



NEW YORK CITY COMPTROLLER
BRAD LANDER

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Audit Report on Estate Asset Identification and Management Practices of the Kings County Public Administrator's Office

MJ23-102A | February 28, 2025





THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

February 28, 2025

To the Residents of the City of New York:

My office has audited the Kings County Public Administrator (KCPA) to determine whether it conducted proper research to identify decedents' assets and whether it accurately accounted for and properly safeguarded estate assets. The Office of the New York City Comptroller conducts audits of the Public Administrator offices to ensure that they identify, collect, and safeguard assets and comply with rules and regulations.

The audit found that KCPA did not adequately identify, collect, or safeguard decedents' assets on a consistent basis. The audit also found multiple instances where KCPA did not properly oversee the administration of the estates or act in the best interests of decedents' estates and, because of this, assets may be at risk. More than 70% of estates active during the audit scope period had been open for more than five years, and more than half of those had not yet been assigned a case manager.

The audit noted that many of the deficiencies identified in this audit relate to issues that predate the current PA (appointed in January 2024). However, a key factor contributing to the deficiencies is that KCPA lacks sufficient detailed policies and procedures to govern its estate administration processes. This shortcoming has been noted in previous audits conducted by this office, but to date, has not been fully addressed.

KCPA has noted that it requires additional budgetary support from OMB to acquire the resources it needs to address the accumulated backlog and maintain an appropriate case clearance rate. This is a serious concern that the City should address.

The results of the audit have been discussed with KCPA officials and their comments have been considered in preparing this report. KCPA's 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,

Brad Lander
New York City Comptroller

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Audit Impact

Summary of Findings

The audit found that KCPA does not adequately identify, collect, or safeguard decedents' assets on a consistent basis. Auditors also found multiple instances where KCPA did not properly oversee the administration of the estates or act in the best interests of decedents' estates and, because of this, assets may be at risk. More than 70% of estates active during the audit scope period had been open for more than five years, and more than half of those had not yet been assigned a case manager.

The audit notes that many of the deficiencies identified in this audit relate to issues that predate the current PA (appointed in January 2024). However, a key factor contributing to the deficiencies is that KCPA lacks sufficient detailed policies and procedures to govern its estate administration processes. This shortcoming has been noted in previous audits conducted by this office, but to date, has not been fully addressed.

Intended Benefits

This audit identified the need for improvement in KCPA's operations in administering decedent estates, including in its identifying and safeguarding decedents' assets and maintaining accurate estate records. KCPA also needs a plan for clearing the backlog that has accumulated over many years.

Introduction

Background

New York City has five Public Administrators (PA), where each PA is appointed by the judge or judges of the Surrogate's Court of their respective counties. The PAs are responsible for administering the estates of individuals who die intestate (without a will) or with no heirs willing or able to administer the estate. KCPA administers such estates in Kings County (Brooklyn).

KCPA is managed by a PA and a Deputy PA, and the PA is authorized to appoint other employees' work at KCPA. The official duties of the PA are governed principally by Article 11 of the SCPA, *Guidelines for the Operations of the Public Administrators of New York State* (NYS PA Guidelines), and reporting requirements established by New York City Comptroller's Directives. In addition, KCPA's office has its own procedures manual, *Guidelines and Procedures for the Operations of the Office of the Public Administrators of Kings County New York* (Procedures Manual), which provides guidance to KCPA staff on the estate administration.

As the estate administrator, KCPA has a fiduciary duty to the estate that requires conducting thorough investigations to discover and account for all assets and safeguard them; paying decedents' debts and taxes; accounting for and maintaining documentation to support estate activities and transactions; and distributing estate assets and proceeds to decedent's heirs in accordance with decrees issued by the Surrogate's Court.

KCPA's operations are funded by the City of New York and by estate commissions. The City mainly funds the offices' salaries and other than personnel services (e.g., supplies, some contracts, utilities). The amount of estate commission is fixed by statute (SCPA Sections 1106 and 2307). These commissions are calculated on a sliding scale based on the assets of the estate, starting at 5% of the first \$100,000 and going down to 2% of any assets over \$5 million. These commissions are supposed to be distributed to the City's general fund (Department of Finance). KCPA also receives an additional 1% of the gross asset of the estate, which is supposed to be maintained in a suspense account (separate bank account) to be used for necessary expenses of the office that are not covered by City funds. The suspense account can also be used to loan money to the estates for various expenses (e.g., filing fees, death certificates, funeral) to be reimbursed when the estate assets are collected.

KCPA initiates a property search upon notification by hospitals, nursing homes, funeral homes, medical examiner's offices, or other sources, regarding a decedent with no known family or beneficiaries, or an executor who cannot or refuses to fulfill their obligations.¹ KCPA assigns two KCPA employees (an investigator and another KCPA employee as a witness) to visit and search the decedent's residence to identify and secure existing assets, including jewelry, cash, checks,

¹ For estates with gross assets over \$50,000 (referred to as formal cases), KCPA is appointed as an administrator by the Surrogate's Court via a Letter of Administration. Estates with gross assets of (1) less than \$500 and (2) \$500 to \$50,000 are referred to as informal cases which can be self-administered by the KCPA.

coins, and financial and personal documents (e.g., bank and brokerage account information, stocks and bonds, wills, personal identification, photo albums).²

After the investigation is completed, the decedent's residence is sealed, and cash, jewelry, and other small-size valuables are brought back to the PA's office to be secured in a locked vault pending liquidation through auction or private sale.³ ⁴ Any cash/checks in the PA's possession and proceeds from asset sales are later deposited into the estate's account. KCPA also maintains a warehouse at the Brooklyn Municipal Building, which is accessible only to the PA and Deputy PA, to retain large and fragile items, such as furniture, large-sized paintings, fine china sets, and electrical appliances.⁵ Subsequent searches of a decedent's residence may be performed if necessary.

KCPA also searches the Office of the New York State Comptroller's (OSC) website for unclaimed funds and LexisNexis-Accurint and other government databases to identify additional assets, including real property and vehicles, that might not have been discovered during the residence searches. In addition, KCPA reviews any information from financial institutions identified during the residence searches (e.g., banks, pension systems, insurance companies, brokerage firms) and sends letters to them to determine whether these accounts are still active and if so, requests current balances be credited to the decedents' estate accounts.

KCPA uses CompuTrust, a trust accounting and case management software system, to process and maintain an accounting record of each estate's financial transactions and assets and to support and manage other aspects of estate administration. In December 2022, KCPA upgraded the software and started retaining scanned estate case documents within CompuTrust. However, KCPA also separately maintains hard copy files (each decedent case assigned a unique PA control number) for all active estate cases and keeps closed estate case files at its office for 5 years before archiving them in its warehouse.

During the period of January 1, 2022 through June 30, 2023, KCPA had 14,258 active estate cases and closed 797 of them during the same period. Among the 14,258 estate cases, 217 cases were classified as large estates (valued at \$50,000 or more), totaling \$84,125,899 in value; the remaining 14,041 cases were classified as small estates (valued under \$50,000), including nursing home and citation cases, totaling \$10,307,447.⁶ According to the sub-accounts listed on the April 2023 bank statement, KCPA was managing \$106,204,541 in cash balance for 4,810 estates in interest-bearing bank accounts. KCPA employs 13 full-time staff, including the PA and Deputy PA. The current Public Administrator was appointed January 2, 2024.

² KCPA employees make a full report of everything they collect in a standard document, referred to as an Investigation Report, and take photographs of their search of the residence. The Investigation Report must be signed by the two KCPA employees who conducted the search and an independent witness, if available. In addition to the Investigation Report, KCPA requires that the decedent's personal properties (e.g., financial, investment, and real estate documents; creditor bills; jewelry; collectibles; and paintings) that are removed from the residence are documented on a Decedent's Real Property and Apartment Inventory Record.

³ If a decedent does not own their residence, it is not sealed and it is released to the landlord or owner.

⁴ The vault is secured by a heavy steel door with combination lock and monitored by two closed-circuit security cameras.

⁵ According to the prior PA who resigned in December 2023, KCPA has not stored any items in the warehouse that were collected from decedents' residences since February 2022, when he was appointed as the PA. As of March 2024, no newly collected items have been stored in the warehouse.

⁶ A nursing home estate case is a case that is received by KCPA from a nursing home. A citation case is an estate case received by KCPA from the Surrogate's Court.

Objectives

The objectives of the audit were to determine whether KCPA (1) conducted proper research to identify decedents' assets, and (2) accurately accounted for and properly safeguarded estate assets.

Discussion of Audit Results with KCPA

The matters covered in this report were discussed with KCPA officials during and at the conclusion of this audit. An Exit Conference Summary was sent to KCPA and discussed with KCPA officials at an exit conference held on December 19, 2024. On January 10, 2025, we submitted a Draft Report to KCPA with a request for written comments. We received a written response from KCPA on February 3, 2025. In its response, KCPA generally agreed with all 18 recommendations.

KCPA's written response has been fully considered and, where relevant, changes and comments have been added to the report.

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

Detailed Findings

The audit found that KCPA does not adequately identify, collect, or safeguard decedents' assets on a consistent basis. This was evident in a range of deficiencies identified in KCPA's oversight over personal property collected from decedents' residences, including inadequately documented property searches and evidence of items brought to KCPA's office and/or entered in inventory; unprotected and inadequately stored items at its warehouse; and insufficient inventory practices.

Significant deficiencies were found in KCPA's administration of estates, and auditors did not find sufficient evidence that KCPA consistently acted in the best interests of decedents' estates under its jurisdiction. KCPA failed to identify and claim estate assets as required, and demonstrated poor oversight over the disposal of assets, including real property, personal property, and stocks and bonds left unliquidated for long periods of time.

