

ALAN G. HEVESI  
COMPTROLLER



110 STATE STREET  
ALBANY, NEW YORK 12236

STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

September 28, 2004

Mr. Edwin Mendez-Santiago  
Commissioner  
New York City Department for the Aging  
2 Lafayette Street  
New York, NY 1007

Re: Report 2004-F-11

Dear Mr. Mendez-Santiago:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution; and Article II, Section 8 of the State Finance Law, and Article III of the General Municipal Law, we have followed up on the actions taken by officials of the New York City Department for the Aging (DFTA) to implement the recommendations contained in our audit report, *New York City Department For The Aging-Provision of Nutritional Services* (Report 2001-N-7).

**Background, Scope and Objectives**

DFTA promotes, administers and coordinates the development and provision of services for the 1.3 million elders in New York City (NYC). DFTA supports services of congregate and home-delivered meals; home and health care services and other necessities. Many of the services are provided at senior centers operated by not-for-profit community-based organizations under contract with DFTA. In fiscal year 2003, DFTA spent a total of \$73.6 million on nutritional services for the elderly. A total of 12.4 million meals, including home-delivered, were provided through the City's 336 senior centers. By law, people aged 60 or older are provided with access to congregated or home-delivered meals. Contracted organizations must comply with NYC code requirements and DFTA guidelines that relate to health and safety, participant eligibility and meal registration. By law, DFTA uses a formula, termed Population-In-Need (PIN), to identify community districts and boroughs where the neediest elderly residents live so DFTA funds can be allocated accordingly. The PIN formula is also used to determine the location of new senior centers. In applying the PIN formula, DFTA uses U.S. census data, presented by borough and by the 59 community districts.

Our initial audit report, which was issued on March 3, 2003, assessed actions taken by DFTA to allocate funds in conformance with applicable funding formulas. We also examined how effectively DFTA monitored senior center's compliance with DFTA contract terms and with guidelines for maintaining a safe and secure environment. Our report found that DFTA had not allocated funds in conformance with its PIN allocation formula and significant variances existed citywide between PIN allocation and expenditures of DFTA funds. Furthermore, DFTA monitoring

needed improvement to make sure that senior centers correctly coded violations, verified client eligibility for meals, and conformed to DFTA contact terms. The objective of our follow-up, which was conducted in accordance with Generally Accepted Government Auditing Standards, was to assess the extent of implementation, as of June 25, 2004, of the four recommendations included in our initial report.

### **Summary Conclusions and Status of Audit Recommendations**

We found that DFTA has made some progress in implementing the prior audit recommendations, but additional actions are necessary. Of the four recommendations, three were implemented, and one was not implemented.

### **Follow-up Observations**

#### **Recommendation 1**

*Correctly apply the PIN allocation formula and distribute DFTA funds accordingly.*

Status - Not Implemented

Agency Action - DFTA officials stated that they have to analyze and review the population data reported by the 2000 census before they can begin to distribute funds using the PIN allocation formula. They added that this is a lengthy process and could not estimate when it might be done. While the PIN allocation formula is not being used, DFTA officials indicated that they are awarding funds through a competitive bidding process.

#### **Recommendation 2**

*Monitor senior centers' compliance with New York City Health, Fire and Building codes, DOHMH [Department of Health and Mental Hygiene] regulations and DFTA health and safety guidelines. Specifically, verify that centers:*

- *correct violations in a timely manner; and*
- *correct additional health and safety deficiencies noted in this report, including deficiencies related to safe food handling and storage, posting required notices and current permits; and installing working fire extinguishers, emergency lights and exit lights.*

Status - Implemented

Agency Action - Our follow up determined that DFTA has taken steps to foster senior centers' compliance with the various health and safety codes. We reviewed examples of monitoring reports, several of which pertained to the centers that we had identified violations at during our initial audit, which document that DFTA enforces the standards to comply with the NYC Health, Fire and Building codes. In addition, since July 2003, DFTA officials have met monthly regarding monitoring senior citizens' programs. Our review of several of the monthly meeting minutes found that DFTA officials were addressing the identification and timely correction of violations.

### **Recommendation 3**

*Consider changing guidelines to require that each senior center certify more than one staff in food protection.*

Status - Implemented

Agency Action - While DFTA officials did not provide us with documentation that they have revised the guidelines or evidence that they have communicated with the New York City Department of Health and Mental Hygiene concerning this issue, DFTA officials did provide us with a food protection-related training memo which suggests that more than one worker at a site can obtain a food handling license.

### **Recommendation 4**

*Improve monitoring of senior centers' performance to confirm their compliance with DFTA guidelines and contract terms. Monitoring should include, but not be limited to, verifying that centers do the following:*

- *register all attendees to determine eligibility for meals and to document health and other necessary emergency information;*
- *establish and timely reassess clients' eligibility for home-delivered meals;*
- *use separate sign-in sheets for congregate meals;*
- *collect voluntary meal contributions in a confidential manner; and*
- *comply with DFTA guidelines for establishing effective control over contributions.*

Status - Implemented

Agency Action - Two DFTA units, the Communication Coordination Program Unit (CCPU) and the Contract Evaluation Office (CEO)/Customer Satisfaction, assess and monitor programs using a series of questionnaires addressing the various aspects of compliance. DFTA officials provided, and we reviewed, examples of monitoring reports which show that they enforce DFTA guidelines and contract terms including those dealing with meal programs. In addition, at the time of our follow up, DFTA was in the process of preparing a more comprehensive review instrument to assess the senior centers.

Major contributors to this report were Richard Sturm, Barry Mordowitz, and Altgracia Rodriguez.

We would appreciate your response to this report within 30 days, indicating any actions planned or taken to address any unresolved matters discussed in this report. We also thank DFTA management and staff for the courtesies and cooperation extended to our auditors during this process.

Very truly yours,

William P. Challice  
Audit Director

cc: Robert Barnes