

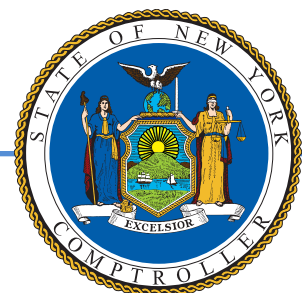
Office for People With Developmental Disabilities

Accountability and Surplussing of Vehicles

Report 2018-S-42 | August 2019

OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

Division of State Government Accountability



Audit Highlights

Objectives

To determine whether the Office for People With Developmental Disabilities (OPWDD) properly accounted for and surplussed its New York City region vehicles, and whether staff used those vehicles solely for official State business. The audit covered the period April 1, 2016 through May 1, 2019.

About the Program

OPWDD is responsible for coordinating services for more than 130,000 New Yorkers with developmental disabilities. Regional Developmental Disabilities State Operations Offices administer and oversee State operations for OPWDD, including transporting clients from OPWDD-run residences to service providers or medical appointments using the agency's more than 3,000 State-owned vehicles.

In the New York City region, OPWDD reports having 115 State-run residences overseen by four local Developmental Disabilities Services Offices (DDSOs): Metro NY (the Bronx and Manhattan), Brooklyn, Bernard M. Fineson (Queens), and Staten Island. Per OPWDD and information obtained from the Office of General Services (OGS), as of October 2018, these four DDSOs had a fleet of about 484 vehicles. While each residence is assigned its own vehicles, the DDSOs' transportation offices maintain about 136 of the 484 vehicles for business use. These vehicles are available to the residences as needed.

State agencies are responsible for keeping accurate inventory records of their assigned vehicles, including current status and location. In addition, OPWDD's Fleet Management Policy states that vehicles must be used for official State business only, and each use must be recorded in a vehicle log, along with trip details such as date and time of use, driver, and purpose of the trip. Vehicles that are determined to be underutilized, unnecessary, or past their useful lives should be surplussed and sold at auction through OGS.

Key Findings

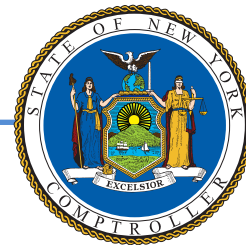
OPWDD lacks sufficient controls over fleet vehicle management at the four DDSOs to ensure that all vehicles are properly accounted for, that vehicles are used for official State business only, and that DDSOs are properly surplussing vehicles following a process that is fair and complies with OGS requirements. Such deficiencies, which might largely be attributable to OPWDD's lack of procedures and guidance, create an environment at risk of mismanagement and impropriety. For example:

- All four DDSOs had a significant number of missing and/or incomplete vehicle logs, including logs for vehicles used by some high-ranking staff.
- Due to poor monitoring, OPWDD lost track of one vehicle assigned to Bernard M. Fineson and could not rule out its possible theft.

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- Of 12 vehicles surplussed and auctioned at Staten Island, 5 were purchased by a supervisor at the facility or a member of his immediate family. The supervisor was directly involved in the selection of vehicles to be surplussed.
 - OPWDD did not ensure that license plates for surplussed vehicles were promptly returned to OGS and/or the Department of Motor Vehicles, thus increasing the risk that these still-valid plates could have been used inappropriately.

Key Recommendations

- Require DDSOs to maintain complete vehicle logs for all vehicles to ensure that vehicles are used solely for State business.
- Establish surplussing policies and procedures that address the deficiencies identified in this report, including employees (and their family members) purchasing surplussed vehicles and the time frames for sending surplussed vehicles to auction and turning in associated license plates.
- Issue guidelines that require DDSOs to conduct periodic inventories to account for their vehicles.



Office of the New York State Comptroller Division of State Government Accountability

August 15, 2019

Theodore Kastner, M.D.
Commissioner
Office for People With Developmental Disabilities
44 Holland Avenue
Albany, NY 12207

Dear Commissioner Kastner:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage government resources efficiently and effectively and, by so doing, providing accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Accountability and Surplussing of Vehicles*. The audit was performed 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.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

Division of State Government Accountability

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Glossary of Terms

Abbreviation	Description	Identifier
DDSO	Developmental Disabilities Services Office	<i>Key Term</i>
DMV	Department of Motor Vehicles	<i>Agency</i>
Fleetwave	OGS' Fleetwave Centralized Inventory Management System	<i>System</i>
OGS	Office of General Services	<i>Agency</i>
OPWDD	Office for People With Developmental Disabilities	<i>Auditee</i>
Policy	Fleet Management Policy	<i>Policy</i>

Background

The Office for People With Developmental Disabilities (OPWDD) is responsible for coordinating services for more than 130,000 New Yorkers with developmental disabilities. It provides services directly and through a network of approximately 700 not-for-profit service-providing agencies (80 percent by private not-for-profits and 20 percent by the State).

