

Office of
Public
Integrity
Annual
Report

June 30

2021

FY 2020-21 Highlights

Audit,
Investigations,
Ethics

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Executive Summary

The mission of the Office of Public Integrity (OPI) is to provide objective, independent audit and investigative services to deter and detect fraud, waste, and abuse within City government. As a result of the audits and investigations, OPI identifies deficiencies and provides recommendations for improvement. In addition, OPI develops and provides employee training on topics such as ethics awareness, internal control, and risk management.

The following are highlights of the work performed by OPI during the fiscal year ending June 30, 2021:

- Completed a Quality Control Self-Assessment of OPI's internal audit activity.
- Selected Hungerford Vinton to conduct a Peer Review of OPI's internal audit activity.
- Passed independent peer review and found to be in conformance with Generally Accepted Government Audit Standards. (Yellow Book Standards)
- Passed independent peer review and found to be in conformance with International Standards for the Professional Practice of Internal Auditing and the Code of Ethics established by the Institute of Internal Auditors. (Red Book Standards)
- Three OPI staff members virtually attended the Institute of Internal Auditor's Winter Summit.
- Office of Public Integrity representative attended monthly meetings as a member of the City's Data Governance Committee.
- Three members of the Office of Public Integrity became a part of the Mayor's Office Equity Team.
- Completed the City of Rochester 2020-21 Risk Assessment.
- Submitted legislation to Council for consideration to amend the City Charter to create an Office of Inspector General.
- Dedicated 378 hours to data analytics training, research and related projects.
- Evaluated 42 complaints received via walk-ins, telephone or email hotline, and other sources.
- Finalized 12 audits and issued 29 findings and recommendations.
- Concluded 26 administrative investigations and issued 8 findings and recommendations.
- Provided professional ethics training materials for New Employee Orientation sessions held virtually throughout the year.

- Staff completed 260 hours of professional development training focused on internal audit and investigations.
- Maintained coordinated efforts with the New York State Comptroller's Office regarding the City of Rochester Ethics Oversight audit.
- Worked in coordination with the City's Law Department to draft a corrective action plan that responded to the recommendations provided within the Comptroller's Office audit report.
- Administered the City's Board of Ethics and annual Financial Disclosure Program.
- Established an annual financial disclosure review process that complied with the Comptroller's Office's recommendation for a more detailed review of a filer's outside business interests.

Over the past year, OPI remained responsive to City management and strived to provide timely, accurate, objective audits, reviews and investigations in an effort to foster accountability and transparency throughout City government. OPI audits and investigations were conducted in accordance with standards set forth by the United States Government Accountability Office, the Institute of Internal Auditors, and the Association of Inspectors General¹.

Authority and Responsibilities

OPI was established by statute in 2006 and its purpose, authority, and responsibilities are codified in Section 3-13 of the Rochester City Charter:

*Section 3-13. **Director of the Office of Public Integrity.** The head of the Office of Public Integrity shall be the Director of the Office of Public Integrity. Under the supervision of the Mayor, he or she shall articulate the standards of business conduct for the City and shall coordinate the analysis, investigation and resolution of concerns and complaints involving City government operations. The Director shall oversee the Manager of Internal Audit and the internal audit staff, which shall develop and conduct an internal audit program on a timely basis. Such program shall examine the financial records and procedures of all city departments, bureaus and their subdivisions in accordance with accepted auditing principles and practices.*

The mission of the Office of Public Integrity (OPI) is to examine management controls to deter and detect fraud, waste and abuse, and to promote efficiency and effectiveness in the programs and operations of the City of Rochester. OPI also provides leadership and guidance in promoting compliance with the City's Code of Ethics. OPI accomplishes its mission through research and data collection, audits and investigations.

¹ Quality of Standards for Offices excluded

Investigations

- Conduct preliminary inquiries and full investigations into allegations of fraud, waste, and abuse involving City employees, contractors, grantees, and other recipients of funds relating to City programs and operations.
- Conduct investigations of City employees, contractors, grantees, and other recipients of City funds to ensure compliance with City policies and procedures as well as the City's Code of Ethics.
- Provide strategic investigative services to City leadership to resolve concerns of impropriety, non-compliance, conflict of interest, or other allegations of wrongdoing.

Internal Audit

- Conduct internal audits of City programs and operations in accordance with generally accepted auditing standards.
- Issue audit reports to include findings of deficiency and recommendations for improvement to City leadership.
- Provide support to the independent CPA firm contracted to conduct annual audits of the City's financial statements.
- Identify internal control weaknesses and provide recommendations for improvement to City operations.
- Conduct forensic audits and provide analysis in support of OPI investigations.
- Develop and implement cost effective risk management strategies to reduce the City's exposure to fraud, waste, and abuse.
- Provide consulting services to City departments.
- Review City-wide policies and procedures to improve operations and mitigate risks.
- Provide guidance and training to City departments in proper cash handling procedures, the safeguarding of City assets, and other enterprise risk mitigation strategies.

Ethics

- Act as a clearinghouse for ethical issues raised by City employees, residents, and businesses.
- Coordinate with the City's Ethics Board to resolve complex ethical issues and provide recommendations for Code revisions when appropriate.

- Provide employee ethics training and promote overall awareness and understanding of the City's Code of Ethics to ensure compliance.
- Coordinate with Employee Safety to evaluate Workplace Violence Reports.

Structure and Staffing

In accordance with the City Charter, the Director of OPI is appointed by the Mayor and is a member of the Mayor's Senior Management Team. Organizationally, the office is a component of the Office of the Mayor and the OPI Director reports to the Mayor. OPI's staff is comprised of experienced internal auditors, investigators and administrative personnel.

During Fiscal Year 2021, the Office of Public Integrity was comprised of the following staff:

- Director (1)
- Executive Assistant (1)
- Auditor (3)
- Senior Field Auditor/Investigations (1)
- Integrity Compliance Officer (1 part-time)

Professional Development, Qualifications and Certifications

OPI conducts audits, investigations, reviews and other special projects in compliance with the following auditing and investigating standards:

- *Government Auditing Standards* of the United States Government Accountability Office.
- *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors (IIA).
- *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General.¹

Audit Staff Qualifications

OPI audit staff is required to meet the occupational requirements for the GS-11 Auditing Series. The basic requirements for this series include a degree in accounting or related field that is supplemented by 24 semester hours of college-level accounting courses, or a combination of education and experience with specific background requirements.

¹ Quality of Standards for Offices excluded

Additionally, all staffers are required to meet the continuing professional educational requirements required by the Government Auditing Standards (Yellow Book).