KCPA's case management practices also need improvement. More than 70% of estates active during the audit scope period had been open for more than five years, and more than half of those had not yet been assigned a case manager. KCPA does not maintain all case-related information in its electronic case management system, hindering its case management monitoring and tracking of the estates.

Finally, KCPA did not properly file required financial and operating reports with various oversight authorities. KCPA did not consistently and accurately report open estates to the NYS Comptroller, open and closed estates to the Surrogate's Court, and closed estates to the NYC Comptroller's Office, as required.

The audit notes that many of the deficiencies identified in this audit relate to issues that predate the current PA (appointed in January 2024). However, a key factor contributing to the deficiencies discussed above is that KCPA lacks sufficient detailed policies and procedures to govern its estate administration processes, including those relating to the identification, collection, and liquidation of assets, and the retention and disposal of personal property. This shortcoming has been noted in previous audits conducted by this office, but to date, has not been addressed.⁷

These and other issues are discussed in more detail below.

KCPA Does Not Properly Search, Collect, or Safeguard Decedents' Personal Property

NYS PA Guidelines states that the PA must take all steps necessary to ensure that all personal property belonging to a decedent's estate is collected and credited to the estate. According to KCPA policies, decedents' personal property (e.g., jewelry, coins, stock certificates) is normally

⁷ Report No. ME05-055A (issued June 29, 2005; <https://comptroller.nyc.gov/reports/audit-report-on-the-estate-management-practices-of-the-kings-county-public-administratr/>); Report No. MG09-054A (issued June 30, 2009; <https://comptroller.nyc.gov/reports/audit-report-on-the-estate-management-practices-of-the-kings-county-public-administrator/>); Report No. FK12-079A (issued June 28, 2013; <https://comptroller.nyc.gov/reports/audit-report-on-the-financial-and-operating-practices-of-the-kings-county-public-administrators-office/>); Report No. MD14-122F (issued June 30, 2015; <https://comptroller.nyc.gov/reports/follow-up-audit-report-on-the-financial-and-operating-practices-of-the-kings-county-public-administrators-office/>); and Report No. FP20-082 (issued May 17, 2021; <https://comptroller.nyc.gov/reports/audit-report-on-the-operating-practices-of-the-kings-county-public-administrators-administration-of-estates/>).

kept in a vault maintained in KCPA's office. Large and fragile items that cannot be maintained in the vault are kept at a warehouse located in the Brooklyn Municipal Building. Items typically stored at the warehouse include furniture (e.g., china cabinets, tables, dining chairs, side tables, sofas and upholstered chairs), chinaware, glassware, porcelain, and framed pictures. The guidelines stipulate that, if feasible, the search of a decedent's residence should be conducted as soon as possible after the PA has been notified of the decedent's death and determines that the search is appropriate.

The audit found that KCPA did not consistently follow these procedures. Auditors found items that were not collected from decedents' residences, as well as items that were collected but not documented. KCPA did not adequately secure personal property stored in its warehouse, and KCPA did not maintain adequate inventory records or use its dedicated case management system to track decedents' personal property.

These issues are discussed in more detail below.

Not All Personal Property Collected and Entered in Inventory

KCPA did not collect all items identified during the searches, including items KCPA was aware of. In one instance, KCPA recorded paintings belonging to an estate, but there was no evidence in the file indicating that investigators collected these for safekeeping. In another instance, KCPA was aware of decedents' personal property for one estate it never attempted to collect, including personal items such as car keys, watches, and cell phones.

Failing to collect all personal property and record it in appropriate estate accounts means that KCPA cannot meet its fiduciary responsibility to properly administer the estates of deceased persons.

Poor Controls over Personal Property

According to KCPA's Procedures Manual, all personal property collected on behalf of decedents that is stored in its vault should be accompanied by an intake sheet, and the property should be recorded in CompuTrust. The intake sheet lists (1) the decedent's name; (2) the source of the personal property being placed in inventory; (3) a description of the property (e.g., type of jewelry, other items); and (4) the signature of the person receiving the items into inventory. Smaller items (such as jewelry, watches) should be placed in a secured, numbered plastic security bag, with the intake sheet stapled to the bag and the bag number recorded on the intake sheet and subsequently placed in the vault. Items that are too large for a security bag may be placed directly in the vault in a storage bin or on the vault floor.

During the auditors' physical inventory count of items stored in the vault, the auditors found no intake sheets attached to 16 of the 109 (15%) security bags. Without intake sheets, there are no records of items stored in security bags and items are not recorded in CompuTrust. This increases the risk that items may be stolen or misappropriated, and further, missing estate items may go undetected. Also, the security bags were not numbered sequentially, making it difficult to determine if certain bags are missing, and KCPA did not always record all personal property collected from the decedents' residence in CompuTrust.

In addition, the inventory list included 60 entries of items that were identified as missing during a 2019 search by KCPA staff, and which had not been located as of the auditors' inventory count. KCPA could not say what steps were taken after the missing items were identified because the

review occurred under a prior PA's tenure, and KCPA did not maintain any documents to record the steps taken or whether the office determined why or how these items went missing.

Auditors also found that KCPA had a safe in their accountant's office that they were unable to access because the combination to the safe was unknown. As of this writing, KCPA was not able to determine the contents of the safe (and their value) and whether items that are reportedly stored there according to their records are, in fact, still there.

Inventory Records Contain Inadequate Descriptions of Property

The audit found that KCPA's inventory records of decedents' personal property held in KCPA's office vault and off-site warehouse were not always detailed and were found to be incomplete and inaccurate.

According to the SCPA and KCPA's Procedures Manual, all personal property collected on behalf of decedents is to be recorded in CompuTrust and contain adequate information describing the items and its location.

Entries in KCPA's vault and warehouse inventory records did not consistently contain adequate descriptions of the items being held. Several estate entries in KCPA's inventory records lacked sufficient specificity to determine quantity or to match stored items to entries. For example, a single entry for jewelry may not indicate how many pieces of jewelry or provide any description of jewelry pieces that would allow KCPA to identify the related items held in the inventory.

KCPA's inventory records contained a total of 3,153 entries, of which 448 (14%) contained vague descriptions of the items, such as "unverified jewelry," "miscellaneous stock certificate," "miscellaneous unverified coinage," "Bric-A-Brac," "assorted paintings," and "assorted furniture," with no further information detailing the items, the quantities, or estimated values.

There were also 61 (2%) entries that did not identify the decedent name or a PA estate control number, another 15 entries that did not identify the actual location of the stored items, and eight entries pertaining to three estates that listed miscellaneous numismatic coins without a listed quantity, supposedly stored in safe.⁸ The auditors could not verify the existence of the coins because the current KCPA staff reported that the combination to the safe, as noted above, is missing.

Poor Oversight over Personal Property Stored in Warehouse

According to KCPA's Procedures Manual, personal property that is brought to KCPA's warehouse should be tagged and placed in areas designated to specific estates. However, the auditors' observation of KCPA's warehouse found that this did not occur. This means KCPA cannot reconcile items stored in the warehouse to estate records, and auditors were unable to verify that items listed in records are still in KCPA's possession.

⁸ Numismatic coins generally refers to special coins that typically have some historical significance or an element that makes them highly desirable to collectors. According to a KCPA investigator, coins of foreign currencies are also typically categorized as numismatic.

According to KCPA inventory records, goods associated with 57 estates (with a total of 65 entries) were stored in the warehouse during the period under review. From these, auditors randomly selected a sample of 15 estates (26%) and attempted to trace all the items listed in the records to items stored in the warehouse.⁹ The records contained one entry for each of the 15 sampled estates, but these entries lacked specificity: each entry referenced multiple items with very general descriptions. It was not clear how many items or what types of items should be in the warehouse for each entry. Auditors visited the warehouse on March 19, 2024, but ultimately could not locate items in the warehouse that corresponded to 12 of the 15 entries. For the remaining 3, auditors could locate some of the referenced items in the warehouse, but not all.

Items stored at the warehouse generally did not have identification tags or labels identifying the estates to which they belonged. Also, the inventory list was generally not itemized, and many entries did not contain sufficient detail to determine the number of items per entry. Additionally, there was no systematic organization system or dedicated space for particular estate property; the items in the warehouse were all stored haphazardly and in a manner that provided inadequate protection from breakage or from deterioration. Auditors observed items covered in thick layers of dust and paintings that were in a state of disrepair and falling apart. (See Appendix I for pictures of examples of the observed deficient storage conditions at the warehouse.)

At the exit conference, KCPA officials stated that their auctioneer recently examined the items stored in their warehouse and deemed them to be unsaleable. However, KCPA officials stated that this was communicated verbally during in-person conversations only and that they anticipate receiving something in writing shortly. Officials also stated that the items currently stored in the warehouse will either be donated or discarded and that the warehouse will be used to store the hardcopy files for closed cases.

KCPA officials informed the auditors that the current practice is to have on-site property bids for large items that cannot be stored in the KCPA vault. Items that are not sold through auctions are discarded through a clean out bid.

Items Remain in Inventory for Years

Upon review of the inventory lists provided by KCPA, the auditors found that practically all items reportedly in inventory have been in storage for years—the vast majority for five years, but many for far longer. As of September 25, 2023, the inventory records for the vault and warehouse showed a combined total of 1,230 entries—1,165 vault entries and 65 warehouse entries—of unliquidated inventory that remain stored by KCPA. 43 entries are undated. 1,096 (92%) of the remaining entries indicate that items entered the inventory more than five years ago; 667 were entered between 5 and 10 years ago, nearly 300 were made between 10 to 15 years ago, and 132 entries represent assets that entered inventory between 15 and 20 years ago. A total of 9 have been held in inventory, unliquidated, for more than 20 years (see Table I below).