Regional Developmental Disabilities State Operations Offices administer and oversee State operations for OPWDD, including transporting clients from OPWDD-run residences to service providers or medical appointments. OPWDD uses more than 3,000 State-owned vehicles as well as contractors to transport clients. OPWDD uses the Office of General Services' (OGS) Fleetwave Centralized Inventory Management System (Fleetwave) to maintain information about its vehicle fleet.

Within the New York City (NYC) region, four local Developmental Disabilities Services Offices (DDSOs) – Metro NY (the Bronx and Manhattan), Brooklyn, Bernard M. Fineson (Queens), and Staten Island – are responsible for overseeing 115 State-run residences. According to OPWDD and information obtained from OGS, as of October 2018, these four DDSOs had a fleet of about 484 vehicles. While residences are assigned their own vehicles, each DDSO's transportation office maintains certain vehicles for business use. These vehicles are available to the residences as needed, such as when their vehicles are being serviced. About 136 of the 484 vehicles were assigned to the transportation offices of the four NYC DDSOs. State vehicles may be assigned to specific employees only in extraordinary circumstances.

Statewide policy requires vehicles to be used only for official State business, vehicle logs to be maintained for all State vehicles, agencies to conduct audits of vehicle logs to ensure use is consistent with policy, and agencies to adopt vehicle use and control procedures consistent with the statewide policy. Accordingly, OPWDD's Fleet Management Policy (Policy) requires that a vehicle use log must be maintained for all State vehicles to record specific trip information, such as date and time of use, driver, occupants, and purpose of the trip. According to OGS, vehicles that are underutilized, unnecessary, or past their useful lives¹ are to be surplussed and sold at auction through OGS.

¹ Vehicles that are older than seven years, that have more than 125,000 miles, or where repair costs exceed vehicle value.

Audit Findings and Recommendations

OPWDD lacks sufficient controls over fleet vehicle management at the four DDSOs to ensure that all vehicles are properly accounted for and used only for official State business, and that DDSOs are properly surplussing vehicles. Among other specific findings, we determined:

- None of the four DDSOs maintained complete monthly vehicle logs for each of their vehicles. The significant number of missing and/or incomplete vehicle logs, including vehicles used by some high-ranking staff, leads us to question whether OPWDD vehicles were used solely for official State business – possibly rendering them unavailable for transporting OPWDD clients when needed.
- Due to poor monitoring, OPWDD could not rule out the possible theft of one of its Bernard M. Fineson vehicles.
- A Staten Island DDSO motor equipment maintenance supervisor who was involved in the surplussing decision-making process, together with an immediate family member, purchased several of the vehicles selected for surplussing at that facility.
- License plates for surplussed vehicles were not promptly returned to OGS and/or the Department of Motor Vehicles (DMV) for deactivation. For one such vehicle, the license plate had not been returned to DMV as of May 1, 2019, more than two years after it was surplussed. Four additional license plates for vehicles surplussed in November 2018 were still on hand at the time of our visit to the DDSO in March 2019, thus increasing the risk that these still-valid license plates can be used inappropriately.
- OPWDD maintains a significant number of vehicles that are underutilized and that should be considered for surplussing.

Clear, comprehensive guidance is integral to strong oversight and control. However, we found that OPWDD management failed to provide critical guidance to the DDSOs to ensure vehicle logs were properly maintained and the surplussing processes were transparent and appropriate. OPWDD management also does not conduct periodic inventories to account for all DDSO vehicles or perform needs analyses of vehicle use to determine the number of vehicles each DDSO should have. The lack of guidance could have contributed to the deficiencies identified in this report.

