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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

February 8, 2006

Mr. John Buono
Chairman
New York State Thruway Authority
200 Southern Boulevard
Albany, NY 12201

Re: Report 2005-F-16

Dear Mr. Buono:

Pursuant to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law, we have followed up on the actions taken by officials of the New York State Thruway Authority to implement the recommendations contained in our audit report, *Travel Plaza Operations* (Report 2001-S-50).

Background, Scope and Objective

The New York State Thruway Authority (Authority) owns and operates the New York State Thruway (Thruway). In the early 1990s, the Authority began to renovate or reconstruct the Thruway's travel plazas (plazas) to provide improved service to the public, including improved restrooms and better food service. The total cost for this plaza modernization effort was \$179 million (not including the cost of renovating plaza gas stations).

In 1991, the Authority entered into contracts with the Marriott Corporation (later named HMS Host) and McDonald's Corporation (McDonald's). The Authority also has contracts with the Sun Refining and Marketing Company (Sunoco) and the Mobil Oil Company (Mobil) to provide gasoline service to Thruway travelers. The Authority administers the contracts with plaza operators to make sure the plazas remain in good condition and are operated as intended. The Authority has a headquarters office in Albany and four division offices: New York, Albany, Syracuse and Buffalo. Authority headquarters personnel in the Office of Travel Services (OTS), the Chief Engineer's Office, the Finance Office and the Internal Audit Office are responsible for managing concessionaire contracts.

Authority Service Area Representatives (SARs) have the primary responsibility for inspecting Thruway plazas and monitoring food vendors and gas stations for contract compliance. As of June 2005, the Authority had eight SARs working under the general direction of OTS and under the day-to-day supervision of a Division Facilities Engineer or Director of Operations. The Albany and New York Divisions have two SARs, the Buffalo Division currently has one SAR assigned and one vacancy, and the Syracuse Division has three SARs, one of whom works part-time.

Depending on their location, the SARs in a Division are responsible for inspecting anywhere from 5 to 11 plazas. During inspections, SARs monitor for contract compliance, cleanliness and service. In January 2004, the Authority began to require SARs to perform at least ten front of the house travel plaza inspections weekly and at least two back of the house inspections (examination of the kitchen, delivery and dumpster areas) at each plaza monthly. In addition to these inspections, SARs are required to inspect tourism information centers, gas stations and farm stands where applicable. Semi-annually, the SARs inspect the public telephone areas at the travel plazas. SARs can also be assigned duties unrelated to plaza inspection by the Division Facilities Engineer.

Food and fuel service on the Thruway are provided by four different vendors. McDonald's operates the food service facilities at 11 of the Authority's 27 plazas and paid \$32.75 million toward the cost of renovations. McDonald's pays the Authority an annual rent based on a sliding scale (starting from 6 percent of gross sales up to \$45 million and rising to a maximum of 10 percent of gross sales over \$90 million) with a guaranteed minimum payment of \$2.05 million. This contract provided for the minimum amount to increase to \$2.36 million in 2000, and to \$2.71 million in 2005 (which assumed that all planned McDonald's travel plazas are built and operating). However, two of the planned McDonald's travel plazas were not built and one was not completed until late 1999. Accordingly, the Authority did not hold McDonald's to these contract minimums. The contract was amended in 1998 and the minimum payments were changed to \$1.4 million for 2000, \$1.5 million for 2001, and about \$1.58 million for 2002 through 2004. The McDonald's contract runs through 2008 and has renewal options through 2022.

HMS Host operates the food service facilities at 16 of the Authority's 27 plazas. HMS Host paid \$35 million toward the total renovation cost and pays the Authority annual rent that equals either a percentage of gross sales or a guaranteed minimum amount. The guaranteed minimum, which was \$7.5 million in 1991, increased to \$8.63 million in 2000, and to \$9.92 million in 2005. The HMS Host contract expired in September 2005. Sunoco and Mobil pay the Authority rent based on the gallons of fuel delivered to each station. Both of the gas station contracts were due to expire in 2005.

The Authority had prepared an RFP in 2005 for running the travel plazas currently operated by HMS Host as well as for the gas stations. Due to what Authority officials characterize as complexities in the RFP and numerous questions from potential proposing companies, the Authority extended the gas station contracts through September 30, 2006 and awarded a one-year contract to HMS Host with different terms (e.g., an agreement to lower food prices to consumers, and a reduced guaranteed minimum rental payment) also through September 30, 2006.