Professional Certifications

Staff members assigned to OPI hold the following professional certifications:

- Certified Government Auditing Professional (CGAP) -1
- Certified Public Accountant (CPA) -2
- Certified Inspector General (CIG) - 1
- Certified Fraud Examiner (CFE) -1
- Certified Inspector General Auditor (CIGA) - 1
- Certified Management Accountant (CMA) - 1

Professional Development

Professional development is critical to success and over the past year OPI committed to expanding office personnel knowledge in areas such as risk assessment, internal controls, information technology, public sector auditing, and internal audit best practices.

Staff earned 260 hours of continuing professional education (CPE) in the following areas:

- Technology
- Information Cyber Security
- Government Auditing Standards
- Internal Audit
- Ethics and Compliance
- Fraud and Corruption Risks
- Forensic Accounting
- Data Analytics
- Covid-19 Related Issues

Professional Organization Affiliations

OPI is a member of or affiliated with the following professional organizations:

- American Institute of Certified Public Accountants
- New York State Society of Certified Public Accountants
- Association of Certified Fraud Examiners
- Association of Inspectors General
- The Institute of Internal Auditors
- Institute of Management Accountants

Budget

OPI's yearly budget is funded by the City's general fund and is a sub-component of the Office of the Mayor's budget. OPI's amended budget for fiscal year (FY) 2021 was \$644,400 with actual expenditures of \$634,990. The Office of Public Integrity's approved budget for FY 2022 is \$661,300. OPI's FY 2022 budget represents 0.12% of the City's total budget.

Risk Assessment

OPI developed a Risk Assessment Model to identify areas that posed the greatest risk and liability to the City. The end product of this risk assessment was an audit plan that concentrated on areas identified as the highest risk.

Risk assessment is a process used to score potential audits based upon specific risk factors related to an entity's operations, internal controls, and estimated liability to the City. Examples of specific risk factors used to formulate the Risk Assessment Model include external market and reputation, financial, operational, legal and regulatory, strategic, technology and systems, people and culture, fraud, time-lapse since last audit, and previous audit findings.

The development of an audit plan, using the Risk Assessment Model as an integral component, is a dynamic process. Audit planning allows the Internal Audit unit of OPI to attain current information about City departments for use in the risk assessment process. Risk factors and scoring methodologies are periodically reviewed by OPI personnel and refined as needed.

Principles for the Risk Assessment Model

In order to provide practical guidance and a framework for the development of the Risk Assessment Model, the Risk Management Team utilized the following principles:

- Consideration to unique situations and circumstances (i.e., special audits) which would supersede scheduled audits with higher risk scores.
- Recognition that audit resources are limited, which prohibits 100% audit coverage each year. This limiting factor is inherent in the concept of utilizing a risk assessment model to help prioritize audits.
- The risk assessment criteria used in the ranking of the audits places an emphasis on perceived or actual knowledge of the particular area's system of internal controls.
- The audit plan is developed with an understanding that there are inherent risks and limitations associated with any method or system of prioritizing audits. We will periodically evaluate and modify the risk factors and scoring process in order to improve the audit plan.

Audits

The Office of Public Integrity helps improve City operations and programs by providing management with timely and independent audits.

An audit examines a City program or activity, and recommends solutions to issues, if warranted. OPI conducts both financial and performance audits. Financial audits include annual examinations of the costs incurred on grants and contracts, indirect

costs, and internal controls. Financial statement audits determine whether the financial statements of an entity are fairly presented.

Performance audits include economy and efficiency audits and program audits. Economy and efficiency audits assess whether entities are managed with regard for program and financial integrity, effectiveness measurement, and compliance with applicable laws, regulations and grant provisions. Program audits measure achievement of desired results or benefits.

Major Areas Covered by OPI Audits

Audits focus on areas intended to enhance the management and overall performance of the City, review the City's oversight of programs, and assess the City's progress toward achieving its strategic goals.

Typical audits include examinations of financial statements, grant funding received, grants awarded by the City, and other operational areas.

The OPI Audit Section also conducts performance audits, which take a broader view of City programs and procedures and provide useful, timely and reliable information to management with the goal of effecting positive change. Performance audits combine the best features of various disciplines, including traditional program and financial evaluations, survey research, operational auditing, program monitoring, compliance reviews, and management analysis. These audits make extensive use of City documents and data, interviews with employees, grantee and sub-grantee personnel.

OPI Audit Selection

Auditing is a risk-based process where specific audits are determined by a range of factors. The OPI Audit Section develops an audit plan triennially, which identifies the audits scheduled for the next three fiscal years. The plan includes any legislatively mandated audits and a number of discretionary audits. Each year, the OPI Audit Section reviews the audit plan to ensure that it still reflects the current risk landscape.

Discretionary audit work is prioritized based on a number of factors including:

- Areas of emphasis by the Mayor, Senior Management Team members, or other stakeholders;
- Issues that pose a threat to public health and safety;
- Programs or processes identified as susceptible to fraud, manipulation, or other irregularities;
- Newness, changed conditions, or sensitivities of program activities;
- Dollar amounts or personnel resources involved in the audit area;
- Adequacy of internal controls.

While the OPI three year audit plan allocates all resources for each of the next three fiscal years to specific audit assignments, it is a flexible document that will also incorporate high-priority assignments that may arise during the course of the year.

Steps in the OPI Audit Process

All audits begin with objectives that initially determine the type and scope of the work to be performed. The following steps are used in each OPI audit:

Notification Letter: OPI will usually notify the auditee, or subject of the audit, in writing, prior to the scheduled start date of an audit; however, there are circumstances where no advance notification will be provided.

Survey: Early in the process, the auditors gain an understanding of the program by obtaining background information on the auditee's mission, resources, responsibilities, key personnel, operating systems and controls.

Developing the Audit Program: The program provides a plan of the work to be done during the audit and is a set of procedures specifically designed for each audit. The program also assists in assigning and distributing work to auditors working on the engagement, assists in controlling the work, and provides a checklist to guard against the omission of necessary procedures.

Entrance Conference: Held at the beginning of each audit, its purpose is to provide auditee management with information on the function or activity being reviewed, and a description of the audit scope and objectives. Other areas covered include time frames for completing the audit; access to necessary records, information and personnel; and introduction of the audit team members. The entrance conference also provides a forum to answer questions about the audit process and establishes lines of communication among all parties.