Tracking Vehicle Usage

To enable monitoring of vehicle usage, agency employees must record specific information, such as dates and times of use, driver and occupants,

purpose of trip, and odometer readings in the vehicle log. Most NYC DDSO logs also require a supervisor’s signature. The NYC region DDSOs require the prior month’s vehicle logs to be submitted to their respective transportation or business office at the start of each month. While OPWDD’s Policy requires a designated supervisor to collect, review, and approve the logs for completeness and accuracy on a regular basis, agency management did not provide written guidance to DDSOs to ensure their compliance. Without such procedures, the likelihood of missing and/or incomplete logs increases – and along with it the risk that vehicles are not being used solely for official State business.

Missing and/or Incomplete Logs

We selected a random sample of 30 assigned vehicles (seven each from Metro NY, Brooklyn, and Bernard M. Fineson and nine from Staten Island) to determine whether logs were maintained for each vehicle. We then requested January, March, and June 2018 logs for each of the 30 vehicles – a total of 90 logs. OPWDD Policy requires that logs be maintained for all vehicles. However, only Metro NY was able to provide all requested logs (see Table 1).

Table 1 – Number of Missing Logs by DDSO

	Brooklyn	Metro NY	Bernard M. Fineson	Staten Island	Totals
Number of Logs Requested	21	21	21	27	90
Number of Logs Not Provided	10	0	3	6	19
Total Number of Logs Provided	11	21	18	21	71

In addition, Brooklyn DDSO officials were only able to provide all three months of requested logs for two of their seven vehicles in our sample; Staten Island did not provide any logs for two of their vehicles. According to Staten Island officials, one vehicle was assigned to the Staten Island safety office and the other to the Staten Island motor equipment maintenance supervisor. Furthermore, of the 71 logs (recording 1,585 trips) provided, some were not legible or did not contain all of the required trip information. Without complete and legible logs, OPWDD officials cannot determine whether the vehicles are being used appropriately. A summary of the missing information for the three-month period is detailed in Table 2.

Table 2 – Missing Information in Vehicle Logs

Missing Information	Bernard M. Fineson	Brooklyn*	Metro NY	Staten Island	Totals
	282 trips	179 trips	601 trips	523 trips	
Name of driver	8	8	8	35	59
Departure/return time	243	20	26	27	316
Starting location	282	145	601	441	1,469
Trip purpose	282	179	547	523	1,531
Occupants	282	179	601	523	1,585
Destination	77	13	98	130	318
Starting/ending odometer readings	12	0	15	3	30

*Our testing of Brooklyn’s vehicle logs was limited, as 10 of the requested 21 logs were not provided.

We also found that 21 (30 percent) of the 71 logs we reviewed did not have a supervisor’s signature – a key piece of information that would have indicated whether the logs were reviewed for accuracy and completeness. In addition, residence supervisors told us that they had not received written guidance from management as to how logs should be reviewed for accuracy and completeness.

Notably, OPWDD has not established a standardized vehicle log for agency-wide use. During our review, we observed at least six different variations of the vehicle log in use – not only across DDSOs but within a single DDSO. In addition, not all versions collected the required and/or same information (e.g., some logs lacked a column to note the purpose of the trip). Only one of the six log variations included the statement, “I certify that this record has been reviewed and to the best of my knowledge appears to be accurate.” The lack of information makes it difficult for OPWDD’s management to determine if vehicles were used appropriately.

Unrecorded Vehicle Usage

Using OPWDD’s records and our searches of various online databases, we obtained detailed information, such as license plate numbers, dates, times, and locations for 302 violations incurred during the period January 2, 2018 through June 30, 2018 for vehicles assigned to the four NYC DDSOs.

To test for accuracy and completeness, we requested vehicle logs for the months when the violations occurred to determine whether they included the dates and times of the infractions. We were not provided with all the logs requested and, as a result, could only trace 207 of the 302 violations to the respective logs. From this, we found 54 instances (including 30 from Metro NY DDSO and 1 related to the 30 sampled vehicles) where an OPWDD vehicle was issued a violation but the log did not show the vehicle being driven at the time.

For example, a vehicle assigned to the Metro NY DDSO received a toll violation on February 18, 2018 near Newark Airport in New Jersey. However, the vehicle's log did not show that the vehicle was driven on that date. The last entry in the log, prior to the violation, was on February 16, 2018, and reflected an ending odometer reading of 57,850 miles. The next entry, on February 20, 2018, showed the same odometer reading, not reflecting the estimated 50-mile round trip from the Bronx to the vicinity of Newark Airport.