In April 2005, McDonald's sent the Authority a Pricing and Staffing proposal in which McDonald's requested its travel plazas in the western part of the State have the same pricing structure as in the southern part of the State. This would result in an increase of food prices for McDonald's plazas in the western part of the State. McDonald's also proposed different staffing for their common area maintenance work to allow less staffing than required by their concessionaire contract when business is slow. As of July 13, 2005, the Authority had not acted on McDonald's proposal.

Our initial audit report, which was issued on June 26, 2003, examined for the period April 1, 1999 through July 31, 2002 whether the Authority had adequate processes to assess contractors'

operations of the plazas and their compliance with concession contracts and whether the Authority took effective steps to make sure its plazas remained in good condition and met customer needs.

Our report identified weaknesses in the monitoring of concessionaires' compliance with contract terms. Specifically, we noted that the Authority did not adequately track the required spending by concessionaires for capital repairs and operational improvements nor did the Authority inform concessionaires of the status of spending proposals or review the proposed spending to verify that it meets Authority standards. We also found on the initial audit, that the prices of food sold at the plazas were approximately 30 percent higher than the prices for similar off-Thruway vendors, the concessionaires were selling food items above approved prices at 12 of the plazas, some rest rooms were unsanitary and the concessionaires did not have the required number of cleaning personnel. We concluded in our initial audit that the Authority needed to improve its monitoring of concessionaires' compliance with contract terms. This was to be accomplished through the tracking of required spending for capital repairs and operational improvements, informing the concessionaires of the status of their spending proposals or reviewing the proposed spending to verify that it met Authority standards. In the initial audit, we recommended the Authority work with the plaza operators to set food prices competitively and that it actively partner with the concessionaires by tracking sales data and identifying changes in customer demand. The Authority did not agree with becoming an active partner with their concessionaires or in deciding what food concepts should be changed.

The objective of our follow-up, which was conducted in accordance with generally accepted government auditing standards, was to assess the extent of implementation of the 21 recommendations included in our initial report as of September 9, 2005.

Summary Conclusions and Status of Audit Recommendations

We found that Authority officials have made some progress in correcting some of the problems we identified. However, additional improvements are needed. Of the 21 audit recommendations, 6 recommendations have been implemented, 10 recommendations have been partially implemented, and 5 recommendations have not been implemented. We based our determination of Authority corrective action to several of our recommendations on the premise that the Authority's RFP for concessionaire services for the expiring HMS Host travel plazas includes provisions that incorporate our recommended improvements. However, there is no guarantee that all of the RFP provisions will be included in the contract that is awarded.

Follow-up Observations

Recommendation 1

Properly track operators' accruals and expenditures for capital repairs and operational improvements.

Status - Implemented

Authority Action - The Authority's Fiscal Audit and Budget Office audits the replacement and renewal (R&R) expenditures of HMS Host and McDonald's annually. The Office also

audits the HMS Host concept enhancement expenditures. We reviewed these audit reports. The 2002, 2003 and 2004 audits show the amount paid to date for R&R expenditures and any amount accrued based on the contractual agreements with the concessionaires. The September 2002 audit report showed that HMS Host spent more than \$3.8 million for concept enhancements by December 2001 and had met its contractual obligation. We reviewed the Authority's files and saw that the Authority sends its audit results to the concessionaires showing the accepted and unaccepted R&R expenditures and any remaining R&R still owed to the Authority.

Recommendation 2

Assign an Authority staff the responsibility of timely informing operators of any spending proposals that are questioned or disallowed, and of documenting the disposition of such proposals.

Status - Not Implemented

Authority Action - The Authority did not assign a staff person to monitor the review of spending proposals. Authority officials reported that they review all invoices for R&R expenditures and that they are in continual contact with concessionaires regarding equipment and/or building repairs and replacement. However, this procedure does not address the review of spending proposals, which should be done previous to the work and related invoices. Further, Authority officials stated there have not been any recent spending proposals in excess of \$10,000; however, when asked they could not provide any documentation of the review process for such spending. Authority officials advise us that they now plan to develop a procedure to more effectively review concessionaire spending proposals and plan to establish a new accounts receivable for unspent R&R account obligations after they audit the account.

Recommendation 3

Establish a receivable from McDonald's for unspent capital repair funds.

Status - Not Implemented.