The longer it takes to sell decedents' personal property, the longer it takes to credit collected assets to the decedents' accounts. Additionally, since monies collected on behalf of decedents are maintained in interest-bearing accounts, delays in liquidation affect the amount of interest earned because the interest earned is calculated as a percentage of the total amount in the accounts. Failing to sell or dispose of decedents' personal property can also prolong the closing

⁹ The count was conducted on March 19, 2024.

of those estates and the distribution of remaining funds in the estate accounts to any heirs dictated by the Surrogate's Court.

Table I: Aging of Personal Property Inventory Stored at KCPA

Number of Years in Inventory (as of September 2023)	Number of Inventory Entries in the Vault List	Number of Inventory Entries in the Warehouse List	Total Number of Inventory Entries
1 year or less	0	0	0
Over 1 to 2 years	47	0	47
Over 2 to 5 years	44	0	44
Over 5 to 10 years	667	0	667
Over 10 to 15 years	258	30	288
Over 15 to 20 years	112	20	132
Over 20 to 25 years	7	0	7
More than 25 years	2	0	2
No Received Date Indicated	28	15	43
TOTAL	1,165	65	1,230

At the exit conference, KCPA officials informed the auditors that KCPA was in the process of reviewing the items stored in the vault to identify those that have value and can be sold. However, that determination will be made at an auction; according to officials, auctions will be open to the public. KCPA does not have an appraiser assess items prior to auctions because officials believe that most of the property being held is not valuable and therefore an independent appraisal is not worth the additional expense. In the absence of independent appraisals, however, there is a risk that certain items may be sold at auction at a fraction of their worth, reducing the amount of revenue credited to decedents' estates.

Personal Property Stored by KCPA Not Credited to the Appropriate Estates

During the auditors' inventory count of the warehouse and vault, the auditors selected tagged items they observed stored in both the warehouse and vault and attempted to trace those items to the inventory records. In total, the auditors selected 94 items and found that 24 items (26%) were not credited to the correct estates, as discussed further below.

Of the items in the warehouse that *were* tagged to identify the corresponding estates, auditors judgmentally selected 46 items (belonging to 13 estates) from the warehouse and attempted to trace the items back to inventory records. Auditors found that of the 46 items, 13 (28%)—belonging to 9 estates—were not recorded in the inventory records. These items included a round table with china glassware on top, a small end table with glassware on top, an armchair, nightstands, lamps, and ceramic vases. Of the 13 items, three belonged to three estates for which there were *no* items recorded in the inventory records.

Auditors also identified items stored in the vault that were not credited to the correct estates. Auditors randomly selected 48 tagged items, consisting of bags and large-size items that were too big to fit into a bag (e.g., framed pictures, violin) stored in the vault, and attempted to trace them to the inventory records. Of the 48 items, 11 (23%) of them—belonging to 11 estates—were

not recorded in the inventory records and therefore not credited to the tagged estates. These items included sports memorabilia, stocks, coins, and pictures.

Failure to ensure that items are appropriately credited to the correct estate increases the risk that the heirs of some estates will be short-changed, and others will have windfalls from the sale of items that did not belong to the decedents.

Sales of Inventory Not Recorded

Concerns regarding KCPA's inventory maintenance increased when the auditors reviewed estate sale documentation and found that items sold at auction had not been recorded in CompuTrust. According to the NYS PA Guidelines, for each auctioned item, the PA must indicate the sale price, the item sold, the name and address of the purchaser, and the estate to which the sale proceeds should be credited. All payments must be promptly deposited in the estate account.

However, auditors reviewed a random sample of personal property associated with 25 estates sold at auction and found that KCPA failed to record both the personal property and the sale of some of the items in the decedents' accounts in CompuTrust. Property belonging to five estates was not recorded in the decedents' account in CompuTrust, but the sales were correctly recorded for four estates. In addition, the sale of personal property for eight estates was not recorded in CompuTrust. All personal property belonging to the decedent should be listed in the estates' CompuTrust account before being sold at auction, and all proceeds should be reflected in the decedents' accounts in CompuTrust.

Contributing factors for the deficiencies noted above are that KCPA does not have written procedures over its inventory processes, including recordkeeping practices and requirements, and KCPA did not conduct periodic physical inventory counts of the personal property that it maintains.¹⁰ As a result, KCPA is unable to ensure that its inventory records accurately reflect all personal property held by its office.

Most Sampled Items Listed in Vault Inventory Records Were Located by Auditors

From the population of 993 estates (with a total of 1,165 entries) represented in the vault inventory list, auditors randomly selected a sample of 100 estates (10%) and conducted a physical inventory count of decedents' personal property stored in the vault.¹¹ According to the list, there were reportedly 114 bags stored in the vault for the 100 estates (14 estates had more than one bag). Of the 114 bags, auditors found 109 (96%) of them—belonging to 96 estates—in the vault. Of the remaining five bags (belonging to four estates), three (belonging to two estates) were unaccounted for. KCPA provided no explanation as to the whereabouts of the bags. According to the vault inventory list, the items contained in these three missing bags included a watch, a ring with a black stone, stocks, and coins. The contents of the remaining two bags (belonging to two estates) had been sold in 2011 but the inventory records were not updated to reflect the sale.

¹⁰ According to Comptroller's Directive 1, physical controls, such as periodic inventory counts and accurate inventory lists, must be established "to secure and safeguard vulnerable assets." Further, "periodic counting and comparison to control records for such assets is an important element of control of these assets." KCPA notified the auditors that it began conducting a Vault Inventory Review Project in November 2023 at the request of the prior PA. There was no evidence of any periodic inventory count conducted from 2019 through 2022 (after the prior PA was appointed).

¹¹ The count was conducted between February 6 and March 21, 2024.

KCPA Did Not Gain Possession of Automobiles Owned by Decedents

KCPA's Procedures Manual requires that investigators (1) check the New York State Department of Motor Vehicles' (DMV) website to determine whether the decedent owned any vehicles; (2) order a new title from DMV if KCPA does not possess a title for the decedent's vehicle; (3) advise KCPA's Deputy PA that a decedent's car should be sold through auction. The guidelines also state that the PA must contact the appropriate police property clerk or precinct to determine whether the police department is holding any of the decedent's property.

For three of the 45 sampled estates, KCPA's records indicated that decedents owned automobiles; however, there is no evidence that KCPA took steps to obtain the automobiles and to secure the titles for these automobiles, one of which was being held at a NYPD precinct.¹² As a result, these items cannot be auctioned off and the proceeds cannot be distributed to the estate accounts. While vehicles are awaiting sale, the records disclose no effort to maintain vehicles and KCPA risks values decreasing over time. The longer it takes KCPA to obtain vehicles and to sell them, values risk decreasing.

Inconsistent Identification, Collection, and Disposal of Decedents' Financial Assets

According to Section IV (Property Management) of the NYS PA Guidelines, "The PA shall take all steps necessary to assure that all personal property belonging to a decedent's estate is collected and credited to the decedent's estate."

The auditors randomly selected a sample of 50 estate files to assess the extent to which KCPA complied with this requirement. However, KCPA was unable to provide the case files for five of them (four small estates and one nursing home case). Auditors were therefore unable to determine what actions, if any, were performed to identify assets for these five decedents.

The auditors' review of the remaining 45 estates files found that KCPA failed to fully investigate or collect decedents' assets from established financial institutions including unclaimed funds maintained by the NYS Comptroller's Office. The auditors also found that KCPA did not distribute funds from closed accounts, and did not liquidate stocks and bonds on behalf of estates timely.

These deficiencies are detailed below.

KCPA Did Not Collect At Least \$580,000 in Estate Assets

NYS PA Guidelines and KCPA's Procedures Manual require that KCPA send inquiries to all financial institutions it becomes aware of through the search and review of decedents' documents (such as bank statements, financial institution statements, and life insurance policies), to identify

¹² The auditors randomly selected a sample of 50 estates; however, KCPA was unable to produce the estate files for five of them.

and collect possible assets. KCPA is also required to record the funds in CompuTrust and maintain documentation in the estate file.

According to the SCPA, before Letters of Administration are issued to the PA, the PA is authorized to take possession of, collect, and secure the personal property of decedents, and to take possession of, manage, and collect the rents of real property owned by decedents.¹³

The auditors' review of 45 sampled estates found that KCPA did not always exercise due diligence in identifying, collecting, and recording collected assets to the appropriate estate accounts. KCPA did not send inquiries to 26 financial institutions it was aware of to identify possible decedent assets relating to eight estates, so it is unknown whether any had funds belonging to the eight decedents. For 27 of the sampled estates that required Accurant searches, KCPA either failed to conduct the search or conducted the search on the wrong person, as occurred in 12 of the estate cases where three of the Accurant searches were for the wrong people.¹⁴

Files for eight sampled estates indicated that assets valued at \$580,162 were identified by KCPA, but auditors found no evidence that the assets were collected and deposited into the estate accounts. Assets totaling \$224,189 pertaining to three estates were identified through KCPA's inquiries to financial institutions, and KCPA became aware of assets totaling \$355,973 pertaining to five estates upon notification from other sources. For these assets, KCPA failed to issue letters requesting that the accounts be closed and that checks for any account balances be issued in the decedent's name and forwarded to KCPA.

KCPA Did Not Identify and Collect Decedents' Unclaimed Funds

The auditors found no evidence that KCPA sent inquiries to the NYS Comptroller's Office or searched the NYS Comptroller's website for 19 (42%) of the 45 sampled estates to identify possible unclaimed funds, as required by the KCPA's Procedures Manual.^{15 16} For eight of the 26 estates for which searches were conducted, KCPA identified unclaimed funds totaling \$787 but did not collect them.