In addition, using OGS and OPWDD vehicle accident data, we reviewed a judgmental sample of 37 of the 135 accidents that reportedly occurred during the period April 1, 2016 through June 28, 2018. For 12 of the 37 accidents, the vehicle logs were missing trip information accounting for the time of the accidents. The DDSOs did not provide any documentation to clarify the missing log entries. As a result, OPWDD management cannot be sure that these accidents occurred while the vehicles were on State business.

For another accident, the trip was recorded in the log, but the driver identified in the log was not the same driver identified on the MV-104 accident form. It is important that the name of the actual driver be documented in the log so that OPWDD can hold that employee accountable for any infractions and provide necessary training, as appropriate. Moreover, employees are not allowed to drive if their licenses are suspended; therefore, it is vital that the log reflects the actual employee who drove.

Notably, during the course of our audit, OPWDD conducted an internal audit of its vehicle logs and found similar issues, including missing logs and inconsistent log sheets. However, the summary provided to us did not indicate that the audit tested the accuracy of the information in the vehicle logs. Without complete and accurate vehicle log information, OPWDD has no assurance that these violations or accidents occurred while its vehicles were on official State business.

Assignment of Vehicles and Other Matters

The Policy states that State vehicles may be assigned to specific employees only in extraordinary circumstances. Our review found three vehicles that were seemingly assigned to three high-ranking employees at the Staten Island DDSO, as follows:

- Transportation office staff told us that two of the three vehicles (2018 Chevrolet Malibu and 2010 Nissan Altima) were used exclusively by the Director and the Deputy Director, respectively, who did not maintain logs. As of January 2019, subsequent to our inquiry, the officials began maintaining logs. We reviewed the logs and confirmed that these vehicles were used only by these two high-ranking employees.
- The third vehicle (2012 Dodge Grand Caravan) at the Staten Island DDSO was driven by the Acting Deputy Director of the Metro NY DDSO. Based on the logs and discussions with Staten Island staff, for the period July 2018 to February 2019, this employee began most days by driving his personal vehicle to the Staten Island DDSO. He then drove to the Bronx or Manhattan using a Staten Island vehicle. According to OPWDD officials, since January 2018, this employee has maintained his permanent position at the Staten Island DDSO while serving, without additional compensation, as the Acting Deputy Director of the Metro NY DDSO. Officials further stated that OPWDD is in the process of hiring a Deputy Director for the Metro NY DDSO.

OPWDD officials asserted that the three vehicles were available to all staff and were not assigned solely to the three employees. However, the logs do not support their assertions.

While OPWDD's Policy does not address out-of-state travel, we found vehicles being driving out of state. Specifically, as of January 29, 2019, we noted \$766 in outstanding traffic fines were issued to 17 OPWDD vehicles while traveling in New Jersey during the period July 16, 2012 through June 3, 2017. We did not trace these violations to determine if the dates and times of these trips were recorded in the logs. OPWDD officials need to follow up on these outstanding violations to determine whether the trips were authorized and whether expenses associated with the trips should be paid with taxpayer funds or by the employees who were driving the vehicles.

Vehicle Oversight

State agencies are responsible for keeping accurate inventory records of their assigned vehicles, including current status and location. According to

the Governor's 2012 initiative and a September 2018 OGS memorandum, vehicles that are underutilized, unnecessary, or past their useful lives should be surplussed. We determined that OPWDD lacks strong vehicle and inventory controls and is, therefore, unable to reliably account for its DDSOs' assigned vehicles and ensure DDSOs are properly surplussing their vehicles.

