter a submitted project based on pure cost considerations, and unlike other agencies, it is not within its mission to perform cost-benefit analysis.”

Auditor Comment: Again it appears that the Commission missed the intent of this section and the resulting recommendation. We are not recommending that the Commission approve or reject projects based solely on cost or that it perform cost-benefit analysis of the project. We are recommending that, when the Commission requests design changes, the cost-benefit specific to these changes be discussed with the agency and documented.

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 except for the limitations imposed on our information gathering techniques which prevented us from independently verifying information obtained from the Commission's files. This issue is detailed in the following paragraphs. 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.

To independently verify the information obtained from the Commission's files, we sent a questionnaire to five submitting agencies and asked to meet with them to discuss and review their files on specific projects that were selected as part of our audit sample. Initially, the agencies seemed to be receptive and willing to provide the requested information and meet with us; however, the tone of the agencies seemed to change after the Commission and the Mayor's Office intervened.

Prior to sending our questionnaires and information requests, we attempted to contact the agency liaisons to the Commission and were able to speak with three of them. (The remaining two were unavailable at the time.) We stated the purpose of our inquiry and all three appeared cooperative. We sent the requests to all five agencies and asked them to contact our office if they had any questions or concerns. After sending the requests to the agencies, officials from the Mayor's Office and the Commission contacted our office and stated that the agencies complained that the request for information was too voluminous. Soon after, we reached out to each agency to see whether they had concerns so that, if needed, we could revise our request accordingly. Even though some agencies stated that the request was extensive, none stated that they could not provide the information. However, some agencies did request additional time to respond.

Subsequently, our office received additional calls from officials from the Mayor's Office and the Commission, following up on our request on behalf of the agencies. Other than representations made by the Mayor's Office and the Commission, we received no complaints from the agencies themselves at the time we spoke with them regarding our requests. We later asked one of the agencies whether it contacted the Commission regarding our request, and the agency officials responded that the Commission initiated the contact. We feel that the audit process was obstructed. The Commission and the Mayor's Office exert considerable influence over the agencies. Whether intentional or unintentional, we believe that the intervention of the Mayor's Office and the Commission had a chilling effect upon survey participants. Following the intervention, only one of the agencies responded (albeit partially) to the questionnaire and agreed to meet with us. Officials from one other agency agreed to meet with us, but claimed that they were unable to locate the project files we asked to review. Consequently, we were unable to independently verify the information in the Commission's files with documentation from the agencies' project files, and our audit was based solely on the information obtained from the Commission.

The audit scope was Fiscal Years 2008 through 2010.

To obtain an understanding of controls relevant to our audit and to gain an understanding of the project review process, we interviewed the Executive Director, the Director of Capital Projects, and the Deputy Counsel. We met and conducted a walk-through of the review process and a walk-through of the computer system with the Executive Director of the Commission.

To obtain an understanding of the policies, procedures, and regulations governing the review process, we reviewed:

- Chapter 37 of the City Charter
- Executive Order No.119
- Design Commission Submission Guidelines
- Design Commission Presentation Guidelines
- Rules of Practice and Procedure, Rules of the City of New York, Title 57

In addition, we reviewed and used as criteria Comptroller's Directive 1, Principles of Internal Control.

We requested a list of all projects reviewed by the Commission for Fiscal Years 2008 through 2010 and asked that duplicate entries be removed. The list contained a total of 981 projects that were reviewed by the Commission at least one time during our scope period. We also received the committee meeting and public hearing agendas from the Commission for our scope period. The agendas recorded 1,064 certificates⁷ that were issued to projects that were reviewed at the meetings. To determine whether the list of projects provided by the Commission was complete and accurate, we randomly selected 50 certificate numbers from the agendas and matched the project descriptions recorded on the agendas to the project titles as recorded on the list provided by the Commission. In addition, we randomly selected 50 projects from the listing and matched the title of the project to the description recorded on the agendas. We concluded that the list was complete and accurate.

To determine whether the projects were completed in an efficient manner and if cost-benefit considerations were formally considered in the design process, we randomly selected 100 projects from the list provided by the Commission. Any projects that were initiated by the Commission and any pre-approved prototypes that were randomly selected in the sample were replaced with another project using the next random number. We reviewed the files of the 100 projects. In addition, from the 100 projects, we identified five that took a longer time (over 100 days) from initial submission to the approval date and three projects that took a shorter time (under 60 days.) We reviewed these projects to identify the factors that resulted in the approval time for some projects taking a longer time as compared to projects that were approved more quickly.