Fieldwork: This phase consists of applying the audit procedures described in the audit program and any modifications thereto, and reviewing the work performed. The review documents that audit procedures have been properly applied, that the work is satisfactory, that working papers are complete and adequate, and that all procedures have been completed.

Draft Report: After fieldwork is completed, a Draft Audit Report is prepared. This report will normally be issued to auditee and City officials with a request that they provide written comments within 30 days. The Draft Audit Report is a "work-in-progress" and is not a public document.

Exit Conference: This is conducted at the end of audit fieldwork, and after completion of a Draft Audit Report. OPI may provide a draft copy of the audit report to City and auditee officials before the exit conference to facilitate a full and open discussion of the audit's findings and recommendations. It also provides City and auditee officials with an opportunity to confirm information, ask questions, and provide clarifying data.

Final Report: At the end of the 30-day response period, and after reviewing and assessing the auditee's and City's written responses to the Draft Audit Report, OPI issues the Final Audit Report for resolution of the recommendations. The Final Audit Report aims to provide a fair, complete and accurate picture of the

audited area at the time the audit took place. This report usually includes a description of the scope, objectives, and methodology of the audit, and a description of the findings and recommendations for corrective action. It also includes, as appendices, the written responses to the Draft Audit Report by City and auditee officials.

Audit Plan

The Office of Public Integrity (OPI) recognizes that an overall strategy and audit plan is important to meet the goals, objectives, and mission of our office. We use a dynamic risk-based approach for selecting and prioritizing audits. The audit plan also facilitates the efficient allocation of OPI's resources and ensures our office remains focused on those areas which pose the highest risk to the City.

An audit plan benefits the organization by:

- Establishing what departments, contracts, or other areas will be prioritized for audits on an annual basis.
- Permitting an efficient allocation of limited resources.
- Providing a flexible basis for managing audit personnel.

We utilize several techniques to identify and prioritize audits in the three-year plan. These techniques include:

- Input from the Administration and the City Council.
- Knowledge of operations and internal controls derived from previous audits.
- Utilization of risk assessment criteria.

Audits considered for the audit plan are compiled from suggestions by OPI staff, Administration staff, City Council as well as complaints and other sources of information. We evaluate and rate the suggestions using a risk assessment matrix. The audits selected for the plan are based on the impact the audit would have (the problems or risks it would address and the likely types of findings and recommendations to result); the sensitivity, complexity, and difficulty of the project compared to its likely impact; staff qualifications and other resources available. Additionally, we try to display a presence across all City departments.

We devote part of the annual plan to follow-ups. A follow-up audit assesses the progress made on issues identified in a previous audit, one or more years after its release.

The following chart lists the audits that were included in this fiscal year's audit plan, along with the hours worked on these assignments and their status. Additionally, the chart captures audits that were not on the original plan but were conducted at the request of members of Senior Management and/or the Mayor.

**Office of Public Integrity
Summary of Audits and Projects
For the Fiscal Year Ended June 30, 2021**

Department	Audit	Hours thru 6/30/21	Status
Finance	Freed Maxick Audit of City FY'20	541.50	Completed*
DHRM	Training & Safety Audit	592.50	Completed*
DRYS	Recreation Center Cash Review	184.00	Completed
DES	Water & Street Lighting Inventory	250.00	Completed
Finance	Review of Traffic Violations	970.75	Completed*
Finance	Travel Audit	457.50	Completed*
Finance	Living Wage	313.50	Completed
Administration	Annual Risk Assessment	421.00	Completed
Administration	Peer Review	229.75	Completed
Administration	Self-Assessment	307.75	Completed*
DES	Port of Rochester Slip Rentals	56.50	Completed
Finance	Data Analytics Duplicate Vendor Payments	460.00	Completed~*
NBD	Property Code Violations Review FY'21	49.00	Ongoing~
Administration	Annual Financial Disclosures	124.75	Ongoing~
* Started in previous fiscal year			
~ Office Projects			

Audit Results

TRAINING AND SAFETY

Executive Summary

The Office of Public Integrity examined records and procedures of the Department of Human Resource Management (DHRM). Specifically, we examined the administration of alcohol and drug testing, procedures for motor vehicle accidents involving City equipment, New Employee Orientation training, and required certifications for City Code enforcement personnel.

The results of this review indicate, in general, adequate internal control procedures over the DHRM areas examined and compliance with City and federal policies. However, we noted the following findings that require management attention to improve administrative controls and ensure compliance with City policy.

- OPI noted the following findings related to New Employee Orientation (NEO);
 1. DHRM personnel could not provide a sign-in sheet for one of the (6) months in our test period. As a result, we could not verify that employees that purportedly attended NEO for that month actually attended it.
 2. Two of the forty-four new hires in our sample selection did not attend the New Employee Orientation as required per City policy. This is an error rate of 4.5%.

❖ Recommendation

DHRM should ensure that all new hires required to attend NEO actually attend the training session. Additionally, they should retain the sign-in sheets as verification of the employees that attended the orientation.

- OPI noted employees did not attend the Defensive Driver Program for 22 of the 24 preventable motor vehicle accidents in our test period. This is an error rate of 91.7%. The City's Standards of Conduct require employees involved in a preventable accident to attend this training. It appears that class cancellations due to COVID19 significantly contributed to employees not attending this required training.

❖ Recommendation

DHRM management should ensure that these employees participate in a Driver Improvement Training Program as soon as classes resume. Additionally, management should adhere to this policy in the future and

implement procedures to ensure all employees involved in preventable accidents attend a Driver Improvement Training Program.

Management Response

The Department of Human Resources reviewed its current policy for the Defensive Driver Improvement program and has modified the policy to assure driver participation by implementing the following process:

- Training Office will receive a list of employees who must complete the training from the MVA review monthly.
- Training will send out notification to employee and Supervisor that this training must be completed with dates for participation
- Training will track employee attendance and completion of training.
- If employee fails to complete the training, within one week of training date Training Dept. will notify employee & Supervisor that training was not completed and reassign to new dates. Safety Office will be copied in on the notification.
- Employee fails to complete second dates for training safety will be notified.
- Safety will notify Director of DHRM who will contact Department Commissioner or Senior Manager for next steps to facilitate compliance with training requirement.

A list of employees who are required to attend New Employee Orientation will be provided monthly by the Staffing Unit to the Training Office. New Employee Orientation attendance and successful completion of all required modules (online courses) is collected and tracked by the Training Office. If a new employee has not successfully completed one or more required modules, they are notified immediately after the designated deadline of completion. If the modules remain incomplete, or unsuccessfully completed, the employee and their direct supervisor are then notified of this status within one week of the deadline. All training records related to New Employee Orientation and employee supplemental trainings are recorded and compiled by the Training Office to ensure accuracy and efficiency.