Furthermore, KCPA did not adhere to its own policy of conducting additional searches of the NYS Comptroller's website for unclaimed funds every six months after the initial search. The auditors' independent search of the NYS Comptroller's website identified unclaimed funds for nine of the 45 (20%) sampled estates. Auditors are unable to report the value of the unclaimed funds they identified because this information is not publicly available.

¹³ Letters of Administration give someone the authority to manage the estate of a deceased person who died without a will or without naming an executor and grants them power to collect and distribute assets according to New York's intestacy laws. For large estates (\$50,000 or more)only, KCPA must obtain a Letter of Administration from the Surrogate's Court through a Petition for Letters to have the authority to sell and distribute decedent's assets.

¹⁴ Of the 45 estates, 18 were nursing home estates for which KCPA procedures do not require Accurant searches.

¹⁵ The NYS Comptroller's website has a searchable public database of unclaimed funds from dormant accounts that organizations are required to report, such as forgotten savings accounts, paychecks, or stocks and bonds. KCPA can use the site to identify and claim funds on behalf of decedents.

¹⁶ As previously mentioned, there were five sampled estates whose files could not be located by KCPA, and auditors were not able to determine whether inquiries were made to the NYS Comptroller's Office for possible unclaimed funds.

KCPA Did Not Distribute Over \$2 Million from Closed Accounts

KCPA had 676 estate cases that had been closed as of June 2023, but not yet distributed to heirs or the New York City Department of Finance (DOF).¹⁷ When closed, the associated fund balances totaled \$2,556,205. In addition, KCPA has two dormant accounts with combined fund balances of \$375,100, that have not been used since 2010—\$202,700 in a nursing home account and \$172,400 in a police account.¹⁸

There is no guidance from the SCPA or the NYS Administrative Board of the Offices of the Public Administrators on closing estate cases. KCPA also has not established any written policy and procedures on the closing of estates, especially small estate cases, where cases do not go through the Surrogate's Court system for a final determination and approval of the distributions. In addition, KCPA has no standard procedures governing the distribution of assets, specifying (1) the timeframe within which the informatory accounting should be submitted and distributions should occur; (2) who is responsible for distributing the funds; or (3) who is responsible for ensuring that the distribution takes place.

As a result, funds are being unnecessarily held by KCPA and possibly not being distributed to heirs, if any exist. Additionally, KCPA is not collecting any commissions due from these estates to the City (in general) and to KCPA directly; it is not collecting funds that can be used for necessary office expenses that are not covered by City funding.

At the exit conference, KCPA officials stated that KCPA generally did not focus its efforts on closing the small estate cases; instead, its focus was on the large estates (those valued at \$50,000 or greater). Officials stated that they have reassigned a staff member as a Case Coordinator to focus and assist with the backlog of cases, including reviewing the small estates that are ready to be closed. For such cases, KCPA counselors will prepare and submit informatory accountings to the Surrogate's Court to close the estates. KCPA is also in the process of clearing the dormant police and nursing home accounts. The KCPA Commissioner stated that some estates that are identified as closed have money in their accounts to pay off unpaid tax obligations. According to the PA, these cases are now being classified as closed estates with reserves. KCPA is in the process of determining the number of closed cases that fall under this category. For these estates, KCPA should ensure that the outstanding obligations are paid as soon as is feasible.

Financial Instruments Not Liquidated

To protect against assets decreasing in value, it is in the best interest of estates that assets be liquidated as soon as is feasible. The auditors' review of the inventory list identified 80 estates containing 84 entries of unliquidated financial instruments (each entry may contain multiple financial instruments). The breakdown is as follows:

- 35 entries of bonds,

¹⁷ According to SCPA section 1123 (g), PAs should pay or deliver to DOF the balance of any moneys or other assets remaining after settlement of a decedent's account. The balances reported were as of April 2024.

¹⁸ KCPA used the "nursing home account" to account for funds received from nursing homes that belonged to decedents that resided in a nursing home at the time of their death, and the "police account" was used to account for funds received from the NYPD for decedent cases received from NYPD (e.g., money on the decedent's possession at the time of the death and the NYPD took possession of the funds).

- 45 entries of stocks, and
- Four entries of Certificates of Deposits (CDs)/Traveler's Checks/Co-op shares.

These instruments were in KCPA's possession ranging from almost two years to over 20 years as of September 25, 2023, the date auditors received the listing (see Table II below). Almost half of the instruments—41 of 84—were in KCPA's inventory for more than ten years; a further 20 were received between 5 and 10 years ago; and six entries were missing a received date.

Table II: Aging of Unliquidated Financial Instruments Stored at KCPA

Number of Years in Inventory (as of September 25, 2023)	Number of Inventory Entries in the Vault List
1 year or less	0
Over 1 to 3 years	12
Over 3 to 5 years	5
Over 5 to 7 years	11
Over 7 to 10 years	9
More than 10 years	41
No Received Date Indicated	6
TOTAL	84

Auditors were unable to quantify the number and value of the stocks, bonds, CDs, and travelers checks because KCPA did not maintain detailed inventory records. KCPA did not always itemize the number of each financial instrument, identify the company names of the stocks or the bond type, or indicate the value of each financial instrument.

The values of stocks and bonds are subject to regular fluctuations, and the status of companies is subject to change. Leaving such assets unliquidated potentially opens the estate to associated risk. The longer it takes KCPA to liquidate financial instruments, the greater the risk that the values could significantly decrease.

As previously mentioned, KCPA is in the process of identifying the items stored in the vault—including stocks and bonds—that have value and can be liquidated.

Real Estate Holdings Not Adequately Managed

KCPA Did Not Maintain an Accurate Listing of Real Estate Properties of Decedents

KCPA's Procedures Manual requires that KCPA maintain an inventory of all real estate property for each decedent and handle all issues relating to decedents' properties, including maintenance and walk-throughs for potential owners. However, the audit found that KCPA did not maintain an accurate listing of all decedents' real estate properties and did not record all real estate properties in the appropriate estate accounts in CompuTrust.

KCPA does not maintain a centralized list of all properties and their statuses, instead maintaining an Excel file containing multiple lists, such as properties in contract to be sold, vacant properties requiring winterization, and properties requiring periodic inspections to ensure they are being

maintained and remain squatter free.¹⁹ These lists are used by KCPA to track and monitor real estate properties until they can be sold.

Auditors found several discrepancies between the lists, including properties appearing on multiple lists indicating different statuses, incorrect case numbers attached to the properties, and missing properties.

Auditors also identified seven properties in CompuTrust (associated with four estates) that were not listed in KCPA's Excel property file, possibly indicating that KCPA is not actively managing these properties; and, conversely, 34 of the 138 properties that were listed in the Excel property file were not linked to any accounts in CompuTrust, indicating that the estates to which these properties belonged were at risk of not being appropriately credited.

A review of the estate files for the 45 sampled estates revealed that two properties (owned by two estates)—one of which was sold—were not recorded in either the Excel file or CompuTrust. The audit notes that, although not documented, KCPA staff knew the identity of the decedent who had owned the property and credited the proceeds from the sale to that estate's account. Nonetheless, ensuring that properties are properly documented in estate files helps ensure that a permanent record of ownership exists.

Without a centralized, detailed, complete, and accurate record that tracks all decedents' real estate holdings and associated information and statuses, KCPA's ability to manage properties—and to meet its fiduciary duty to administer decedents' properties—is limited.

KCPA Failed to Acquire Properties Connected to Decedents' Estates

KCPA did not acquire all known real estate properties, most of which were located outside of New York. Four of the 45 sampled estates had evidence in the case files that real estate properties existed, but as of August 2024 (the month of the auditors' file review), KCPA had not made any attempts to acquire them. These properties included a house in Brooklyn, New York; a house with land, a building with land, and 19 acres of land, all located in Grenada; a house with land in Barbados; land in Colorado; and seven properties in North Carolina.

By not identifying and acquiring all real estate properties—including those located outside of New York—owned by decedents, KCPA is unable to ensure that estates receive appropriate credit for their assets.

At the exit conference, KCPA officials stated that KCPA only has jurisdiction over assets and properties located in New York State, and to obtain jurisdiction over assets and properties located outside of New York State, KCPA would have to retain counsel that have jurisdiction where the properties are located to petition for Letters of Administration (ancillary proceeding) in that state or country, which can be an added expense to KCPA. KCPA considers the cost effectiveness of taking this action on a case-by-case basis.

¹⁹ The draft master property list (Excel sheet, "Master Property List Draft") was created by KCPA counsel to assist KCPA staff with case management and to use as a guide for distinguishing the varying stages of the administration process.

KCPA Did Not Perform Due Diligence for Sold Properties

KCPA's sale of six properties owned by the estates of sampled decedents revealed that for two of those sales, KCPA either sold the property for less than the appraised value or did not obtain an appraisal to determine the fair market value prior to the sale.

NYS PA Guidelines states that if the PAs are unable to sell real estate property at a public auction, the PAs shall determine the fair market value and sell such properties by private sale at the highest and best price available. On February 23, 2022, the Surrogate's Court of Kings County issued an Administrative Order granting KCPA authority to sell real property through private sale, stipulating that such a sale must be conducted by real estate brokers with offices near the parcels being sold.

The auditors' review of the files for 45 sampled estates identified nine real estate properties for which decedents had full or majority ownership, six of which were sold between May 2019 and July 2024.²⁰ Of these, one was sold at public auction and the remaining five were sold privately after February 2022, when the PA was granted permission to sell through private sales. In accordance with NYS PA Guidelines, before a property is sold privately, the fair market value of that property should be determined to ensure that it is sold at the highest and best price available.