Inadequate Vehicle Accountability

To assess OPWDD's vehicle oversight, we attempted to physically locate the 136 active vehicles (30 at Metro NY, 43 at Brooklyn, 46 at Bernard M. Fineson, and 17 at Staten Island) that OPWDD records indicated were assigned to the four DDSO transportation offices as well as the 24 vehicles assigned to the garage at the Staten Island DDSO and 1 unassigned vehicle at Bernard M. Fineson. We could not find two vehicles: one assigned to Staten Island and the other to Bernard M. Fineson. In response to our queries, officials at the two DDSOs advised that the vehicles had been surplussed years ago. However, this was not consistent with the information in OPWDD's records. Thereafter, we interviewed OGS officials and were told that documentation supporting the disposition of the two vehicles no longer existed. However, information in Fleetwave showed:

- The Staten Island vehicle was sold at auction in 2005; and
- The Bernard M. Fineson vehicle was withdrawn from surplussing in November 2009. Moreover, Fleetwave showed that a State inspection was performed on this vehicle in 2011 at a repair shop on Staten Island. The odometer reading at the time of the inspection was 61,809 miles. Furthermore, DMV records indicate that the vehicle's license plate was reported lost on April 6, 2015, and the vehicle was never re-registered in New York. OPWDD officials could not rule out the possibility that this vehicle (2000 Chevrolet full-size van) was stolen and/or registered in another state.

We note that this is not the first time OPWDD has been unable to account for a vehicle. As part of our inquiry during a 2018 audit of OPWDD's vehicles (Report [2017-S-50](#)), we determined that Metro NY could not account for a vehicle that was approved for repairs in April 2017. After consulting with the New York City Police Department, OPWDD officials found the vehicle in April 2018 – almost a year later – abandoned and unlocked under the elevated subway train tracks in the Bronx.

Our review of OPWDD records also identified seven vehicles that were listed as surplussed in December 2016. However, according to OGS, these vehicles were not auctioned because they were not delivered to the auction site in

a timely manner. During an October 2018 site visit to the Brooklyn DDSO transportation office, we found the seven vehicles, without license plates, parked behind a building. After we inquired about their status, Brooklyn DDSO officials had them auctioned off on November 28, 2018. OPWDD officials agreed that these seven vehicles, though classified as surplussed, had not yet been auctioned. We note that OPWDD management has not issued guidance as to how often the DDSOs should take inventory to account for their vehicles.

Weaknesses in Surplussing Practices

The DDSOs' transportation offices are responsible for identifying vehicles for surplussing. For each of their vehicles identified for surplussing, the transportation offices must complete an OGS surplus form, and send the form as well as the vehicle's license plates to OPWDD's Central Office. Thereafter, the surplus form, title, and registration form are sent to OGS, and the license plates are sent to DMV. This process is intended to ensure that vehicles identified for surplussing are fully deactivated as a State-registered vehicle prior to auction. We identified deficiencies in OPWDD's oversight that increase the risks of impropriety in its surplussing process.

Questionable Purchases

According to OGS, for the period April 1, 2016 to June 30, 2018, 17 OPWDD vehicles were auctioned, including 12 that were auctioned at the Staten Island DDSO facility. Five of the 12 vehicles were purchased by the Staten Island DDSO's motor equipment maintenance supervisor or a member of his immediate family. The supervisor was directly involved in the selection of vehicles to be surplussed. Furthermore, and as discussed in the next section, we also identified improprieties with this employee's handling of license plates for one of these vehicles.

OPWDD officials told us that they have not established a surplussing policy, and there is no statewide policy addressing agency employees purchasing surplus assets. However, we note that OGS' surplussing policy prohibits its own employees from purchasing surplus items from their own programs. We recommend that OPWDD establish a similar policy.

License Plates and Surplussed Vehicles

On October 17, 2017, OGS issued a memorandum to all State agency vehicle coordinators directing that license plates must be returned to OGS two weeks prior to any auction. Any license plates for vehicles that had already been surplussed at the time were to be returned to DMV immediately.

We determined that OPWDD did not always comply with this memorandum. For example, OGS auctioned four OPWDD vehicles at the Staten Island DDSO facility on November 27, 2018. During a site visit on March 21, 2019, we found that the Staten Island motor equipment maintenance supervisor referenced above was still in possession of the license plates for the four vehicles. When we questioned this employee, he stated it was easier to wait until the next auction at the end of 2019, about a year later, to send all license plates to OPWDD's Central Office.

We also found that, for a separate vehicle previously purchased at auction by this same employee in November 2016, the OPWDD license plate still had not been turned in as of May 1, 2019 – more than two years later. The vehicle is still registered to OPWDD. Since State-issued license plates are permanently registered until they are returned to DMV, there is a risk these valid license plates can be used inappropriately.

At the time of our review, OPWDD officials did not have surplussing policies/procedures that specifically addressed the proper processing of license plates. This may have contributed to the deficiencies we identified. Officials said that they are currently in the process of establishing such policies/procedures.