RECREATION CENTER CASH REVIEW

Executive Summary

In this review, the Office of Public Integrity (OPI) examined permit activity to determine the adequacy of internal control procedures, the accountability of

reported revenue collections and compliance with City and departmental policies for permits issued for the David F. Gantt Recreation Center. The results of the review indicate that, in general, internal controls over the Department of Recreation and Human Services (DRHS) permits are adequate, reported revenues are accurate and DRHS personnel comply with City and departmental policies. OPI was able to account for all revenue collected during our test period, and all collections were deposited in a timely manner.

❖ Recommendation

The David F. Gantt Recreation Center should continue to make internal controls and compliance with City and departmental policies for permits a priority.

Management Response

With respect to the David F. Gantt R-Center Permit Audit conducted by the Office of Public Integrity, the result of the audit indicated that DRHS personnel complies with City and departmental policies and procedures. DRHS is in agreement with the results of this review.

Thank you for the opportunity to ensure DRHS permit process are meeting appropriate protocols.

WATER BUREAU INVENTORY

Executive Summary

The Office of Public Integrity (OPI) observed the annual physical inventory of the Department of Environmental Services (DES), Bureau of Water on October 23 and 24, 2020. This inventory includes the Water stockroom, the Street Lighting stockroom, the Department of Recreation and Human Services (DRHS), Bureau of Recreation inventory and the DES Cemeteries inventory maintained by the Bureau of Water. The results of the inventory indicate that the Bureau of Water maintains strong inventory control.

- OPI did not note any variances in the sample selection of Water stockroom inventory items indicative of the differences between the physical counts and the quantities recorded in the perpetual records. This represents a sample error rate of 0%. The previous inventory resulted in a sample error rate of 0%.
- OPI did not note any variances in the Street Lighting stockroom inventory items indicative of differences between the physical counts and the quantities recorded in the perpetual records. This represents a true error rate of 0%. In the previous inventory, we noted an error rate of 0%.

- OPI did not note any variances in the sample selection of DRHS, Bureau of Recreation inventory items indicative of differences between the physical counts and the quantities recorded in the perpetual records. This represents a sample error rate of 0%. In the previous inventory, we noted a sample error rate of 0%.
- OPI did not note any variances in the DES, Cemeteries inventory items. This represents a true error rate of 0% for the eighth consecutive annual inventory.

❖ Recommendation

Bureau management should continue to make inventory control a priority.

Management Response

I have reviewed the report that was prepared by the Office of Public Integrity (OPI) for the October 23 and 24, 2020 audit of the water Bureau's Felix Street stockroom annual physical inventory.

The inventory on the day of the audit consisted of 7,074 unique items with a combined value of \$5,828,415. There were no variances noted in the audit for any of the stockrooms at the location, which consists of water, Department of Recreation & Human services Street Lighting and cemeteries.

I concur with OPI's assessments that, "The results maintain of this physical inventory indicate that, Water Bureau personnel have continued to maintain strong control over the inventories."

Please be assured that the Department of Environmental Services will continue to make inventory control a priority. Thank you for your continued work in ensuring that the department has appropriate management controls in place.

REVIEW OF TRAFFIC VIOLATIONS

Executive Summary

In this review we examined the accountability of reported cash collections, the adequacy of internal control procedures, and compliance with departmental policies and guidelines as well as the City Cash Collection Policies at the Rochester Traffic Violations Agency (TVA). A sample of reported cash receipts from September of 2019, cases closed in September of 2019, and open cases with payments due from March of 2020 were reviewed.

The results of this review identified internal control weaknesses and instances of noncompliance with departmental policies and guidelines as well as the City Cash Collection Policies. OPI noted the following findings that require management

attention to ensure compliance with prescribed policies and guidelines, enhance internal controls and improve upon case tracking and reporting.

- OPI noted that there is a lack of separation of duties within TVA. Specifically, TVA representatives have the ability to input the imposed fine amount for a case, collect the fine from the motorist, and close the case. Additionally, at the start of this review, TVA management confirmed that a routine sample review of closed cases is not completed by the department.

The City's Cash Collection Policies states that the separation of duties is essential, as it reduces the risk of cash being misappropriated. The Cash Collection Policies also state that when such separation is difficult, there shall be increased review by the supervisor.

❖ Recommendation

Correcting instances where a TVA representative was inappropriately granted access to certain SEi features has helped in mitigating the risk present due to a lack of separation of duties (Ref. subsection C, which starts on page 10). However, OPI also recommends that TVA enhance separation of duties where possible and conduct routine reviews of closed cases in order to increase assurance that the prescribed processes have been followed and reporting is accurate.

- While conducting a walkthrough of TVA, OPI was informed by management that there was not a written policy regarding TVA representatives handling cases of family and friends. According to management, TVA representatives received communication verbally that they should not serve family and friends and did not have to document their acknowledgment or adherence. A written policy addressing this topic has since been created by TVA.

❖ Recommendation

OPI recommends that TVA provide all new members with a copy of the written policy to sign indicating that they have read and will adhere to the policy. Additionally, as the policy is updated, all TVA members should be notified and be asked to sign, reaffirming that they have read and will adhere to the updated policy. All acknowledgement forms should be retained by TVA for a period consistent with the City's record retention policy. If any current employee does not have a signed acknowledgement on file, TVA should have them complete one.

- OPI identified a total of 10 Service Education Incorporated (SEi) Courtroom Program users who had mistakenly been granted certain access within the case management system. Of these 10 instances, 7 were found in pre-existing user accounts and 3 were noted in accounts created during the course of OPI's review. TVA indicated that when a new user account is created, the preceding user account's access levels is automatically duplicated. Automatic duplication without

further review by TVA can result in users receiving access to certain system features that are improper for their role within TVA. As these instances were identified by OPI they were communicated to TVA who promptly took corrective action.

❖ Recommendation

OPI recommends that TVA conduct a semi-annual access review of all SEi users and revisit access as roles or positions within TVA change and when modifications are warranted. Also, TVA should ensure that all new users receive appropriate access levels when their user account is created.

Additionally, OPI recommends that documented authorization for a deletion or modification to the SEi Cashbook report be created and made available within the associated case archives. Specifically, OPI recommends that such documentation provide greater detail about the deletion or change and require the requestor and authorizer to sign the document. The requestor and authorizer should be two different individuals and, at a minimum, the authorizer needs to be one of the remaining individuals with level 046 access.