Authority Action - Authority officials did not agree to set up an account receivable from McDonald's for unspent capital repair funds and have not done so. They explained that the concessionaires might pay the receivable and not keep up with the necessary plaza repairs. In addition, Authority officials stated that they will consider establishing a receivable with McDonald's when the contract ends. We have concerns about the way Authority officials are handling this issue because the concessionaires are required to spend a certain amount on capital improvements by certain deadlines or return the unspent money to the Authority at the end of the contract. As some deadlines have already passed, it is important for the Authority to establish and record the receivable amount. After our field work, Authority officials advised us that, contrary to the contract terms, they have allowed McDonald's to invest the money in the travel plazas after the April 2001 deadline rather than collect the amount underspent. Our concern is not lessened by the way Authority officials are handling capital investments after the contract deadline. Authority

officials also advised us that, rather than requiring replacement according to a timetable established years ago, they preferred to allow these funds to be used when needed later. However, the contract clearly states that funds not used by a certain date should be paid to the Authority. Thus, the contract should have been formally amended to reflect the change in the Authority's intent.

Recommendation 4

Direct the Chief Engineer to review all spending proposals, and remind operators that prior approval is needed for spending proposals over \$10,000.

Status - Partially Implemented

Authority Action - Authority officials have assigned the responsibility to review all spending proposals over \$10,000 to the Director of Facilities and Code Compliance, instead of the Chief Engineer, who should ensure that Renewal and Replacement work is completed acceptably and categorized correctly. However, the approvals continue to be given after the work is complete, rather than in advance. Authority officials also stated that there has been no recent capital expense over \$10,000 for us to review. However, Authority records show that R&R expenditures in 2003 were not approved in advance. Authority officials agree that they should approve such expenditures in advance but add that they do not discourage concessionaires from making repairs in an emergency in the interest of safety and service to customers.

Recommendation 5

Periodically visit the operators' offices to review supporting documentation for capital repairs and operational improvement expenditures claimed.

Status - Not Implemented

Authority Action - The Authority's 90-day response to our initial audit report stated that Authority officials would implement this recommendation. However, an Authority official told us that instead they rely on the concessionaires to send copies of their invoices (but not canceled checks) for R&R work. We believe that reviewing canceled checks is an important step in determining that payments are legitimate. Authority officials stated that HMS Host has historically been good about sending documentation to support their R&R expenditures, but McDonald's documentation was often incomplete. The Authority tracks the expenditures and issues an annual R&R expenditure audit report, that shows a description of R&R expenditures by travel plaza, the amount submitted by the concessionaire, the amount allowed by the Authority, and the reasons for any disallowances (one reason being if the concessionaire fails to provide an invoice to support the expenditure). Instead of auditing records at the concessionaires' offices, Authority officials state they will explore the possibility of the concessionaires providing additional supporting documentation for capital expenditures.

Recommendation 6

Work with Authority concessionaires to make plaza food prices, where possible, competitive with prices charged by similar local food vendors.

Status - Partially Implemented

Authority Action - Neither the Authority nor the concessionaires currently seek to charge food prices comparable with local vendors. Authority officials stressed that contract pricing is guided by provisions in the McDonald's and HMS Host concession contracts. Accordingly, food items sold at travel plazas in western New York should be comparable with the average prices on the Pennsylvania, Illinois, and Ohio toll roads; food items sold at travel plazas in southern New York should be comparable with the prices on the Connecticut Turnpike. The Office of Travelers' Services periodically checks the prices on other toll roads. However, because the HMS Host contract expired on September 30, 2005, the Authority issued an RFP on February 11, 2005 for operating its 16 service plazas which seeks market rate food pricing. McDonald's has recently requested approval to raise food prices in the western part of the State. Authority officials replied to that request on July 22, 2005 and advised McDonald's that they did not agree to price increases.

Recommendation 7

Become active partners with HMS Host and McDonald's in managing plaza operations by tracking detailed plaza food sales data, determining food vendors' relative performance, and working with operators to improve food sales at plazas.

Status - Partially Implemented

Authority Action - Authority officials continue to believe that it is the responsibility of the concessionaires, as experts in their field, to track sales data and determine customers' food preferences. As such, concessionaires have introduced several new concepts at some plazas, including: Lavazza, Starbucks, Hershey's and Freshen's. Authority officials believe it is appropriate for them to offer input on customer satisfaction but do not believe that the balance of the recommendation should be adopted. To this end, Authority officials state that they share the results of their customer satisfaction surveys with the concessionaires to assist them in meeting the needs of Thruway customers. Notwithstanding these efforts, we still believe that the Authority can be more proactive in other areas of travel plaza management without supplanting the concessionaires' role and responsibility.

