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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

May 27, 2021

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

Re: Accountability and Surplussing of
Vehicles
Report 2021-F-1

Dear Commissioner Kastner:

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, we have followed up on the actions taken by officials of the Office for People With Developmental Disabilities (OPWDD) to implement the recommendations contained in our audit report *Accountability and Surplussing of Vehicles* ([2018-S-42](#)).

Background, Scope, and Objective

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 600 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 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 118 State-run residences. According to OPWDD's officials, these four DDSOs had a fleet of about 455 vehicles as of February 2021. 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 134 of the 455 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, and each use must be recorded in vehicle logs. Further, agencies should conduct audits of vehicle logs to ensure use is consistent with policy, and agencies must adopt vehicle use and control procedures consistent with the statewide policy. In addition, OPWDD's Fleet Management Policy, revised in March 2021 and renamed OPWDD's Vehicle Use Policy (Policy), requires that OPWDD staff maintain a vehicle log for all State vehicles to record specific trip information, such as date and time of use, names of driver and 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.

We issued our initial audit report on August 15, 2019. The audit's objectives were to determine whether OPWDD properly accounted for and surplussed its NYC region vehicles, and whether staff used those vehicles solely for official State business. We determined that, for the period April 1, 2016 through May 1, 2019, OPWDD lacked sufficient control over fleet vehicle management at the four DDSOs to ensure that all vehicles were properly accounted for, that vehicles were used for official State business only, and that DDSOs were properly surplussing vehicles following a process that is fair and compliant with OGS requirements.

The objective of our follow-up was to assess the extent of implementation, as of March 8, 2021, of the eight recommendations included in our initial audit report.

Summary Conclusions and Status of Audit Recommendations

OPWDD has made some progress in addressing the problems we identified in the initial audit. Of the eight recommendations made, as of March 8, 2021, three were implemented, one was partially implemented, and four were not implemented.

Follow-Up Observations

Recommendation 1

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

Status – Not Implemented

Agency Action – OPWDD officials do not ensure vehicle logs are maintained, collected, reviewed, and approved as required by the Policy. Although officials established a standardized vehicle log, issued guidelines instructing staff to maintain logs for each vehicle, and required a supervisory review of each vehicle's logs, we found, in many instances, staff were not complying with the Policy.

We requested a sample of 101 vehicle logs for the period of July 2019 to January 2021 to determine compliance with Policy requirements. However, OPWDD officials provided only 89 logs; only 54 of the 89 logs had been reviewed and signed by a supervisor attesting that they were complete, legible, and accurate. These 54 vehicle logs accounted for a total of 3,035 trips. However, we found these approved logs were missing required information, such as the employee's name, dates and times of vehicle use, starting location and destination, purpose of the trip, starting and ending odometer readings, fuel and oil purchases, and the employee's signature. For example:

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

- 2,816 (93 percent) omitted the purpose of the trip;
- 174 (6 percent) omitted the date of vehicle use;
- 152 (5 percent) omitted the trip start and/or end time;
- 125 (4 percent) omitted the starting location and/or destination; and
- 115 (4 percent) omitted the employee's (i.e., driver's) name.

OPWDD officials advised that, although 2,816 (93 percent) of the 3,035 trips omitted the travel's purpose, only 125 (4 percent) of the 3,035 trips failed to document the trip's starting location and its destination. OPWDD officials further advised that, although the travel purpose may not have been explicitly stated, in most cases it would be clear based on the destination, as many trips are routine, such as going to day programs. Therefore, everyone involved would know the purpose based on the destination.

Recommendation 2

Establish a standard vehicle log that captures all required trip information, as per the Policy.

Status – Implemented

Agency Action – OPWDD officials established a standardized vehicle log that captures all required trip information, as per the Policy. The standardized vehicle log was implemented as of July 1, 2019.

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.

Status – Not Implemented

Agency Action – OPWDD officials did not follow up on the instances of unrecorded vehicle usage we identified in the initial report to determine whether they involved official State business. In their 90-day response to the initial report dated December 12, 2019, officials stated that their priority was to monitor current and future vehicle logs to better ensure the completeness of records going forward.

To test for completeness of current vehicle logs, we traced a sample of 75 outstanding parking/camera violations (e.g., speeding violations) issued to OPWDD vehicles between January 1, 2020 and January 31, 2021 to the vehicle logs to determine if the logs had an entry for the dates and times when the violations were issued. We found that current vehicle logs still do not have entries for all vehicle usage. We were not provided all the logs and, therefore, could trace only 71 of the 75 violations. From these, we found 37 instances where an OPWDD vehicle was issued a violation but the log did not show the vehicle being driven at the time. In addition, the logs had no notations that the supervisor followed up on the missing entries to determine if the vehicles were used for State business at the time.

Recommendation 4

Issue guidelines that require DDSOs to conduct periodic inventories to account for the location and status of their vehicles.

Status – Not Implemented

Agency Action – OPWDD has not issued guidelines requiring DDSOs to conduct periodic inventories of their vehicles. OPWDD officials state they are in the process of implementing a new fleet management application offered by OGS. OPWDD officials also indicated that vehicle data is currently being uploaded, reviewed, and verified and OPWDD will issue guidelines when implementation of its new fleet management application is finalized.

Recommendation 5

Research the missing vehicle assigned to the Bernard M. Fineson DDSO to determine its whereabouts and its correct status.

Status – Implemented

Agency Action – OPWDD officials provided documentation showing they researched the missing vehicle assigned to the Bernard M. Fineson DDSO and determined the vehicle had been reassigned to the Staten Island DDSO. OPWDD filed a surplus form dated November 4, 2020 with OGS. However, per OGS, as of March 2021, the vehicle had not been auctioned.

Recommendation 6

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

Status – Implemented

Agency Action – OPWDD officials reviewed the employee's purchase of vehicles to determine whether any policies or laws were violated and determined that the employee did not violate any policies or laws. Officials implemented a new Policy on March 8, 2021 that prohibits future purchases by employees.

Recommendation 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.

Status – Partially Implemented

Agency Action – On March 8, 2021, OPWDD established a Policy prohibiting its employees from purchasing its surplussed vehicles or having a direct or indirect financial interest in the purchase of its surplussed vehicles. However, OPWDD did not establish surplussing policies and procedures that addressed the other deficiencies identified in the report, including the time frames for sending surplussed vehicles to auction and returning their license plates.

OPWDD officials stated that they follow OGS guidelines with respect to vehicle acquisitions and replacements, including the reporting of surplussed vehicles. Among other provisions, OGS guidelines require license plates for surplussed vehicles to be returned to OGS promptly. Regarding the missing vehicle referenced in Recommendation 5, although a surplus form dated November 4, 2020 was sent to OGS, OPWDD had not turned in the vehicle's license plates as of March 4, 2021.

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 surplussed or reassigned.

Status – Not Implemented

Agency Action – OPWDD officials did not provide documentation to show they reviewed their vehicle inventory to determine that each DDSO has the correct number of vehicles based on need. However, officials stated they decide the right mix of vehicles for a particular district based on the needs of the individuals served (e.g., for safe transportation, health and physical needs, or programmatic needs) and the number of vehicles to be surplussed based on OGS guidelines.

Major contributors to this report were Cheryl May, Adefemi Akingbade, and Allison Dillon.

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 thank the management and staff of OPWDD for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Aida Solomon
Audit Manager

cc: Richard Cicero, OPWDD
Anthony J. Dolan, OPWDD