⁷ Certificates are formal documents with unique numbers issued by the Design Commission to document approval.

Of the 100 project files reviewed, we determined that 15 projects came for review at the conceptual stage⁸, one project was reviewed as a courtesy, one project went to construction without Commission approval, and two projects were withdrawn by the submitting agency. Therefore, these 19 projects did not either require or receive approval from the Commission. We reviewed the remaining 81 projects that received Commission approval and calculated the number of days between initial submission and approval for each. In addition, we calculated the number of days between initial submission and complete submission and the number of days between complete submission and approval for each of the 81 projects.

We met with a State agency that is involved with federally funded City projects to obtain independent information on their experiences with the design review process.

From the sample of 100 project files, we identified 18 projects where the Commission staff requested additional information from the submitting agency. To determine whether these requests seemed reasonable and in line with submission guidelines, we requested the assistance of an Associate Project Manager in our Engineering Department. The Associate Project Manager examined e-mails and associated documentation from the files pertaining to these 18 projects.

⁸ All buildings, major infrastructure, master plans, other large-scale or complex projects and those that are subject to the Uniform Land Use Review Procedure (ULURP) are submitted for conceptual review and approval by the committee early in the design process when drawings are at the pre-schematic level.



March 7, 2012

Ms. Tina Kim
Deputy Comptroller for Audits
Office of the New York City Comptroller
1 Centre Street, Room 1100
New York, NY 10007

RE: City Comptroller's Office Draft Report (MD11-089A)

Dear Ms. Kim:

Thank you for the opportunity to comment on the draft report on your audit of the Design Commission's controls over the design review process.

Attached please find the Design Commission's response, which includes both a general summary as well as detailed comments on each section of the report.

Sincerely,

A handwritten signature in black ink, appearing to read "Jackie Snyder". The signature is written in a cursive style with a long, sweeping underline.

Jackie Snyder
Executive Director

Attachment

cc: George Davis III

Design Commission Response to Comptroller's Office Draft Audit Report (MD11-089A)

After spending more than a year auditing a four-person agency with no operating budget, the City Comptroller's Office issued a draft report that demonstrates a persistent lack of understanding of the Design Commission's mission and how that mission is carried out on a day-to-day basis. It is unfortunate that, during that extensive audit timeframe, the three members of the Comptroller's Office team did not attend any of the Commission's 16 public hearings, with the exception of one prior to the start of the audit.

To reiterate, the Design Commission's mission is to review art, architecture and landscape architecture proposed on or over City property to ensure quality design for New York City's built environment. The Commission is not a project manager or budget monitor for other City agencies. By faulting the Commission for not monitoring project development from its beginning at agencies and not performing cost-benefit analysis on agency projects, the Comptroller's Office is criticizing the Commission for not taking actions that are clearly outside of its jurisdiction, as defined by the New York City Charter, and failing to meet performance criteria, the relevance of which the members of the Comptroller's Office themselves were unable to explain.

The activities of the Commission's four-person staff are balanced efficiently and effectively, given the demands to evaluate, coordinate, track, calendar and archive submissions within a 15-business-day cycle. In response to the volume and time sensitivity of submissions, the Commission increased the number of public meetings per year from 11 to 16 and revised its Submission Guidelines with input from the City agencies and professional organizations. The Commission thereby established the 15-business-day cycle (previously 20 business days) as its performance metric, and has consistently met that target since it was implemented in 2009.

The deficiencies of the preliminary draft audit report, while previously raised, were discussed in detail at the exit conference. Unfortunately, the Comptroller's Office chose to proceed with weak methodologies and conclude its audit by (1) suggesting that its own inability to effectively evaluate the Commission's process was somehow the fault of the Commission, and (2) making unsubstantiated and erroneous claims that the process was hindered.