Recommendation 8

Remind contractors to charge Authority-approved food prices and obtain Authority approval for all items sold at plazas.

Status - Implemented

Authority Action - We concluded that the Authority now appropriately reminds contractors to charge Authority-approved food prices and obtain Authority approval for items sold at plazas. After we issued our initial audit report, the Authority sent letters to McDonald's and HMS Host on July 23, 2003 reminding them to submit food price requests with supporting documentation for all food items sold, including all vending items and food items sold in gift shops. The Authority is to verify and approve the requests before the concessionaires can sell the items. The Authority's SARs are also required to audit food prices during their routine plaza inspections and, if they find differences between approved prices and sales prices, they are required to notify Authority officials, speak with the concessionaires, and report the differences to the concessionaires' corporate offices. The new RFP for operating the 16 HMS Host service plazas requires Authority pre-approval of all items sold and prices.

Recommendation 9

Create guidelines that specify the frequency of food price audits and how Authority staff should document these audits.

Status - Partially Implemented

Authority Action - The Authority issued a revised SAR policy on January 1, 2004 that requires the SAR to perform a minimum of ten inspections per week that includes informal price checks of at least two menu items. We reviewed some of the inspection reports and confirmed that the SARs record the items and the prices checked. SARs are also required to conduct a more formal price check by obtaining cash register tapes for each food concept and verifying all of the prices and all of the food items at each travel plaza semi-annually. We found that the SARs do not comply with this Authority policy directive. The SARs did only four such price checks in 2004, rather than the required total of 54 price checks (two at each of the 27 travel plazas). Additionally, for the four price checks we reviewed, the SARs only obtained cash register tapes for 5 of the 10 food concepts. In three instances, the information was taken from the food concept's computer system and in two instances the information was obtained from the menus. Additionally, we visited numerous travel plazas and found that the food concepts still sold some unapproved items and sold approved items above the authorized prices. During our follow-up audit, Thruway officials issued a directive on September 8, 2005 to SARs that reinforced the requirements for semi-annual price audits.

Recommendation 10

Establish provisions in future concessionaire contracts that assess penalties if restaurant operators increase prices without Authority approval or fail to maintain the number of staff required for restroom maintenance.

Status - Partially Implemented

Authority Action - The new RFP for travel plaza operations requires companies to submit a maintenance/janitorial plan as well as a food and fuel market rate pricing plan in their proposals. While the RFP seeks market based pricing and minimum staffing levels, it is silent as to assessing penalties in instances of non-compliance with these requirements. However, the Authority intends to negotiate remedies for non-compliance, and the RFP asks proposers to provide their suggested remedies to resolve operational and maintenance issues. However, since the final provisions and terms for the new contract will be subject to negotiations regarding any penalties for noncompliance, we consider this recommendation partially implemented.

Recommendation 11

Validate price information furnished by concessionaires as support for price increases, verify operators' surveys of gasoline prices, and require operators to submit automotive supplies price lists for Authority approval.

Status - Partially Implemented

Authority Action - Authority officials reported that they verify food and gasoline prices by visiting the service plazas and corresponding with officials at other toll highway systems. They added that SARs regularly spot check gas prices and that the oil companies submit automotive supplies price lists for Authority review and approval. We found that the Authority promulgated a new policy that requires SARs to verify a minimum of two food item prices and a spot check of automotive items during each inspection and that the SARs comply with this policy. However, we question the effectiveness of this process because, when we visited 14 travel plazas, we found that concessionaires continue to sell some unapproved food items and continue to sell approved items at higher than authorized prices. Perhaps the new SAR policy does not require a sufficient number of price validations or that the Authority does not properly resolve discrepancies. We also found that the Authority does not periodically compare its currently approved food prices with the peer group highways in the concessionaire contracts to determine whether Thruway food prices continue to remain comparable with the other highways.

According to the Authority's concession contract with McDonald's, depending on the location of the travel plaza, Thruway food prices should be comparable with the average of what is charged at toll highway plazas in Pennsylvania, Ohio, and Illinois or should be comparable with prices charged on the Connecticut Turnpike. We found some items sold at McDonald's Restaurants at both the Ramapo and Ontario Travel Plazas were higher than

their peer group comparisons. The largest difference was \$1.23 more for a kid's nugget meal at the McDonald's at the Ontario Travel Plaza.