Underutilized Vehicles

The DDSOs' transportation offices maintain additional vehicles for business use. These vehicles are available for use by the residences as needed, such as when their vehicles are out for service. According to OPWDD records, during 2018, there were approximately 125 vehicles (excluding the newly acquired 2018 vehicles) assigned to the four NYC DDSO transportation offices: 30 to Metro NY; 36 to Brooklyn; 41 to Bernard M. Fineson; and 18 to Staten Island.

During our visits to each NYC DDSO in late 2018 and early 2019, we observed many of the transportation office vehicles parked at the respective facility – a possible indication that these vehicles were underutilized and should be surplussed or assigned to another location. We requested the four transportation offices' monthly vehicle logs for the five-month period of January through May 2018 to determine the average number of days these vehicles were driven (see Exhibit A). Staff at the facilities were unable to provide many of the logs (particularly Brooklyn) and, as a result, our review was limited.

Our review of the monthly logs for the 110 vehicles for which we received at least one log indicated that many of these vehicles were underutilized: 34

vehicles (31 percent) were used an average of five days or fewer each month (see Exhibit B), including six that were not driven at all during a single month. For example:

- A Metro NY van was used only one day in each of the three months and only three days in each of the other two months. In March 2019, Metro NY staff said that this particular vehicle had not been used since August 2018.
- Ten additional vans at Metro NY were used an average of 15 days or fewer during the five-month period.

In addition, during our visit to the Staten Island DDSO, we observed numerous vehicles in various stages of disrepair assigned to the garage, as shown in the following photo.

Satellite View of Vehicles Parked on the Premises of the Staten Island DDSO



We were told that logs were not maintained for many of these vehicles because they were inoperable and had not been driven in many years. Moreover, these vehicles were not surplussed because it was the NYC DDSOs' practice to only surplus vehicles when new ones were purchased. We note that this practice would essentially keep vehicle inventories at existing levels, which does not comply with the Governor's initiative to decrease the number of State vehicles or with OGS' memorandum to surplus vehicles that are underutilized, unnecessary, or past their useful lives. Because these vehicles are inoperable, they should be surplussed.

It is important that OPWDD establish proper procedures to ensure that vehicles are surplussed as directed by OGS and that all required processes are followed, including sending license plates to OGS. It is also critical that OPWDD determine whether DDSOs have the correct number of assigned vehicles to ensure that no vehicles are underused.

Recommendations

1. Ensure vehicle logs are maintained for each vehicle and that they are collected, reviewed, and approved as required by the Policy.
2. Establish a standard vehicle log that captures all required trip information, as per the Policy.
3. Follow up on the instances of unrecorded vehicle usage identified in this report to determine whether they occurred during official State business and take appropriate action, as needed.
4. Issue guidelines that require DDSOs to conduct periodic inventories to account for the location and status of their vehicles.
5. Research the missing vehicle assigned to the Bernard M. Fineson DDSO to determine its whereabouts and its correct status.
6. Review the OPWDD employee's purchase of vehicles to determine whether any policies or laws were violated and take appropriate action.
7. Establish surplussing policies and procedures that address the deficiencies identified in this report, including the purchase of surplussed vehicles by employees (and their family members) and the time frames for sending surplussed vehicles to auction and returning their license plates.
8. Determine whether each DDSO (including its transportation office) has the correct number of vehicles based on need and identify those that should be surplussed or reassigned.

Audit Scope, Objectives, and Methodology

The objectives of this audit were to determine whether OPWDD properly accounted for and surplussed its NYC region vehicles, and whether staff used those vehicles solely for State business. The audit covered the period April 1, 2016 through May 1, 2019.

To accomplish our objectives and assess the internal controls as they related to our audit objectives, we reviewed applicable regulations, policies, and procedures. We interviewed OPWDD officials to gain an understanding of OPWDD's process for tracking vehicles assigned to NYC offices, assigning vehicles to the various DDSOs, and surplussing vehicles. We obtained an inventory listing of vehicles assigned to OPWDD from OGS and from OPWDD and tested the integrity of the data we received. We conducted vehicle observations at each NYC DDSO. We reviewed vehicle logs for the randomly selected sample of vehicles for three judgmentally selected months. We reviewed vehicle traffic violations for the period January through June 2018 to test the completeness of the vehicle logs. We also reviewed a judgmental sample of vehicle accidents that occurred from April 2016 through May 2018 and the corresponding vehicle logs to test for completeness. The results of our samples were not meant to be projected. Using online search tools, we obtained and confirmed the vehicle traffic violations information. We reviewed vehicle logs for the vehicles assigned to the DDSO transportation offices for the months of January through May 2018. We obtained auction and buyers' information from OGS and vehicle registration and status using DMV's electronic database. We obtained vehicle accident data from OGS and OPWDD.