The estate files for the five properties sold privately contain no documentation to indicate how parties were made aware that these properties were up for sale (e.g., whether these properties were advertised) and if any other offers were received. The auditors have no basis to conclude that KCPA exercised due diligence in selling these properties at the highest and best prices available. For two of these properties, the audit found that either no appraisal was conducted or the property was sold below the appraised value with no recorded explanation. The details for the two sales are as follows:

- One property was sold for \$650,000. The files indicate that two offers were received, and the highest one was accepted. However, no appraisal was conducted, so KCPA is unable to verify that it received fair market value for the property.
- One property was appraised at \$325,000 but sold for \$264,580—\$60,420 less than appraisal. The estate files contained no evidence that additional offers were received and no explanation for why the property was sold below market value.

In addition, for one Brooklyn (New York) property sold in August 2022, auditors found that closing documents were incorrectly prepared, stating that the property address was located in Manhattan instead of Brooklyn (the sold property's building number and street name exists in both boroughs). The sale and associated sale documents are incorrectly recorded in DOF's Automated City Register Information System (ACRIS) under the wrong block and lot number in Manhattan, creating a situation in which the ownership could be contested and the new owner could have issues selling the property. In addition, the Manhattan property owner under which the sale was incorrectly recorded could potentially experience issues as well.

Further, the auditors also identified that three of the sold properties were sold after the temporary Letters of Administration given to KCPA by the Surrogate's Court had expired, months prior to the sales, and there was no evidence of granted extensions, bringing into question the legality of the sales.

²⁰ KCPA was unable to produce the estate files for five of the 50 sampled estates.

Deficiencies in KCPA's Closing and Reporting of Estates

The audit found that a significant portion of estates remained open for more than five years and that KCPA allowed estates to remain unassigned for years after receiving them. The audit also found that KCPA did not consistently report its open estates to the NYS Comptroller and Surrogate's Court, and its closed estates to the City Comptroller.

More Than 70% of Estates Have Been Open for Five Years or Longer

The auditors identified a significant backlog of estate cases. During the period of January 2022 through June 30, 2023, there were 13,461 active cases with assets totaling more than \$94 million that the PA was responsible for administering. Table III below shows the ages of estate cases that have been open and administered by KCPA.

Table III: Age of Active and Open Estate Cases from January 2022 through June 30, 2023

Number of Years Estate Has Been Open	Number of Estates	Number of Estates Not Assigned to a Case Manager	Total Estate Value (reported as of October 25, 2023)
2 years or less	1,252	557	\$12,930,927
Over 2 to 5 years	1,950	1,490	\$25,118,947
Over 5 to 10 years	3,799	2,261	\$37,522,643
Over 10 to 15 years	2,927	2,277	\$11,173,256
Over 15 to 20 years	2,550	2,072	\$3,389,342
Over 20 to 25 years	967	961	\$3,316,994
More than 25 years	16	16	\$659,727
TOTAL	13,461	9,634	\$94,111,836

As shown in the table, there were 10,259 cases that were open for more than five years (as of June 30, 2023), including 7,587 cases that were still not assigned to a case manager.²¹

²¹ To be conservative, the auditors used five years to assess the length of time that estate cases remained open because of the amount of time (months to several years) it could take KCPA to obtain the Letters of Administration to administer large estates.

A breakdown of the 13,461 cases found that they consist of:

- 2,936 open nursing home cases totaling \$6,660,856, of which 2,293 totaling \$5,081,678 are not assigned to any case manager. Of these, 1,479 (65%) were received by KCPA before 2019.
- 10,317 open small estate cases totaling \$6,626,739, of which 7,185 totaling \$5,113,555 are not assigned to any case manager. Of these, 5,997 (83%) were received by KCPA before 2019.
- 208 open large/formal estate cases totaling \$80,824,240, of which 156 totaling \$49,599,031 are not assigned to any case manager. Of these, 111 (71%) were received by KCPA before 2019.

In addition, there were 797 estates closed between January 2022 and June 2023, with a total value as of \$321,511 as of October 25, 2023, that had been open for between 4 months and 21 years. Eighteen of these had been open for more than 5 years.

According to NYS PA Guidelines, each PA shall implement and maintain an electronic case management system containing a record of each estate and all estate activity shall be recorded promptly in the case management system, providing it with a tracking and recording system including a calendar or report-generating function that reflects the status of each estate, so that the PA may monitor unusual delays in the administration of any estate.

Although KCPA is utilizing CompuTrust, it is not being used correctly or completely. KCPA does not maintain all case-related information in its electronic case management system, thereby hindering KCPA's case management and monitoring and tracking of estates in its charge. KCPA did not consistently close or accurately report cases in CompuTrust, nor did it maintain accurate documentation to support the date that the cases were received or when the Letters of Administration or Letters Testamentary were issued. As a result, KCPA cannot readily and accurately generate reports from CompuTrust detailing the number of open estates and the length of time they have been open.

Delays in administering estates could prevent KCPA from identifying and collecting assets and increase the risk that the assets' value could decrease and potentially become worthless. Delays in collecting and closing estates could affect the heirs entitled to the proceeds, and depending on age of the heirs, they could be deceased by the time KCPA closes the estates and begins distribution.

One factor contributing to the large backlog of cases is that KCPA does not appear to have enough case managers to administer these estates. During the audit scope period, KCPA had only four case managers—one for nursing home cases, one for small estate cases, and two for large estate cases. During the audit, KCPA did not identify a strategy for tackling this backlog. However, as previously mentioned, at the exit conference, KCPA officials stated that they hired a case coordinator to help address the backlog of cases and they are in the process of reviewing and closing estates.

Estates Remain Open Years After Receiving Letters of Administration

KCPA receives more than 500 cases every year, and its caseload, as of June 30, 2023, was over 14,000.

The auditors' review of the annual report filed with the New York State Comptroller of open estates with Letters of Administration, as of December 31, 2023, found that more than 30% of open estate

cases were open for more than 10 years after receiving the letters.²² Table IV below shows the ages of estate cases reported to the State Comptroller for 2023 based on the date KCPA reported it received Letters of Administration from the Surrogate's Court.

Table IV: Age of Estate Cases with Letters of Administration as Reported to the New York State Comptroller for CY2023

Length of Time from Date of Letter of Administration through December 31, 2023	Number of Estates	Percentage of Estates	Total Gross Value of the Estates
2 years or less	49	13.8%	\$37,779,915
Over 2 to 5 years	59	16.6%	\$39,483,771
Over 5 to 10 years	134	37.7%	\$65,368,702
Over 10 to 20 years	93	26.3%	\$35,789,854
More than 20 years	20	5.6%	\$5,106,016
TOTAL	355	100%	\$183,528,258

The above calculation is conservative, as the auditors counted from the date a Letter of Administration was issued to KCPA. The report does not state when the cases came to KCPA, which would typically be much earlier; it could take months to one or more years before KCPA is able to obtain Letters of Administration. Auditors noted that many cases came into the Surrogate's Court system in the 1990s and 2000s, with at least one case received in 1976 and another in 1986.

There were 113 cases totaling \$40.9 million that received Letters of Administration more than 10 years ago, with one going back to 1986 noted only as "supplemental account to be filed." There are 12 cases that received letters in 2001, 2010, 2011, and 2012, and the reason provided for not distributing the estate funds was that asset collection was still pending. In addition, the report states that cases from 2000, 2001, and 2003 were still open because KCPA is waiting for the accounting to be drafted. It is very concerning that cases have been open and unresolved for 10 to 20 years with estate funds stuck in the system without any oversight, especially if there are distributees.

²² According to Title 2 CRR-NY 72.1(b), PAs are required to file in the month of January an annual report of estates that have not been fully distributed nor a final accounting filed with petition for settlement with the Surrogate's Court in their respective counties with the New York State Comptroller, covering every open estate in respect to which permanent letters of administration were issued to such public administrator on or before the preceding December 31.

Incomplete Reporting to Various Oversight Authorities

Estates Are Not Consistently and Accurately Reported to New York City and State Comptroller's Offices

KCPA did not submit the required annual report to the New York State Comptroller for CY 2022, and the report submitted for CY 2023 was not accurate and complete. KCPA reported 355 estates, but this includes 10 estates that were not listed in any semi-annual report or the annual report submitted to the Surrogate's Court. Further, 28 additional estates were not included in the active/open case list and should not have been included.

Additionally, the SCPA requires each PA file monthly account information on estates that have been closed or finally settled to the New York City Comptroller's Office. Comptroller's Directive 28 prescribes the reporting format PAs must use. These reports allow oversight authorities to see how long it takes KCPA to settle estates and the amount, reason, and to whom legal fees, administrative expenses, commissions, and distributions were paid.

KCPA reported a total of 57 cases closed in its monthly reports during the period January 2022 through June 2023. KCPA did not submit a monthly report to the Comptroller's Office for February 2022. KCPA stated that they only report the closure of formal cases to the NYC Comptroller's Office. However, they are required to report *all* cases that have been closed.

KCPA closed 797 cases during the period January 2022 through 2023. Furthermore, 49 of the 57 cases that KCPA reported as being closed were reported open in the semi-annual reports, annual report to the Surrogate's Court, or annual report to the State Comptroller in CY2023.

Open and Closed Estates Are Not Accurately Reported to the Surrogate's Court

According to SCPA Section 1109, "Each public administrator shall file every six months with the surrogate of the county where appointed a report of every estate administered by the public administrator which has not been fully distributed within two years from the date when the first permanent letters of administration or letters testamentary were issued." This report must include the reason that the estates have not yet been fully distributed.