We noted that, during our follow-up audit, McDonald's submitted a proposal in which McDonald's asked the Authority's approval to increase food prices 12 percent in the western part of the State. The proposal suggested that it was not appropriate to compare New York State prices with other peer states noted in the concession contract because they are not similar, especially due to less traffic and fewer customers at western New York travel plazas. Authority officials replied to that request on July 22, 2005 and advised McDonald's that they did not agree to price increases.

Authority officials stated that their RFP for a new concessionaire contract requires food prices be set no greater than 7 percent above the average prices of similar off-road facilities and, in the future, they will document price checks with peer group highways in a log.

Recommendation 12

Require SARs to do more plaza inspections between 10 p.m. and 6 a.m.

Status - Implemented

Authority Action - The Authority revised its policy to increase the amount of off-hour SAR inspections of travel plazas. The old SAR policy did not address the scheduling of the plaza inspections. The revised SAR policy includes the scheduling of the inspections specifying the number and times for off-hour inspections. We reviewed inspection reports and noted that the SARs are now doing more off-hour inspections between 10:00 pm and 6:00 am. The initial audit showed that SARs were completing approximately 3 percent of inspections during off-hours. In the follow-up audit, we found that approximately 8 percent of the inspections are done during off-hours.

Recommendation 13

Encourage plaza operators to have their managers keep a record inside restrooms where they can document their inspections of restroom conditions.

Status - Implemented.

Authority Action - The Authority sent letters to McDonald's and HMS Host on July 23, 2003 asking them to use a restroom checklist and that the plaza manager check to see that the restrooms received continual attention. Some travel plazas did not use the checklist and, while the checklist should be conspicuously posted, some travel plazas hung the checklist inside a maintenance closet. We noted that some checklists were completed in advance; i.e., at the beginning of a work shift, the custodian recorded that the restroom was cleaned every hour of his or her work shift. This reduces the effectiveness of the restroom checklist as a management tool to help ensure cleanliness. Furthermore, we found that the Authority's

RFP for travel plaza operations includes a requirement that companies include a 24-hour janitorial plan in their proposals.

Recommendation 14

Specify restroom maintenance staffing levels in the Angola contract.

Status - Partially Implemented

Authority Action - The Authority has a separate contract with McDonald's for operating the Angola Service Plaza; this contract does not specify staffing levels. Authority officials stated that they have had numerous telephone discussions with McDonald's officials regarding the appropriateness of concessionaire staffing levels in the Angola contract that are required to properly maintain common areas for the Angola Service Plaza. However, these discussions are not documented. McDonald's has presented the Authority with a proposal for staffing levels for Common Area Maintenance/Utility personnel for all travel plazas, including the Angola Plaza. In the April 27, 2005 proposal, McDonald's asks approval to set staffing levels based on the business volume at each travel plaza they operate. On July 22, 2005, Authority officials wrote to McDonald's stating they would be willing to accept the staffing proposal with slight modifications.

Recommendation 15

Confirm that SAR inspections are done as frequently as required by Authority standards and follow up when SARs fail to meet these standards.

Status - Partially Implemented

Authority Action - The Authority revised its policy to require SARs to do ten common area inspections weekly and two back of the house inspections per plaza monthly, and it developed a new method to track SAR productivity through Inspection Summary Reports. We found that some SARs are still not meeting the Authority's expectations regarding the number of travel plaza inspections they should do. As a result of our follow-up audit, Authority officials informed Division Directors on September 8, 2005, just prior to our closing conference, that they would monitor the performance of SARs more closely.

Recommendation 16

Require SARs to document the number, type, and duration of their inspection and non-inspection activity so that the Authority can assess how SARs spend their time and reallocate it, where appropriate, based on priorities and to meet inspection standards.

Status - Partially Implemented

Authority Action - The Authority requires SARs submit daily field activity reports that detail their work activities. These reports show the time SARs spend on travel plaza inspections and on other activities. Authority officials told us they review these reports and follow up as

appropriate with the Division supervisor if they have oversight questions. We requested daily field activity reports for nine SARS for the period February 13-19, 2005. The Authority was able to provide these reports for only five of these SARS; the other four SARS did not submit these reports. Additionally, the Authority should establish a standard format for the reporting of the SAR's daily activities. This area needs continued management attention. Authority officials state they issued a new directive to divisions during our follow-up audit on September 8, 2005 that outlined SAR Field Activity Report requirements and told us that a standardized SAR reporting format will be developed.