- The SEi Courtroom Program utilized by TVA to track cases has several limitations in regards to an audit trail, report production, and automatic system updating and testing. The SEi system meets the basic needs of TVA and overall seems to function appropriately. However, having a system that is dynamic enough to reduce manual work, enhance reporting and tracking, and has the ability to test for compliance with specified conditions, is instrumental to enhancing the efficiency and effectiveness of operations as well as mitigating compliance challenges and control weakness that may otherwise exist. Although the system limitations are largely beyond the scope of TVA's control, enhanced collaboration with the City's Information Technology (IT) Department in regards to the program and potential enhancements is recommended. Without such collaboration, potential opportunities to mitigate the existing limitations may be undiscovered.

❖ Recommendation

OPI recommends that TVA continue to work with the City's IT Department to address some of the identified program limitations as well as any other system limitations that TVA would like to address. Having someone within the City's IT Department that has a strong understanding of the SEi system and TVA's operations will help ensure that they understand TVA's requests, how to obtain all the necessary information from the system, and, when possible, how to ultimately produce the desired results.

- The two payments due reports presented to OPI were the SEi system generated report and the Excel macro report, which the City's IT Department created for TVA. Upon review, OPI discovered that although these payments due reports often provide a total balance due, the balance due amount is not all inclusive and results in TVA being unable to obtain the true payment due amount for all cases

with outstanding balances. Additionally, the Excel macro report's summary page only captures balances outstanding within 7 action code classifications. At the time of OPI's review, there was 26 action codes that contained cases with outstanding balances. As a result of the summary page not listing all action codes with outstanding balances, at the time OPI reviewed this report, the summary page reflected \$375,563 in payments due, while the total payments due from all action code classifications, under this reporting method, was \$1,762,170.

❖ Recommendation

As the City's IT Department created the Excel macro report for TVA, OPI recommends that TVA work with someone in the IT Department to adjust this report.

- OPI received four different versions of TVA's Guilty Plea by Mail Process document, some of which had conflicting dates. Other versions of TVA's Guilty Plea by Mail Process document were unavailable for review. TVA had to identify what version of the chart in the Guilty Plea by Mail Process documents was active during the scope of OPI's review. The version identified by TVA was used for testing purposes. TVA attributed this discrepancy to changes in the document, chart, or date of the process document without maintaining the original version, or documenting the changes.

❖ Recommendation

OPI recommends TVA create a Guilty Plea by Mail e-folder. Within that folder a superseded folder could be created to store all old versions of the process document. This method will ensure that old versions are available to look back on but not confused with the current active version.

Additionally, a log of all edits made going forward should be considered by the department.

These recommendations can be applied to other internal documents as well.

- OPI determined 10 of the 120 closed cases selected for review showed improper action by TVA with regards to plea offerings. Improper actions observed by OPI included: noncompliance with TVA's Guilty Plea by Mail Process document, noncompliance with TVA's Prosecutor's Common Plea Guidelines, and the closure of a case through a plea as opposed to dismissal when the case was eligible for dismissal. Improper actions results in the Guilty Plea by Mail Process document or the Prosecutor's Common Plea Guidelines not being followed, inconsistent treatment of violations, and the potential over or under assessment of fines for a motorist's case. While confirming these instances of improper action, TVA noted clerical error as the primary cause for such occurrences.

❖ Recommendation

OPI recommends TVA representatives are reminded of the importance of referencing the Guilty Plea by Mail Process document, the Plea Guidelines and relevant Department of Motor Vehicle records when determining whether a plea should be offered for a particular case as well as what plea should be offered if eligibility is determined.

- OPI determined that 11 of the 57 open cases selected for review were miscoded. TVA confirmed that 10 of these cases were miscoded as a result of action code rollovers not occurring when changes to the action code directory were made. These miscodings concealed available actions for these cases. The other miscoding was the result of the action code not being updated when action was taken on the case. Since being notified that these cases were miscoded, TVA has taken corrective action. However, departmental review of actions code for some of these cases is still required.

❖ Recommendation

OPI recommends that TVA conduct a clean-up of action codes for open cases and ensure that going forward, all changes to action code meanings are accompanied by a rollover within the SEi system.

Additionally, OPI recommends that TVA's process documents be reviewed, updated, and expanded to address the action code rollover process and that TVA considers adjusting the frequency of action code review and testing.

- Upon discovering instances of action code miscoding within the sample, an expanded review of action codes for cases with outstanding balances on August 21, 2020 was conducted. This review revealed that approximately 17% of the cases fell within action codes that have previously had a different meaning and the current meaning may not be reflective of the actions taken for some of these cases. TVA is aware of this matter and is taking corrective action.

❖ Recommendation

OPI recommends that TVA conduct a complete review of the Payment Due Report, updating codes as deemed warranted and pursuing any actions available to further encourage the payment of outstanding balances by motorists.

OPI also recommends that TVA process documents be reviewed and updated to ensure the proper coverage of all cases within the Payment Due Report during action code review and testing. TVA should also re-evaluate and, if necessary, adjust the frequency of action code review and testing. It is recommended that as further action is available for a particular case, such action be taken by TVA in a timely manner.

- OPI noted that of the 120 closed cases selected for review, 17 were closed via the assessment of fines and surcharges by a Judicial Hearing Officer (JHO). Of the cases closed via JHO, the surcharges applied for 2 cases were incorrect. The surcharge assessment process and the maximum threshold for surcharges are outlined within the MAGILL's Vehicle and Traffic Law Manual for Local Courts, which is utilized by TVA. TVA confirmed that the assessment of surcharges is non-discretionary. The improper assessment of surcharges for the 2 instances noted above resulted in \$396 in surcharge fees not being assessed or collected for these cases.

- ❖ Recommendation

OPI recommends that TVA members and the JHO review pages one through five of the MAGILL's Vehicle and Traffic Law Manual for Local Courts in order to review how surcharges are to be assessed and for examples on how to appropriately calculate maximum surcharges. Upon review, OPI recommends that appropriate surcharges are applied whenever applicable.

Additionally, OPI recommends that when surcharges are not assessed for a particular reason, supporting documentation is stored within the case archives.

- OPI received different versions of the Prosecutor's Common Plea Guidelines, with both these versions being dated the same day. For testing purposes, OPI utilized the version of the Guidelines that they were provided with at the initiation of this audit. TVA had attributed similar document discrepancies (i.e. Guilty Plea by Mail Process document) to changes in the document, charts, or date of the document without maintaining the original version, or documenting the changes.