An examination of the two CY2023 semi-annual reports that KCPA submitted to the Surrogate's Court—one ending June 30, 2023, the other ending December 31, 2023—identified several discrepancies:

- 44 and 35 estates were erroneously listed as open in the June 2023 and December 2023 reports, respectively, although they had either been closed or did not have permanent Letters of Administration;²³ and
- 135 estates had the wrong PA numbers listed—131 from the June 30, 2023 report and four from the December 31, 2023 report.

As stated in Section 207.63 of the Uniform Rules for the Surrogate's Courts, the PA is also required to provide a year-end annual report on the following: office procedures and record

²³ The 35 cases erroneously included in the December 2023 report were part of the 43 cases erroneously included in the June 2023 report.

keeping; case management of estates; cash management of estate accounts and financial assets; property management; sale of real and personal property; and statistical summaries of number of estates under administration and gross value of estates under administration, including both open and closed estates.

The audit's examination of the Annual Report submitted to Surrogate's Court for 2023 identified the following discrepancies:

- the number of small estates administered during CY 2023 were underreported by at least 12,448 estates. KCPA reported that it administered 797 small estate cases during CY 2023, whereas a listing of estates provided to the auditors by KCPA showed 13,245 open small estate cases as of June 30, 2023;
- the number of formal estates administered during CY 2023 that had a Letter of Administration were underreported by 941 estates. KCPA reported that it administered 320 formal estates that had a Letter of Administration, whereas a listing of estates provided to the auditors by KCPA showed 1,262 estate cases that had a Letter of Administration as of June 30, 2023;
- 26 estates were erroneously listed as open although they had been closed;
- 12 of the 14 closed estates cases were also reported as being open—4 closed estates were reported in the semi-annual report as still being open; and 8 closed estates were reported as open in the State Comptroller's report; and
- 6 estates had the wrong PA numbers listed.

It is important that the Surrogate's Court receives accurate case information to assign in their oversight role in connection with the operations and performance of KCPA and the counsel assigned to KCPA.

KCPA's Longstanding Deficiencies Identified in Previous Audits

The audit notes that many of the deficiencies identified in this audit relate to issues that predate the current PA, who was appointed in January 2024.

Since 2005, the Comptroller's Office has issued five reports on KCPA's office estate management and operating practices. In those reports, the inadequate tracking of estates and lack of written policies and procedures have been identified as concerns:

- the June 2005 audit found that neither KCPA's automated system nor its estate files contained all the key information on an estate.
- the June 2009 audit again cited KCPA for not maintaining accurate information in its automated system, as well as for having no formal procedures covering the administration of estates. As shown in this report, these issues have not been corrected.
- the June 2013 audit found that KCPA failed to establish adequate controls needed to safeguard estate assets, citing the office for mishandling more than \$2.2 million in assets. The audit also reported that the KCPA bookkeeper and another staff were indicted by the Department of Investigation (DOI) for allegedly stealing another \$2.6 million from decedents' estates.

- the June 2015 follow-up audit found that many of the recommendations from the prior audit were not implemented, including recommendations that it takes steps to ensure that assets are identified and credited to decedents' estates, that data is accurately recorded in CompuTrust, and that it institute written policies and procedures.
- the May 2021 audit found significant weaknesses in KCPA's management structure, stating that conflicting orders issued by the two Surrogates created confusion that undermined management's authority and diminished its ability to establish and maintain an effective system of internal control and accountability.

The current and previous audits found that KCPA did not establish clear and detailed written guidelines or procedures for many key functions governing its estate administration processes, as required by NYS PA Guidelines, including:

- Administering estates valued under \$500;
- Identifying, securing, and selling real property (e.g., land, houses) of decedents, including real property located outside of NY;
- Contacting financial institutions and collecting decedents' funds;
- Accounting for personal property of decedents;
- Liquidating assets of decedents; and
- Closing all estates.

KCPA has also not developed oversight procedures to help ensure that required steps and actions are conducted. KCPA's failure to establish policies and procedures relating to many of the functions it carries out in its administration of estates—and the inadequate enforcement of those policies that do exist—was a primary contributing factor for the deficiencies detailed throughout the report.

Because of the lack of detailed, written procedures, there is no clear instruction identifying the specific parties responsible for carrying out various functions, the steps involved in completing those functions, and time targets for when they should be completed. Additionally, KCPA has not established a supervisory review process to ensure that required steps are carried out—the audit identified numerous estates in which little to no actions have been taken. To exacerbate matters, the office has experienced extensive turnover of staff and management over the years; since 2021, KCPA has had three PAs. As a result, resources available to staff through which they may become familiar with their responsibilities are limited. Absent the establishment of detailed procedures outlining the responsibilities of the office, KCPA will be severely hampered in its efforts to correct the longstanding deficiencies identified in this and prior audits.

At the exit conference, KCPA officials stated that due to a limited number of staff, it will take time to address the deficiencies identified in this audit. For example, KCPA has only one case manager to manage more than 2,900 nursing home and another to manage more than 10,000 small estate cases. Further, both persons have other office responsibilities in addition to their case management duties.

Recommendations

To address the abovementioned findings, the auditors propose that KCPA should:

Clear the backlog of 14,000 cases:

1. Develop a systematic process for clearing the backlog of pending cases. This should include a process for prioritizing cases by age and value, identifying all related assets, ensuring liquidation, and closing them out.

KCPA Response: KCPA agreed with this recommendation.

2. If feasible, consider hiring vendors to facilitate this process, including consultant case managers, organizers to clearly link decedents' assets to the correct estates, temporary staff to identify and process financial assets, and auctioneers to expedite the liquidation of personal and real property that has been held for protracted periods.

KCPA Response: KCPA agreed with this recommendation; however, it stated that "it is currently not feasible without additional funding and resources."

Auditor Comment: KCPA should continue its efforts to request additional funding from OMB to provide it with the necessary funding to help it address the backlog of cases, including hiring vendors to help facilitate the process.

3. Consider requesting OMB to increase the KCPA budget to support the hire of additional needed staff to facilitate effective estate case management, to reduce the backlog of cases, and to maintain a reasonable pace administering and closing estates.

KCPA Response: KCPA agreed with this recommendation and stated that it "has made efforts to request additional funding for our budget with OMB regarding staff shortages and to address our backlog cases. While we have received a small increase for FY 2025, it is only a fraction of what we requested and what is truly required to address the substantial backlog and our immediate needs."

Auditor Comment: KCPA should continue its efforts to obtain the budget necessary to hire the additional staff needed to help address the backlog of cases and to establish and maintain a reasonable pace of administering and closing of estates.

Improve its oversight over searching, collecting, and safeguarding decedents' personal property:

4. Maintain an accurate and detailed master inventory listing of all decedents' personal property (historical and present information) and record all personal property in the decedents' accounts in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

5. Ensure that all personal property is inventoried and tagged with the PA number or decedents' names when placed into the vault and warehouse, stored in an organized manner, and safeguarded against damage.

KCPA Response: KCPA agreed with this recommendation.

6. Ensure KCPA staff adhere to policies and procedures over its estate administration, including conducting required searches for decedents' assets, and that there is adequate documented oversight that staff are following the appropriate policies and procedures.

KCPA Response: KCPA agreed with this recommendation.

7. Employ a locksmith to open the safe with the unknown combination to ensure that the inventoried coins are accounted for and to identify other stored decedent personal property (if any), and have the code reset if it intends to continue using the safe.

KCPA Response: KCPA agreed with this recommendation.

8. As funding levels allow, consider obtaining appraisals for decedents' personal property—and record the appraised value in the inventory records and in CompuTrust—for certain items prior to putting them up for auction.

KCPA Response: KCPA agreed with this recommendation.

Improve its oversight over the collection and safeguarding of decedents' assets:

9. Ensure that it routinely checks the New York State Comptroller's Office of Unclaimed Funds to identify potential estate assets and pursue collections as warranted, conduct unclaimed fund searches every six months for all decedents until the case is closed and funds are distributed, and ensure appropriate documentation of unclaimed funds appear in estate files.

KCPA Response: KCPA agreed with this recommendation.

10. Collect all personal and real properties known to the decedents and record the collected properties into the appropriate estate accounts in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

11. Obtain appraisal for properties prior to selling to determine the fair market values and ensure that all documentation pertaining to the sales of real estate properties, including advertisements, offers, and auction documents, are maintained in the decedents' estate files and recorded in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

Improve its recordkeeping and inventory practices:

12. Maintain all relevant documentation pertaining to identification, collection, and depositing of funds and other assets to the estate account in the estate case file and in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

13. Maintain an accurate and running master property list of all decedents' real estate properties (historical and present information) and record all real estate properties in decedents' accounts in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

14. Ensure that all legal documents are correctly completed during real property sales and that the sales are accurately recorded in the appropriate real property database (e.g., NYC's ACRIS) and in decedents' accounts.

KCPA Response: KCPA agreed with this recommendation.

15. Maintain all case-related documents and information in the estate case files and in CompuTrust.

KCPA Response: KCPA agreed with this recommendation.

Improve its controls over the accounting, closing, and reporting of estates:

16. Establish written policies and procedures that include detailed guidance to staff, consistent with the SCPA and the NYS PA Guidelines, for the proper performance of their assigned duties.

KCPA Response: KCPA agreed with this recommendation.

17. Ensure that it collects the necessary information and utilize its electronic case management system (CompuTrust) to track cases to better monitor lengthy delays in the administration of any estate.

KCPA Response: KCPA agreed with this recommendation.