The Comptroller's Office suggests that the Design Commission was not cooperative or forthcoming with information. Yet, the Design Commission staff fully supported the audit process by not only supplying the archival files for 100 projects (more than 140 physical files), but also compiling extensive data in spreadsheets and copies of all relevant documentation, highlighted as needed. The Comptroller's Office notes that it requested "evidence" of requested changes that resulted in cost savings, specifically for a kiosk in Downtown Brooklyn, which was offered as an example during a meeting. As discussed at the exit conference, Design Commission staff was unaware that the answer it provided was unsatisfactory, having responded to all of the Comptroller's Office's inquiries promptly and fully, but indicated that, if additional materials were desired, it would be happy to provide them. While the Comptroller's Office's team returned after the exit conference to examine previously reviewed files, they did not request any additional files or information.

For the record, the specific points raised by the Comptroller's Office are fully responded to below. Regarding the five recommendations, the Design Commission will maintain its current procedures with respect to the design review process, which include clear Submission Guidelines, and enhance such procedures as conditions dictate. Staff will continue to work closely with the agency liaisons to facilitate the review of submissions and resolve challenges as they arise; continue to improve the functionality of the data base; and continue to extensively document the Commission's proceedings as part of its archive, which dates to 1902.

Formal Procedures for the Design Review Process

The Commission has both (1) Submission Guidelines that clearly articulate what is required for each type of project at each level of review and (2) Presentation Guidelines that clearly communicate how that information should be presented. Both sets of guidelines are posted on the Commission's Web site (www.nyc.gov/designcommission). Staff reviews submissions for compliance with these guidelines as well as for responsiveness to the Commission's recommendations, if applicable.

The Commission's expectations of design excellence are clearly and regularly communicated to design teams and agency representatives, both of which are familiar with professional standards, at design review meetings. These expectations are further reinforced by the Commission's Annual Awards for Excellence in Design, which is in its 30th year. To date, the Commission has awarded nearly 300 projects, thereby setting clear examples of quality design.

Staff works within a 15-business-day cycle between submission deadline (day 1) and meeting date (day 15).¹ Pursuant to the Charter, the agenda must be posted three business days prior to the meeting (no later than close of business on day 11). This gives staff 10 business days to review all of the submissions (which range from about 50 to 100 projects per cycle), follow up with agencies with requests for information/material, prepare and publish the agenda, and archive the materials reviewed at the previous meeting.

As the Comptroller's Office notes, Design Commission staff always responds to agencies quickly, within the 15-business-day cycle, with direction on how to proceed. As a courtesy, staff often offers extensions to agencies to correct or supplement incomplete or inaccurate submissions. As the Comptroller's Office also acknowledges, "...staff performs a thorough review of submission documents and their follow-up questions are pertinent and necessitated by the Commission's instructions...."

The Comptroller's Office did not identify a complete submission that was not calendared for review (or an incomplete, inaccurate or unresponsive submission that did not receive feedback)

¹ Prior to 2009, the standard cycle between submission deadline and public meeting was 20 business days. This schedule was revised to a 15-business-day cycle to increase the frequency of public meetings from 11 to 16 annually, allowing the agencies more opportunities for approval. In November and December, due to the holidays, and in August, the cycle allows 20 business days. Other observed federal holidays subtract time from the standard 15-business-day cycle.

within the standard 15- or 20-business-day cycle, nor did it claim that the revisions required by the Commission were unwarranted or incorrect. In the absence of any indication of error, the Comptroller's Office nonetheless levels criticism that it has "no assurance" that the Commission functions efficiently.

Performance Targets for the Design Review Process

The Design Commission does not control when agencies submit projects for review or the amount of time it takes them to revise incomplete/inaccurate submissions or make design revisions based on the Commission's feedback. Consequently, the Commission cannot control the length of time projects take to go through the design review process.

However, as noted above, the Commission established a 15-business-day cycle that ensures that every project that is submitted by the submission due date is addressed within that timeframe. Complete submissions are calendared for review; for incomplete, inaccurate or unresponsive submissions, staff advises the agency of the information needed, often providing an extension within the 15-business-day cycle in order to schedule projects for the original meeting date.

The required materials, as described in the Submission Guidelines, are standard for each field (art/conservation, architecture/engineering and landscape architecture) and ensure that all submissions include sufficient information to properly evaluate the design and provide comprehensive feedback, thereby expediting the review process. The Submission Guidelines were developed in consultation with the City agencies and the New York Chapters of the American Institute of Architects and the American Institute of Landscape Architects at a public forum.

The materials required and design revisions requested are central to the Commission's mission – to improve the design of public works and maintain a comprehensive archive of projects reviewed – and the Commission cannot and must not compromise its professional standards as mandated by the Charter.