- ❖ Recommendation

A Prosecutor's Common Plea Guideline e-folder should be created. Within that folder a superseded folder should be created to store all old versions. This will ensure that they are on file to refer back to but not to be confused with the current active version.

Additionally, a comprehensive log of all edits made going forward should be maintained by the department.

- OPI noted that 22 of the 103 cases settled and closed via a plea agreement had fines imposed that were inconsistent with the Prosecutor's Common Plea Guidelines (the Guidelines) utilized by OPI for this review. Although the prosecutor has the ability to offer pleas that deviate from the Guidelines, TVA representatives do not. Of the 22 cases with fines imposed that were inconsistent with the Guidelines, none included documentation in the case archives indicating that the prosecutor reviewed the case and offered a plea that deviated from the Guidelines.

❖ Recommendation

OPI recommends that TVA representatives consistently refer to the most current Prosecutor's Plea Guidelines and confirm that the amount they are entering within the case is consistent with the Guidelines based on the violation type and facts surrounding the particular violation.

Additionally, as multiple TVA representatives may access a case record before it is closed, OPI recommends that the fines imposed for the case violations be reviewed throughout the process to identify any instances where an improper fine has been imposed. Keeping a record of such instances can help to identify patterns that may warrant further clarification to TVA members in order to ensure accurate fines are imposed.

■ One week of cash receipts from September of 2019 was reviewed by OPI.

1. For two of the days reviewed, either the manual half-day or end-of-day count for a register was not on file.
2. Two register counts were counted at the half-day or end-of-day by only one person.
3. One half-day register count was not initialed by anyone.
4. Across five days there were 24 instance in which the user listed on the transaction receipt did not match the primary user assigned to the drawer for the day and in which cash was the method of payment. TVA believes several of these instances were due to system errors.

❖ Recommendation

OPI recommends that all paperwork is scanned into an electronic file to ensure that documentation is not misplaced or separated over time.

Additionally, OPI recommends that if such user discrepancies arise again, during the count out process, the actual user who processed the transaction should be asked to initial the receipt, verifying that they were the user and TVA should once again follow-up with SEi to resolve the issue.

Management Response

1. Lack of Separation of Duties

Due to the design of the courtroom program (SEi) the agency does not have the capability of separating duties. Staff is required to imposed fine amount for a case, collect the fine from the motorist, and close the case. Note: RTVA impose fines based on the Prosecutor's Guidelines.

TVA will enhance separation of duties where possible and conduct routine reviews of closed cases on a monthly basis beginning May 2021.

2. Serving Friends and Family Policy Not Formalized

Correct, a written policy has been created and presented to staff. All existing and new members will receive a copy of the written policy to sign indicating that they have read and will adhere to the policy.

3. Improper Access Granted to TVA Representatives

Correct, RTVA was unaware of the automatic duplication until OPI brought this to our attention. RTVA has a better understanding of SEi features and the access rights were corrected.

TVA will conduct semi-annual (beginning and ending of each fiscal year) access review of all SEi users and revisit access as role or positions within TVA change and when modifications are warranted.

4. System Limitations

Limitations on SEi does exists because the program is primarily designed for courts and not traffic violations agencies. Our requirements for reports (i.e. Aging Report) are not standard features. Note: RTVA has and will continue to collaborate with the City's Information Technology when needed.

5. Payment Due Reporting

Payment due list reflected fines from the billing cycle (i.e. 0 to 120 days).

7 action codes that were captured reflected the outstanding balances between 0 to 120 days

- \$375,563 totaled fines came from Action Codes: 069, 669, 281, 285, 286, 287, and 099. Note: 099 cases were disposed and should have a zero balance.

26 action codes

- \$1,762,170 encompassed all of the action codes with fines/surcharges; however, the cases were not changed to one of the above action codes.

All action codes will be reviewed, corrected and consolidated. The data IT collected is from the entries provided by RTVA staff. An internal review is required.

6. Multiple Versions of Procedure Documents

Correct - Multiple revisions were created during the development phase. The latest version is March 12, 2020 and still in use.

TVA will create a Guilty Plea by Mail Process document by Mail e-folder. In addition, a log of all edits will be provided. Note: Documents are stored on the G drive.

7. Improper Actions

Correct

8. Changing Action Code Meanings without Action Code Rollovers

All action codes will be reviewed, corrected and consolidated before this fiscal year end.

9. Coding of open cases

All action codes will be reviewed, corrected and consolidated. TVA will clean-up of action codes for open cases and ensure that going forward, all changes to action code meanings are accompanied by a rollover within the SEi system.

TVA's process documents will be reviewed, updated, and expanded to address the action code rollover process and that TVA considers adjusting the frequency of action code review and testing.

10. Assessment of Surcharges

\$396 was not assessed or collected because the JHO on applied surcharges to 2 violations (i.e. VTL 509 02, VTL 1229-C 03).

11. Multiple Versions of the Prosecutor's Common Plea Guidelines

Correct; RTVA was under development - Prosecutor's Common Plea Guideline – version 12/12/19 is the plea guideline in use.

TVA will create a Prosecutor's Common Plea Guidelines by Mail e-folder. In addition, a log of all edits will be provided. Note: Documents are stored on the G drive.

TVA Representatives will be reminded of the importance of referencing the Guilty Plea by Mail Process document.

12. Fines Imposed Inconsistent with Guidelines

Notes are required; internal audit will be conducted on a monthly basis.

13. Receipt Documentation

- For two of the days reviewed, the manual half-day or end-of-day count for a register was not on file.

TVA Response: Further investigation was performed and the manual half-day or end-of-day could not be found.

- Two register counts were counted at the half-day or end-of-day by only one person.

TVA Response: Correct; the cash drawer was counted out by the owner. The receipt was not initialized by owner.

- One half-day register count was not initialed by anyone.

TVA Response: Correct; the receipt was not initialized by owner.

- 24 instances in which the user listed on a transaction receipt did not match the primary user assigned to the register for the day.

TVA Response: RTVA experienced technical difficulties and learned from IT that one of the operating system was outdated which caused the transaction issues.

TRAVEL AUDIT

Executive Summary

The Office of Public Integrity (OPI) recently completed an examination of employee travel expenses. The purpose of this review was to determine the extent of compliance with the policy and procedures established in the City's administrative regulations. We noted the following findings that require management attention.