Recommendation 17

Have SARs inspect high failure-rate plazas more often than passing plazas.

Status - Not Implemented

Authority Action - The Authority has not changed its inspection practices to increase the frequency of inspecting travel plazas that have a high incidence of inspection failures. For example, the Warners Travel Plaza had failed 15 of 99 inspections; the New Baltimore and Ulster Travel Plazas were inspected more than twice as often and neither had reported any failures. We still maintain that the SARs could be better utilized by inspecting plazas less where the operator has a good record and concentrate efforts on the plazas with high rates of inspection failures. Authority officials attribute failures at the Warners Travel Plaza primarily to staffing issues. Additionally, they issued a new directive to SARs during our follow-up audit on September 8, 2005 that emphasized the importance of focusing inspections on plazas with high failure rates.

Recommendation 18

Develop a process that identifies both the causes of frequent inspection failures and the corrective actions that can improve service quality.

Status - Implemented

Authority Action - The Authority developed a policy on January 1, 2004 that requires SARs to notify the concessionaires' corporate headquarters whenever there is a failing inspection. In 2004, based on SAR reported inspection failures, the Authority prepared 28 notices of concessionaire contract violations related to not having the required number of support staff. The Authority provided us with one corporate notification for the failed inspections. Follow-up actions were discussed with travel plaza staff, additional inspections were scheduled, and a plan for improvements was prepared.

Recommendations 19 and 20

*Improve controls over plaza revenue collection and subcontractor compliance by:
Verifying that cash registers are required and used to record all sales, and that all sales are recorded in the operator's financial records and subsequent rental reports.*

Status - Partially Implemented

Authority Action - According to Authority officials and a concessionaire manager at a busy travel plaza, all sales are recorded with cash registers except for ice cream cart sales in the summer. The ice cream carts have a cash drawer and, at the end of the shift, sales and cash are reconciled. The concessionaires report food and gasoline sales to the Authority ten days into the following month. The concessionaires' corporate officers then remit to the Authority, the applicable rent. The Authority audits the accuracy of reported sales at some McDonald's travel plazas, but it does not audit those at HMS Host travel plazas. The Authority officials explained that the HMS Host audits were discontinued because previous audits found no significant problems. However, they plan to do these audits for the company that is awarded the new contract. We believe that intermittent audits should be the policy, even at HMS Host whom Authority officials view as a minimum risk concessionaire. The Authority's 2005 Fiscal Audit Plan includes observations of service area cash controls.

Reviewing and approving contracts for all subcontractors, including, but not limited to all those currently in place at plazas operated by McDonald's.

Status - Not Implemented

Authority Action - The Authority does not agree with this recommendation. Authority officials stress that the existing contract with McDonald's does not allow for Authority approval of its subcontracts, but the subcontractors must have language that is similar to the McDonald's contract with the Authority regarding termination, operations, and maintenance and repair. They add that the Authority would need to renegotiate the contract to allow them to review and approve future subcontracts.

Recommendation 21

Improve customer service and/or plaza sales by providing for: truck stop-type services for truckers; more convenience stores and free lodging reservation services; and roadside signs showing restaurant hours.

Status - Implemented

Authority Action - The Authority has taken steps to implement this recommendation including making provisions in the current RFP for travel plaza operations. The RFP asks companies to address how they will provide services for commercial truck drivers, including a designated lounge area with couches, tables, recreation facilities, coin operated washers and dryers, preventive maintenance services, interstate certified scales and commercial check services. Also, an Authority official sent an e-mail to the concessionaires asking them to adjust signage to indicate those food concepts that are open 24-hours a day, but they did not send this request until after our follow-up audit started. We visited two of the three Tourist Information Centers at travel plazas and found that lodging information is available, and people can get travel information by dialing #NY at a travel plaza telephone.

However, the #NY feature is not conspicuously posted at most of the travel plazas we visited.

Major contributors to this report were Gerald Tysiak, Roger C. Mazula, Kathleen Hotaling, and Jeneba Bangura.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We also thank the management and staff of the New York State Thruway Authority for the courtesies and cooperation extended to our auditors during this process.

Very truly yours,

Carmen Maldonado
Audit Director

cc: Robert Barnes, Division of the Budget