Average Time to Complete Design Review Process

Table 1 measures the time between the initial submission by the agency and the Commission's decision.

While the raw data, which were provided by Design Commission staff, are accurate, the representation by the Comptroller's Office is misleading because the span measured includes (1) the time it took the agency from its original submission to provide a complete submission; (2) the standard 15-business-day cycle between submission date and meeting date; (3) the time required for agencies to make any design revisions based on feedback from the Commission members; (4) the time required for design development between schematic design and final design that occurs regardless of the design review process; and (5) delays related to funding or other issues, which cause agencies to put projects on hold.

- With the example of the 424-day timeframe, it appears that the Comptroller's Office is referencing the legalization of an existing sidewalk in a museum courtyard (4681 AQ-AS).² In this instance, staff determined that the submission was complete and calendared the project for review at the next meeting (within the 20-business-day cycle), at which the committee agreed to recommend approval once the design of a concurrent project at the same site was resolved, in order to ensure that no changes to the sidewalk would be needed as a result of the other project. Since the sidewalk was already installed, this did not impact its schedule or museum operations. It was formally approved when the other project was approved. *This is documented in the file provided to the Comptroller's Office at its request.*
- With the example of the 530-day timeframe, it appears that the Comptroller's Office is referencing the review of the design of a park with four pedestrian bridges (2419 BV-CA & CL-CR). In this instance, staff determined that this project was complete and calendared it for review at the next meeting (within the 20-business-day cycle), at which time the Commission tabled the project, citing serious concerns regarding the aesthetics of the proposal. The Commission reviewed the project a total of five times within that timeframe – even convening a sub-committee to work closely with the designer. Each time, the Commission provided clear, detailed comments reflecting its expectations and specific improvements that could be made. Within that time period, there were two significant spans (eight months and nearly 10 months) during which the agency did not resubmit the project. During these times, staff inquired into the project status and made offers for extensions to move the project forward. The project ultimately received an Award for Excellence in Design. *This is documented in the files provided to the Comptroller's Office at its request.*

Table II measures the time between initial submission and staff's determination that the submission is complete.

While the raw data, which were provided by Design Commission staff, are accurate, the Comptroller's Office implies that the span measured is how long it takes staff to make this determination, rather than the time it took for the agency to provide the items required to constitute a complete submission, as outlined in the Submission Guidelines. Staff makes the determination of completeness and notifies the agency within the 15-business-day cycle between submission date and meeting date. If a submission is complete and responsive, it is calendared for review.

- With the example of the 153-day timeframe, it appears that the Comptroller's Office is referencing the review of the rehabilitation of a City-owned residential building (6941 A-C). In this instance, staff communicated the committee's request that the door be replaced

² To ensure that projects are not constructed without Design Commission approval, staff worked closely with Department of Buildings (DOB) in 2007 to incorporate Design Commission approval on DOB's list of Required Items for City-owned property. The Building Information System (BIS) system automatically determines City-owned status of the property address entered based on information supplied by the Department of Finance (rather than by the applicant). Consequently, DOB will not authorize a construction permit unless a project on or over City-owned property has a certificate of final approval from the Design Commission.

to match the existing door. The agency did not initially explain why this was not feasible, but once a clear explanation was provided approximately six months later, the project was calendared for approval. *This is documented in the file provided to the Comptroller's Office at its request.*

- With the example of the 230-day timeframe, it appears that the Comptroller's Office is referencing the review of the rehabilitation of dam shaft headhouses (6703 D-H). In this case, the project was withdrawn by the agency to coordinate with an advocacy group. Staff consistently inquired about the status of the project, but the agency did not resubmit until approximately eight months later. When the project was resubmitted, the Commission's Conservation Advisory Group provided feedback, which was addressed within a week, and the project was calendared for approval. *This is documented in the file provided to the Comptroller's Office at its request.*

Table III measures the time between staff's determination that the submission is complete and approval/rejection.

The Comptroller's Office suggests that the Design Commission should be responsible for determining why agencies do not always immediately resubmit in response to the Commission's feedback. Again, the Commission is not the project manager, and as illustrated by the two examples of "extended timeframes" that the Comptroller's Office cites, agencies are not necessarily forthcoming with this information, even when explicitly asked, as the Charter does not require them to provide internal reasons for delays.