- OPI noted that Employee Travel Authorization forms and Travel Expense Reports do not always have an authorizer's signature as required by City policy. We noted that Employee Travel Authorization forms for 18 of the 112 travel expense statements examined did not contain the signature of the Bureau Head, Department Head or designee. Additionally, we noted 24 Employee Travel Expense Reports that did not contain the signature of the Bureau Head, Department Head or designee.

❖ Recommendation

All departments should ensure compliance with required policies established in Administrative Regulation 5-1 pertaining to obtaining appropriate supervisory and departmental authorizations. Bureau of Accounting personnel should review all Employee Travel Authorization forms and Employee Travel Expense Report forms for proper authorization and return to the originating departments those that do not have the required authorizations.

- OPI noted that employees do not always submit Travel Expense Reports in a timely manner. City policy requires employees to complete and submit these reports within 15 business days of returning from travel. We noted employees submitted 24 of the 112 travel statements examined subsequent to the required 15 business day submission period.

❖ Recommendation

We recommend that the Bureau of Treasury require employees to submit travel expense statements in accordance with City policy.

- OPI noted that Travel Summary Reports are not always saved into the City's MUNIS database as required by City policy. Of the 112 instances of travel in our sample selection, we noted 74 or 66% did not have a Travel Summary Report saved in the City's MUNIS database.

❖ Recommendation

Employees should complete a Travel Summary Report upon returning from any conference, workshop, training or other reimbursed travel and submit it to their Bureau or Department Head, with a copy to the Mayor's Office. The Travel Summary Report must be attached in MUNIS along with the Travel Expense Report.

Management Response

I have reviewed the Employee Travel Expense Examination report and I agree with the recommendations. I met with Kathleen Havens, the head of Accounting to ensure that the Bureau of Accounting personnel continues to review all Employee Travel Authorization forms and Employee Travel Expense Report forms for proper authorization. All reports that do not have the required authorizations will be returned to the originating departments. The Bureau of Accounting will document all requests that have been returned to the originating departments.

The Bureau of Treasury does require employees to submit travel expense statements in accordance with City policy. I will speak with the City Treasurer Kim Jones, and ask her to reiterate to all employees that they must submit travel expense statements timely.

I will speak to SMT members to remind them of the below Travel policy:

1. Travel of an individual must be authorized by the appropriate bureau and/or department head, or in the case of SMT, by the Mayor or Deputy Mayor. The individual must submit an Employee Travel Authorization form in advance.
2. A detailed statement of actual expenditures must be submitted within 15 business days after the individual returns, via an Employee Travel Expense Report.
3. A Travel Summary Report Form must be completed and submitted to the Department Head with a copy to the Mayor's Office within fifteen working days of returning from the travel, and must be attached in MUNIS along with the Travel Expense Report.

These are just a few requirements from the Travel policy. I will also ask the SMT members to revisit the Travel policy on the portal.

LIVING WAGE AUDIT

Of the 142 professional services agreements in our scope period that were subject to the Living Wage requirements, OPI randomly selected 31 of them for detail testing. The results of this test work indicate that, in general, internal controls are adequate, and contractors are complying with the terms of the Living Wage Ordinance. No further work is deemed necessary.

❖ Recommendation

The Department of Finance should continue to make internal controls and compliance with the Living Wage Ordinance a priority.

Management Response

The Department of Finance has reviewed this report and is in agreement with its findings.

PORT OF ROCHESTER MARINA CONTRACT REVIEW*

* OPI reviewed the City's contract with Founders 3 Management d/b/a F3 Marina. Our original intent was to perform a detail review to verify the revenues and expenses reported by F3 Marina as well as their compliance with the terms of the contract. However, we noted that certain procedures that would have been part of our review are already being performed by an independent source. As a result, performing these procedures would have been an unnecessary duplication of effort.

From the information we obtained, it appears that the operator is in compliance with the terms of the contract. Additionally, it appears that the contractor is accurately reporting revenues and expenses related to this contract.

Customer Service Satisfaction Survey

As part of OPI's quality assurance process, and to facilitate auditees' involvement, if appropriate, a Customer Service Satisfaction Survey is sent to key personnel of the area audited at the conclusion of each audit. The criteria assessed are:

- Pre-audit notification to auditee of audit purpose and scope
- Feedback auditors provided to auditee on emerging issues during the audit
- Professionalism of auditors
- Objectivity of auditors
- Duration of audit
- Opportunity given to discuss findings in the audit report
- Accuracy of the audit findings
- Practicability of implementing audit recommendations
- Usefulness of the audit in improving business process and controls

Additionally, the Customer Service Satisfaction Survey also includes two open ended questions to give the recipients additional opportunities to provide feedback to OPI.

The objective of requesting an independent assessment of audit relationships and results is continuous improvement of audit services. OPI recognizes that certain audit situations and circumstances will result in unfavorable ratings. Some City personnel will rate higher than their peers. Judgment will be required in the interpretation of all replies. It is also recognized that recipients of the surveys are our customers, and we must work to improve our product and how it is delivered. Each staff member should work to market the audit activity and make each audit assignment a favorable working relationship.

**Office of Public Integrity
Customer Service Satisfaction Survey**

Please rate the Internal Audit Activity for _____

Section 1: Specific Audit Questions

	-----Select ONE-----					
	Excellent 5	Good 4	Average 3	Fair 2	Poor 1	N/A
1. Pre-audit notification to you of audit purpose and scope.						
2. Feedback auditors provided to you on emerging issues during the audit.						
3. Professionalism of auditors.						
4. Objectivity of auditors.						
5. Duration of the audit.						
6. Opportunity given to discuss findings in the audit report.						
7. Accuracy of the audit findings.						
8. Practicability of implementing audit recommendations.						
9. Usefulness of the audit in improving business process and controls.						

Section 2: Open-ended Questions (Enter text in the box)

10. Was there anything about the audit and interaction with auditors that you especially liked or disliked?

11. Do you have any recommendations for improvements in future audits?

12. Additional comments:

Thank you,
The Office of Public Integrity
 Please email, mail, or fax this Survey:
 Deborah Cole
 Executive Assistant
 85 Allen Street - Suite 100
 Rochester, NY 14608
 Phone: (585) 428-7245
 Fax: (585) 428-7972
 E-mail: Coled@cityofrochester.gov

Following are the results of the FY 2021 OPI Customer Satisfaction Surveys:

Average Scores - FY 2021 Audits

Section 1: Specific Audit Questions

Survey Questions	Average Scores
1. Pre-audit notification to you of audit purpose and scope.	5.00
2. Feedback auditors provided to you on emerging issues during the audit.	4.75
3. Professionalism of auditors.	5.00
4. Objectivity of auditors.	4.75
5. Duration of the audit.	4.50
6. Opportunity given to discuss findings in the audit report.	4.67
7. Accuracy of the audit findings.	4.67
8. Practicability of implementing audit recommendations.	4.33
9. Usefulness of the audit in improving business process and controls.	4.67

Number of audits included: 6

Number of surveys sent to auditees by OPI: 15

Number of completed surveys returned to OPI: 4

Self- Assessment & Peer Review

The United States Government Accountability Office's Government Auditing Standards (GAGAS), commonly referred to as the *Yellow Book* and the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing, commonly referred to as the *Red Book* are recognized nationally and internationally as leaders in promoting high quality audit work through the issuance of professional auditing standards. The Office of Public Integrity elects to comply with both sets of standards as they are complementary in providing a framework for high quality audits.