Statutory Requirements

Authority

This audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints recipients to certain boards, commissions, and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

Reporting Requirements

We provided a draft copy of this report to OPWDD officials for their review and comment. Their comments were considered in preparing this final report and are attached in their entirety at the end of it. OPWDD officials agreed with our recommendations and indicated they have already implemented some of them. For example, their response indicated that, as of June 26, 2019, they implemented a new vehicle log to uniformly capture all required trip information. OPWDD officials also said that they expect to have improved inventory procedures by fall 2019. In addition, they found that the missing vehicle had been repurposed by the maintenance department for use at a different DDSO, and said the inventory documents would be updated to reflect the current location of the vehicle.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office for People With Developmental Disabilities shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps

were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

Exhibit A

DDSO Monthly Vehicle Usage: January–May 2018

Number of Days Driven	Number of Vehicles				
	January	February	March	April	May
Bernard M. Fineson					
0–5 days	14	18	14	8	8
6–10 days	6	8	7	6	4
11–15 days	2	4	0	3	3
15+ days	1	1	0	3	5
Vehicle Logs Reviewed	23	31	21	20	20
Brooklyn					
0–5 days	2	8	5	3	6
6–10 days	0	1	3	2	9
11–15 days	0	1	2	0	4
15+ days	1	0	1	1	4
Vehicle Logs Reviewed	3	10	11	6	23
Metro NY					
0–5 days	13	11	10	9	8
6–10 days	6	7	7	8	5
11–15 days	3	5	8	5	8
15+ days	0	2	1	4	7
Vehicle Logs Reviewed	22	25	26	26	28
Staten Island					
0–5 days	1	2	2	0	0
6–10 days	3	4	4	2	0
11–5 days	3	4	3	5	3
15+ days	7	4	3	6	11
Vehicle Logs Reviewed	14	14	12	13	14

Exhibit B

DDSO Vehicle Usage*: January–May 2018

DDSO	0–5 Days	> 5 to 10 Days	> 10 to 15 Days	> 15 Days	Total Vehicles
Staten Island	1	2	7	6	16
Bernard M. Fineson	16	12	7	2	37
Metro NY	6	14	8	1	29
Brooklyn	11	11	4	2	28
Totals	34	39	26	11	110

*The average number of days the vehicles at each DDSO were used each month.

Agency Comments



Office for People With Developmental Disabilities

ANDREW M. CUOMO
Governor

THEODORE KASTNER, MD, MS
Commissioner

July 22, 2019

Mr. Kenrick Sifontes, Director
Office of the New York State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236

Re: Draft Report 2018-S-42

Dear Mr. Sifontes:

The Office for People With Developmental Disabilities ("OPWDD") has reviewed the Office of the State Comptroller's draft report, 2018-S-42, entitled: "Accountability and Surplussing of Vehicles."

Please find attached our response to this draft report. Thank you for the opportunity to comment. If you have any questions or concerns, please do not hesitate to contact me at 518-402-4368 or Anthony.J.Dolan@opwdd.ny.gov.

Sincerely,

Anthony J. Dolan
Director, Bureau of Internal Control

Executive Office

44 Holland Avenue, Albany, New York 12229-0001 | 866-946-9733 | www.opwdd.ny.gov

**Office for People With Developmental Disabilities' Response
to the Office of the State Comptroller's Draft Audit Report
(No: 2018-S-42): "Accountability and Surplussing of Vehicles."**

The New York State Office for People With Developmental Disabilities ("OPWDD") appreciates the opportunity to respond to the Office of the State Comptroller's ("OSC") draft audit report (2018-S-42) entitled "Accountability and Surplussing of Vehicles." OPWDD provides services and support to over 130,000 individuals with developmental disabilities throughout New York State. OSC's review focused on the use of 484 state-owned vehicles in the New York City region. These vehicles are used to transport individuals with developmental disabilities, to bring maintenance crews to OPWDD offices and residences, and to assist managerial staff in providing necessary oversight and supervision.