- With the example of the 207-day timeframe, it appears that the Comptroller's Office is referencing the review of the reconstruction of a plaza (63 GU-G7). In this instance, staff determined that this project was complete and calendared the project for review at the next meeting (within the 20-business-day cycle), at which time the Commission requested specific design modifications. As a result of staff's inquiry, the agency confirmed approximately four months later that it had hired a new consultant, who was currently going through Vendex review, and did not anticipate resubmitting for three more months. The agency resubmitted within this timeframe, and the project received a recommendation of approval. Having advanced the drawings to the level required for final review, the agency requested and received preliminary and final review simultaneously. *This is documented in the file provided to the Comptroller's Office at its request.*
- With the example of the 315-day timeframe, it appears that the Comptroller's Office is referencing the review of the reconstruction of a park on the site of a well-known Revolutionary War fort (2281 X-AC). In this instance, staff determined that this project was complete and calendared the project for review at the next meeting (within the 15-business-day cycle), at which time the Commission requested that the design commemorate the unique topographical character and historical significance of the site. Three weeks later, the agency submitted an unresponsive submission. The agency then resubmitted almost 10 months later, but the submission was incomplete. At that time, staff asked for an explanation of the time lapse, but did not receive one. The agency resubmitted the project two months later, and it was approved. *This is documented in the file provided to the Comptroller's Office at its request.*

Cost Benefit Considerations

It was surprising when, several months into the audit, the Comptroller's Office's indicated that one of its primary objectives was "to determine whether cost-benefit considerations are formally considered" by the Commission. This objective was not included in the January 6, 2011 engagement letter, and is not, as the Comptroller's Office acknowledges, within the Commission's jurisdiction as defined by the New York City Charter.

The Design Commission does not have the jurisdiction to approve, reject or alter a submitted project based on pure cost considerations, and unlike other agencies, it is not within its mission to perform cost-benefit analysis. Therefore, actions taken by the Commission based solely on cost, rather than aesthetic considerations, could be subject to legal challenge. Indeed, the Commission's Charter-mandated membership composition is not designed to facilitate cost-benefit analysis. Nonetheless, the Comptroller's Office spent considerable time to undertake this assessment – including several rounds of questions, requests for documentation in digital format, and several visits to review this same documentation in hard copy.

The Comptroller's Office refers to a project that, according to the agency, required three change orders based on the Commission's feedback. The Comptroller's Office never raised this issue before citing it in the preliminary draft report, so it is unclear what project this might be or whether the change orders were to a design or construction contract. Since any design firm would have been brought on board with full knowledge of the design review requirements (agencies generally include this in RFPs and contracts) and given the high cost indicated, it is more likely that these were change orders to a construction contract. To clarify, final Design Commission review and approval occurs prior to bidding projects and awarding construction bids (final approval is based on 90% complete construction documents, which predate final bid documents). Consequently, if these were change orders to a construction contract, the agency must have bid the project without Design Commission approval. Had the agency followed the standard design review process, change orders would not have been required.

Scope and Methodology

The Comptroller's Office chose to disregard longstanding protocols for channeling audit-related requests by soliciting information directly from Design Commission agency liaisons, rather than the agencies' established audit liaisons. When the Mayor's Office learned that this protocol was disregarded, it notified the agency audit liaisons in order to ensure proper communication within the agency and a complete response to the Comptroller's Office. The Mayor's Office reiterates that all such requests should be managed through the agency audit liaison to help ensure a complete and timely response.

As the Comptroller's Office notes, few agencies were able to respond to its extensive request and none responded in full.⁵ The Comptroller's Office confirmed at the exit conference that it did not follow-up on its requests or work with the agencies to procure the desired information, but rather terminated fieldwork without notice. Rather than accept responsibility for an unsuccessful auditing tactic, the Comptroller's Office chose to lob unsubstantiated and erroneous claims that the process was obstructed by the Commission and the Mayor's Office. We absolutely reject these claims, which were an unusual and unprofessional distraction from the audit process, with which the Commission cooperated fully.

⁵ The Comptroller's Office requested that each agency assemble a list of projects submitted to the Design Commission during the two-year audit period, including the project name, date submitted, original estimated cost, current status, date approved/withdrawn (if applicable) and final project cost in order to independently verify the information provided by the Design Commission.