18. Ensure that it accurately reports the requisite estate information to the Surrogate's Court, NYS Comptroller's Office, and the NYC Comptroller's Office.

KCPA Response: KCPA agreed with this recommendation.

Recommendations Follow-up

Follow-up will be conducted periodically to determine the implementation status of each recommendation contained in this report. Agency reported status updates are included in the Audit Recommendations Tracker available here: <https://comptroller.nyc.gov/services/for-the-public/audit/audit-recommendations-tracker/>

Scope and Methodology

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS requires 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 within the context of our audit objective(s). 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 primary scope of this audit was January 1, 2022 through June 30, 2023.

To obtain an understanding of the policies, rules, responsibilities, and regulations governing KCPA, the auditors reviewed and used the following criteria to assess the adequacy of KCPA's processes of identifying, collecting, and safeguarding estate assets:

- Guidelines for the Operations of the Offices of the Public Administrators of New York State (dated February 10, 2012);
- Guidelines and Procedures for the Operations of the Office of the Public Administrators of Kings County New York (dated FY 2014);
- NYS Surrogate's Court Procedure Act (SCP), Chapter 59-A, Articles 11, 13, 18 and 23;
- New York Codes, Rules and Regulations (NYCRR), Title 2, Parts 71.1 (Report of open estates) and 72.1 (Report of Open Estates Administered by Public Administrators Of The Counties Within The City of New York);
- Uniform Rules for N.Y. State Trial Courts, § 207.63 (Annual Report of Public Administrator);
- New York State Social Services Law §104, 366 and 369;
- Surrogate's Court Kings County administrative order granting KCPA authority to sell real property through private sale (dated February 23, 2022);
- KCPA Internal Control Procedures Manual (dated 2018);
- KCPA Report of Death Inquiry Intake Guide;
- KCPA accountant's responsibilities;
- KCPA bookkeeper's responsibilities;
- KCPA nursing home case manager's duties and responsibilities;
- KCPA decedent property agent's duties and responsibilities (dated September 13, 1978);
- Frequently Asked Questions obtained from the KCPA website;
- Comptroller's Directive 1, Principles of Internal Control, § 5.5, Physical Control of Vulnerable Assets, § 5.7, Segregation of Duties, § 5.9, Accurate and Timely Recording, and § 5.11, Appropriate Documentation of Transactions and Internal Controls; and
- Comptroller's Directive 28, Reporting Requirements for Public Administrators.

Auditors also reviewed previous audit reports conducted by the NYC Comptroller's Office on KCPA's office operations and issued on June 29, 2005, June 30, 2009, June 28, 2013, June 30, 2015, and May 17, 2021 to determine whether there were any recurring issues.

To obtain an understanding of KCPA's estate administration processes, roles and responsibilities of KCPA's office staff who are involved in administering decedents' estates and safeguarding their assets, the audit team reviewed KCPA's organization chart and interviewed the following key officials: the PA; the Office Manager; the Investigator/Property Manager; the Small/Large Case Managers; the Nursing Home Case Manager; the Accountant; and the Bookkeeper. To obtain an understanding of the legal aspects of the estate affairs and case management practices, the audit team interviewed one of KCPA's three Counsels.

To obtain an understanding of KCPA's case management software, CompuTrust, and its various features and functions, the audit team interviewed CompuTrust's Support Specialist and observed a demonstration given by KCPA's employees. In addition, the audit team obtained a read-only access to the CompuTrust system.

To observe safeguarding of the estate assets, the audit team conducted a physical walkthrough of KCPA's office vault and warehouse. The audit team also observed the security cameras in the main office and near the vault, and the video monitor located in the PA's office that displayed live footage from the security cameras. The auditors were unable to obtain access to two safes because the current KCPA personnel did not know the combinations of the safes.

To obtain an understanding of KCPA's case management, the audit team reviewed the documents maintained in a case file and also conducted a physical walkthrough of the filing room where all recent case files were stored.

On October 25, 2023, KCPA provided the audit team a CompuTrust-generated list of 14,258 active estate cases that were active at any point during the period January 1, 2022 through June 30, 2023. The audit team conducted data integrity tests of the list, including checking for and investigating gaps in the sequentially generated PA numbers, blank fields, and questionable entries (including duplicates and clearly anomalous information). The audit team also conducted an aging analysis of the estate cases to determine the length of time the cases had remained open.

To assess the accuracy of this list, auditors randomly selected 50 estate cases and compared case information, such as decedents' names, dates of death, PA numbers, case received dates, and case status codes included in the list, to the information recorded in the case documents maintained in the hard-copy files. In the list of 14,258 active estate cases, KCPA received 3,215 estate cases most recently, during the period January 1, 2020 through June 30, 2023. Auditors stratified these 3,215 cases in three strata, by their current trust balance amount: (1) zero dollars; (2) over \$0 but below \$50,000; and (3) \$50,000 and over. Of the 3,215 cases, there were 2,065 estate cases that had zero dollars as their current trust balance; 1,101 estate cases that had a balance of below \$50,000; and 49 estate cases that had a balance of \$50,000 or more. Auditors then randomly selected 15 estate cases from zero balance strata, 20 estate cases from below \$50,000 strata, and another 15 estate cases from \$50,000 or more strata, for a total of 50 estate cases. In addition, the auditors judgmentally selected 25 hard-copy files (20 open cases and 5 closed cases) stored in KCPA's file room and compared case information recorded in documents maintained in the files to the information recorded in the estate case list.

To attain the audit objectives, the auditors used the same sample of 50 estate cases mentioned above, and reviewed the documents maintained in the case files and the case information recorded in CompuTrust. KCPA was unable to locate five estate case files; therefore, all

conducted tests and associated results are based on the review of 45 estate case files. To determine whether KCPA conducted proper research to identify decedents' assets, the auditors reviewed the Accurant search conducted by KCPA on the decedents and compared their searches to the auditors' independent Accurant searches for accuracy.

The audit team reviewed all unclaimed funds-related documentation available in the sampled 45 estate case files to determine whether KCPA adequately identified and collected decedents' unclaimed funds held and reported by the Office of the New York State Comptroller's Office. The review assessed the appropriateness of KCPA's search for unclaimed funds, the collection of all reported unclaimed funds, and recording all collected unclaimed funds in the appropriate estate accounts in CompuTrust. In addition, the auditors independently searched the NYS Comptroller's website in August 2024 to determine whether the decedents of the 45 selected cases had any more recent unclaimed funds that were not identified and collected by KCPA.

To determine whether KCPA adequately identified and collected decedents' assets from financial institutions, the audit team reviewed the case files to assess whether KCPA sent inquiries to all the financial institutions that may have potentially held the decedents' assets, collected all available decedents' assets identified by the financial institutions, and accurately deposited and recorded the collection in decedents' estate accounts in CompuTrust.

For the 45 sampled estate cases, the audit team reviewed any Investigations Reports prepared by the investigator to determine: (1) the length of time it took the investigator to conduct a search of the decedent's residence from the date that KCPA office received the case; (2) whether residence searches were appropriately documented and photographed; and (3) whether the reports had required signatures. Further, the audit team determined whether all decedents' personal properties that were recorded in the Investigation Reports were brought to the KCPA office for safeguarding and recorded in CompuTrust. For any identified motor vehicles, the audit team determined whether KCPA attempted to collect and obtain title of the vehicles. The audit team also determined whether KCPA appraised the collected vehicles, sold them at the highest price offered at the auction, and recorded the proceeds from the sales in estates' accounts in CompuTrust.

To determine whether KCPA properly processed and accurately recorded estate disbursements, the audit team reviewed disbursement-related documentation found in the sampled 45 estate case files and records in the decedents' estate accounts in CompuTrust.

During the file review of the 45 sampled estates, the audit team identified real estate property associated with 9 estate cases, all of which were located in Kings County; six of the 9 were sold. To determine whether KCPA secured the best interest of the estates and sold the real estate properties at the highest and best price available, the audit team reviewed appraisal reports, offers received from the potential buyers, and sale documents maintained in the file or in CompuTrust.²⁴ In addition, the audit team assessed whether KCPA paid prescribed real estate brokerage fees for these sales and determined whether the proceeds of the sales were recorded in decedents' estate accounts in CompuTrust. The audit team conducted online searches on the City's Automated City Register Information System (ACRIS) to confirm that the sale price of the real estate properties indicated in the system matched the sale price recorded in KCPA's closing documents. Furthermore, the audit team verified whether all decedents' real estate properties in

²⁴ There was one additional real estate property in which the decedent only had a 25% interest; therefore, KCPA did not have any role in the sale and only collected the proceeds due to the decedent.

our sample (in Kings County or elsewhere) were included in KCPA's property list and recorded in the appropriate estate accounts in CompuTrust.

KCPA provided auditors an MS Excel spreadsheet, dated June 26, 2023, that included several lists of decedents' real estate properties managed by KCPA's office. To assess the accuracy and completeness of this data, the audit team first combined the property information from all the lists and created a master list, then compared this information to the information recorded in the decedents' accounts in CompuTrust.

KCPA provided the audit team an inventory list of decedents' personal property stored in KCPA's vault and warehouse on September 25, 2023. This list included 3,153 entries of personal property. After removing entries of those inventories marked as missing (60 entries), donated (567 entries), sold (1,303 entries), and stored at warehouse (58 entries), the auditors identified 1,165 entries of personal property associated with 993 estates that were stored in the vault. The audit team randomly selected 100 (10%) estates and conducted a physical inventory count on February 6, 2024, of the recorded property belonging to these 100 estates to determine whether the personal property was properly accounted for, including proper identification of the decedent's name and associated PA number, and safeguarded in KCPA's vault, and reviewed CompuTrust to determine whether the personal properties were accurately accounted for and recorded in the correct decedents' account in CompuTrust. Further, the audit team judgmentally selected 48 security bags and other items too large to fit into a security bag (e.g., painting, violin) from the vault on March 21, 2024, and traced them to the inventory list and decedents' estate accounts in CompuTrust to determine whether all the personal items were accurately recorded in the list and in decedents' estate accounts in CompuTrust.