OSC's audit findings and recommendations concern accountability and surplussing of State vehicles in OPWDD's fleet. OPWDD recognizes the need for improved recordkeeping to provide greater assurance that vehicles are being used exclusively for business purposes and that their disposal is fully documented and performed in a timely manner. In fact, OPWDD has already implemented a number of initiatives and is in the process of further refinements, as discussed in the responses to OSC's recommendations below.

RESPONSE TO OSC'S RECOMMENDATIONS

Recommendation #1: *Ensure vehicle logs are maintained for each vehicle, and that they are collected, reviewed, and approved as required by the Policy.*

Response: OPWDD implemented the use of a new statewide vehicle log on June 26, 2019. The log requires local supervisory review, evidenced by the provision of printed name and signature for each completed log. The review will be conducted to ensure accountability by requiring documentation of appropriate business use, as well as complete, legible, and accurate record keeping. OPWDD is also developing a standardized review protocol which will require local OPWDD business offices to provide summary information to assist with improved inventory tracking and usage monitoring.

Recommendation #2: *Establish a standard vehicle log that captures all required trip information, as per the Policy.*

Response: As stated above, OPWDD issued a new vehicle log on June 26, 2019 for statewide implementation. The new log is now uniformly gathering all required trip information for every OPWDD vehicle throughout the state.

Recommendation #3: *Follow up on the instances of unrecorded vehicle usage identified in this report to determine whether they occurred during official State business, and take appropriate action, as needed.*

Response: OPWDD is following up on prior vehicle log discrepancies. OPWDD's priority is to monitor current and future logs to better ensure the completeness of records going forward.

Recommendation #4: *Issue guidelines that require DDSOs to conduct periodic inventories to account for the location and status of their vehicles.*

Response: OPWDD agrees that a more formal periodic inventory should be conducted at each local district and Central Office. OPWDD is drafting new statewide protocols and anticipates implementation of improved inventory procedures by Fall 2019.

Recommendation #5: *Research the missing vehicle assigned to the Bernard M. Fineson DDSO to determine its whereabouts and its correct status.*

OPWDD research determined this vehicle was repurposed for use by the maintenance department in a different DDSO. The vehicle inventory documents are being updated to reflect its current location.

Recommendation #6: *Review the OPWDD employee's purchase of vehicles to determine whether any policies or laws were violated and take appropriate action.*

Response: Consistent with the findings presented by OSC in this report, OPWDD has not identified any laws or OPWDD policies that have been violated with respect to employees' purchasing of surplus vehicles. However, as recommended by OSC, OPWDD is undertaking a new initiative, similar to the Office of General Services' surplussing policy, which will prohibit employees from purchasing surplus items in the future.

Recommendation #7: *Establish surplussing policies and procedures that address the deficiencies identified in this report, including the purchase of surplus vehicles by employees (and their family members) and the time frames for sending surplus vehicles to auction and returning their license plates.*

Response: As indicated in Response #6 above, OPWDD will establish policies and procedures to correspond with those of OGS for surplussing its vehicles. Improvements will also include procedures for the timely return and surrendering of license plates. It should be noted that several difficulties arose regarding the timing associated with disposal of surplus vehicles. For example, OGS requires all manufacturer recalls be addressed prior to surplus sale. However, OPWDD had instances where the vehicle was determined to be inoperable and auto dealers refused to perform the recall work.

Recommendation #8: *Determine whether each DDSO (including its transportation office) has the correct number of vehicles based on need and identify those that should be surplus or reassigned.*

Response: OPWDD continues to work with district staff to review fleet levels and reassign or surplus vehicles as appropriate. However, OPWDD does require additional vehicles that serve as "reserve or pooled" vehicles for administrative use and for temporary substitutions for vehicles requiring repair or replacement. OPWDD provides transportation to approximately 6,300 residents living in group homes statewide and must ensure that staff have access to vehicles 24 hours a day in order to safeguard the health and safety of individuals in OPWDD's care. Pooled vehicles may appear relatively idle at times, but they must be maintained at sufficient levels to provide coverage at all times.

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