For the 1,303 inventory entries that were identified as sold, the audit team randomly selected 25 entries of sold personal property to determine whether the items were recorded and the proceeds from the sales were properly posted in the decedents' estate accounts in CompuTrust.

The KCPA inventory list included 58 entries associated with 52 estates (11 of them are marked as unknown estates) of personal property that were stored in KCPA's warehouse. KCPA also provided the audit team with a report of personal property stored at the warehouse generated from CompuTrust on October 23, 2023. This report contained 57 entries of personal property associated with 46 estates. Auditors compared the list with the CompuTrust report to determine the accuracy and completeness of both. Next, the audit team combined both lists, removed duplicate records, records of sold items, and records with unknown estate PA numbers; after the above-mentioned exclusions, the audit team identified a total of 65 entries of personal property stored in the warehouse that were associated with 57 estates. The audit team randomly selected 15 estates and conducted a physical inventory count on March 19, 2024, to determine whether all decedents' personal property had proper identification, were properly accounted for, and adequately safeguarded in KCPA's warehouse. In addition, the auditors judgmentally selected personal property for 13 estates stored at the warehouse that had a visible tag identifying the estate to determine whether the items were adequately safeguarded, accurately accounted for, and recorded in the CompuTrust and the inventory list.

KCPA deposits decedent funds in an interest-bearing sub-account in the name of the decedent's estate, under KCPA's master account. KCPA provided auditors the bank statement (as of April 3, 2024) of these sub-accounts on May 2, 2024. Currently, KCPA holds \$106.2 million belonging to 4,810 decedents' estates. To determine whether KCPA is accurately recording all receipts and disbursements in CompuTrust, and depositing decedents' funds in their respective accounts, auditors compared the current trust balance amount of the above-mentioned 45 selected estate cases to the amount recorded in the bank statement. In addition, auditors compared the list of active cases (14,258 cases) mentioned above to the sub-accounts to determine whether all active

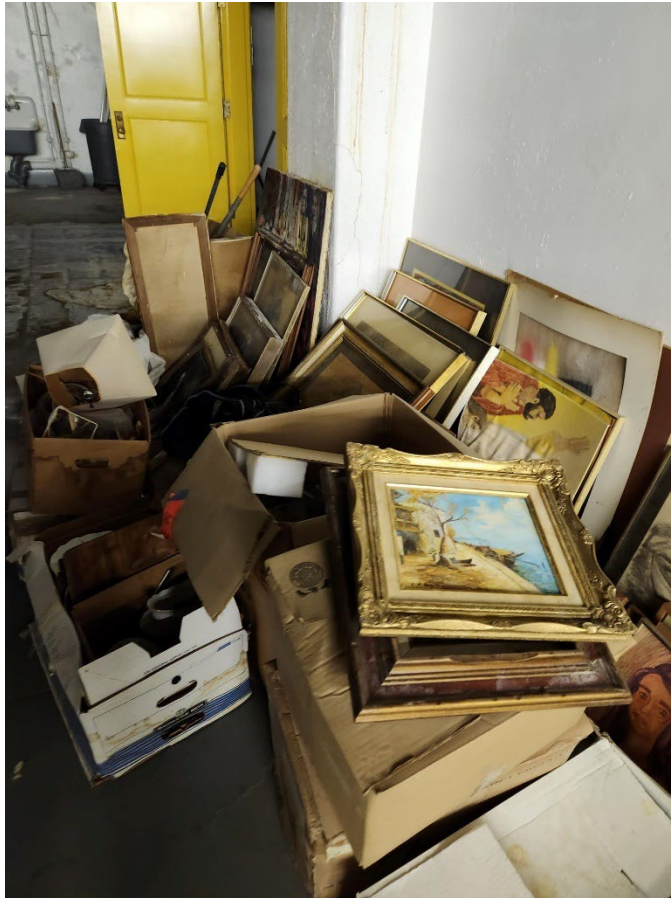
estate cases with funds have an account. The audit team also compared the list of sub-accounts to the list of active estate cases to determine whether all accounts with funds were still active. The audit team investigated the reasons for the anomalies found as a result of these comparisons by reviewing the case information recorded in CompuTrust. In addition, to ensure that KCPA is properly securing estate funds in an FDIC-insured bank account as required by the NYS PA Guidelines, the audit team reviewed the balances of the decedents' accounts and identified any accounts above the FDIC-insured limit of \$250,000.

To determine whether KCPA is submitting the required monthly, semi-annual, and annual reports to the NYC Comptroller's Office, NY State Comptroller's Office, and the Surrogate's Court, the audit team obtained and reviewed the reports submitted by KCPA for CYs 2022 and 2023. The audit team compared all the case information reported in these reports to determine whether KCPA is reporting consistent information to all the agencies.

Although the results of the tests involving samples were not projectable to their respective populations, these results, together with the results of other audit procedures and tests, provided a reasonable basis for determining whether KCPA conducted proper research to identify the decedents' assets and accurately accounted for and properly safeguarded the estates' assets.

Appendix

Examples of Observed Deficient Storage Conditions at KCPA's Warehouse



Haphazardly Stored Paintings



Deteriorating Painting



Disorganized Furniture and Other Personal Property Covered in Dust



Framed Pictures, Furniture, and Other Items Haphazardly Stored Covered in Dust



Items Unprotected from Water Damage from a Leak

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Kerry D. Archer, Esq.
Commissioner
Simone Bennette, MPAPMP
Deputy Commissioner

KCPA Response to Audit Report

1. Poor Oversight over Personal Property Stored in Warehouse (Page 8 last paragraph)

Corrected response: Items that are not sold through the personal property bid are discarded through a clean out bid.

2. Items Remain in inventory for years (Page 9 exit conference paragraph)

Corrected response: according to officials, auctions are open to the public.

3. KCPA Did Not Distribute Over \$2 Million from Closed Accounts (Page 13 exit conference paragraph)

Corrected response: Officials stated that they have reassigned a staff member as a Case Coordinator to focus and assist with the backlog of cases including small estates.

4. KCPA Failed to Acquire Properties Connected to Decedents' Estates (Page 15 exit conference paragraph)

Corrected response: KCPA has jurisdiction over assets and properties in New York State. To obtain jurisdiction over assets and properties located outside New York State Outside counsel would have to be retained to petition for Letters of Administration (ancillary proceeding) in that state or country. This can be added expense to KCPA. KCPA considers the cost effectiveness of such an endeavor on a case-by-case basis.

Kerry D. Archer, Esq.
Commissioner
Public Administrator of Kings County

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KCPA Response to Audit Recommendations

Clear the backlog of 14,000 cases:

1. KCPA is aware of the backlog and is actively in the process of developing a plan that will address the backlog and ensure proper close out of the cases.
2. KCPA is open to hiring additional staff and vendors to assist with our backlog needs, however it is currently not feasible without additional funding and resources. KCPA will need to pay salaries for the additional staff, buy new equipment for the additional staff and train the additional staff. In addition to the above list, KCPA will need to logistically find and create office space for the additional staff along with obtaining office furniture to house the additional staff.
3. KCPA has made efforts to request additional funding for our budget with OMB regarding staff shortages and to address our backlog cases. While we have received a small increase for FY 2025, it is only a fraction of what we requested and what is truly required to address the substantial backlog and our immediate needs. Hopefully, with letter of recommendation from the Comptroller Office we will be able to receive the funding and resources required for KCPA to address the backlog.

Improve its oversight over searching, collecting, and safeguarding decedent's personal property:

4. KCPA is the process of updating its personal property master inventory list and for the CY 2024 has taken active steps to record all info in CompuTrust.
5. KCPA has taken active steps for CY 2024 to ensure all personal property is inventoried, tagged correctly, and safeguarded.
6. KCPA has taken active steps and will continue to ensure staff is adhering to policies and procedures over its estate administration.
7. KCPA has employed a locksmith to open the safes and has transferred all inventoried coins to the vault. KCPA will no longer be utilizing the safes for personal property storage.
8. KCPA will evaluate the personal property on a case-by-case basis and determine if an appraisal is necessary for selected items.

Improve its oversight over the collection and safeguarding decedent's assets:

9. KCPA has taken active steps for the CY 2024 to check unclaimed funds website for any potential assets for decedent's estates. Staff check before any request to file petition is made and Staff checks before any request for accounting is made. KCPA will ensure to continue with this process.

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10. KCPA has taken active steps for CY 2024 on implementing this recommendation.

11. KCPA has taken active steps for CY 2024 to obtain DOD and fair market value appraisals. KCPA ensures that all appraisals are uploaded to CompuTrust.

Improve its recordkeeping and inventory practices:

12. KCPA is in the process of implementing a plan to address these concerns.

13. KCPA is in the process of implementing a plan to address these concerns.

14. KCPA is in the process of implementing a plan to address these concerns.

15. KCPA is in the process of implementing a plan to address these concerns.

Improve its controls over the accounting, closing, and reporting of estates:

16. KCPA is in the process of establishing written policies and procedures.

17. KCPA has taken active steps for CY 2024 to collect and input information into CompuTrust. KCPA is in the process of developing a plan on how to update CompuTrust with the backlog files information.

18. KCPA is in the process of implementing a plan to address these concerns.

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