The *Red Book* states, external assessments on Internal Audit's level of conformance must be conducted at least once every five years by a qualified independent reviewer, or review team, from outside the organization. Self-assessment with independent validation is an alternative acceptable methodology to fulfill this requirement. To comply with this Red Book requirement, the Office of Public Integrity opted to conduct a self-assessment with independent validation by an external reviewer.

The Office of Public Integrity completed a quality self-assessment of its internal audit activity in accordance with the methodology and standards of the IIA. The assessment concluded that the Office of Public Integrity's internal audit activity generally conforms to the *International Standards for the Professional Practice of Internal Auditing* (the *Standards*). This is the highest rating as per the IIA methodology. The assessment also noted areas where improvements can be made and presents recommendations in this regard.

The *Yellow Book* states, external assessments must be conducted at least once every three years by a qualified independent reviewer, or review team, from outside the organization.

The Office of Public Integrity selected, Hungerford Vinton, LLC, an accredited external validator to review and independently report on the results of this self-assessment and on the Office of Public Integrity's internal audit activity's level of conformance to the *Red Book*. In addition, Hungerford Vinton, LLC reviewed and reported on the Office of Public Integrity's compliance with the *Yellow Book*. Hungerford Vinton, LLC concluded that OPI was in conformance with *Yellow Book* and *Red Book* Standards. Although, Hungerford Vinton, LLC concluded that OPI conformed to the standards, OPI's lack of independence due to its current reporting structure was identified as affecting stakeholder confidence. As a result, it was recommended that OPI work with the Mayor and City Council to formalize change the reporting structure by formalizing the Inspector General Office designation for OPI. Additionally, Hungerford Vinton, LLC recommended that OPI consider implementing electronic work papers and hiring a candidate that has extensive IT audit experience or is a Certified Information Systems Auditor in order to further strengthen OPI's internal quality control system.

Property Code Violations Review

The City Code of Ethics {City Charter, Section 2-18(C) (9)} requires City employees to maintain their properties in compliance with appropriate State and Local Codes. Specifically, the City Code of Ethics states:

“No City officer or employee shall own in person or through an agent or broker, or be a principal in any corporation, partnership or other business entity which owns, any real property within the City of Rochester that is in violation of City or State laws or regulations. Property shall be deemed to be in violation when a reasonable and proper notice and order to correct violations duly issued has not been obeyed in a timely manner”.

Violation of the Code of Ethics can subject City employees to disciplinary proceedings pursuant to Section 2-18(E) of the City Charter.

In cooperation with the City’s Neighborhood and Business Development’s (NBD’s) Code Enforcement, OPI identified City employees with property code violations that have been outstanding in excess of one year. Once identified, the Director of OPI emailed each senior management member who had an employee(s) in violation of the Code. As part of this email communication, the Director asked that they notify their employee(s) of the violation(s) and encourage their prompt attention to this matter. OPI also provided senior managers with draft language to consider when preparing a notification letter to the employee(s) in violation. This draft language indicates that a plan to correct the outstanding violation(s) should be communicated to NBD within the specified time frame.

Financial Disclosure Review

The City Charter requires personnel occupying certain positions to file annual financial disclosure statements. The Financial Disclosure statement seeks to capture the individual as well as their spouse’s and any un-emancipated children’s sources of income, affiliation with associations and organizations, and ownership of City and non-City real estate. The financial disclosure process is designed to capture potential violations of the City’s Code of Ethics, including conflicts of interest.

Completed financial disclosure statements are submitted to, reviewed by, and retained by the Secretary of the Board of Ethics for the City of Rochester (i.e. the Director of OPI).

In an audit by the Office of the New York State Comptroller, which was completed in calendar year 2020, it was concluded that although historical annual financial disclosure forms were reviewed for completeness, they were not adequately analyzed for potential conflicts of interest. Based on this finding, the Comptroller’s Office recommended that a list of City vendors be obtained from the accounts payable department to reference while reviewing submitted disclosures, as the list would help to identify potential, pre-existing conflicts of interests. Additionally, the Comptroller’s Office recommended that,

upon completion, the compiled list of filers' outside business interest be supplied to the purchasing department for their use in identifying potential conflicts of interests as new contracts are being created.

Based on the Comptroller's Office recommendations, the submitted financial disclosure statements are still preliminarily reviewed by the Director of OPI but also reviewed by OPI staff. The review conducted by OPI staff identified if a filer has listed outside business interests and, if so, such interests were compared against the City's master vendor file. If the listed interest corresponded to a City vendor, then activity falling within the financial disclosure reporting period was reviewed. A record of filer's reviewed in detail was maintained.

Data Analytics Program

In 2019, the Office of Public Integrity began the planning and research process for the creation of a data analytics program. OPI collaborated with internal and external organizations to identify best practices as well as software and applications that could be useful. Additionally, members of OPI staff attended training specifically on the topic of data analytics, implementing a data analytics program, and software and applications to assist in analyzing data. Training on this topic will be ongoing, as staff skills in this area expand and industry applications of such a program expand.

As part of the Office of Public Integrity's efforts to institute a data analytics program, OPI performed a review of the City's accounts payables to identify possible duplicate payments. This project was a formal effort by OPI to apply data analytics to a City data set. Additionally, it was an effort to enhance the offices understanding of analytics features available within Excel as well as whether additional resources would be helpful in order to further the data analytics program. Through this project, it was concluded that analytic software is not required to successfully complete certain analytics projects but that such a software is recommended as it would allow for additional testing to be conducted that could enhance the efficiency and effectiveness of the program.

Additional data analytics projects have been identified and will be considered in coordination with other office assignments as staff availability arises.

Complaints, Tips and Information

OPI receives numerous complaints, tips and information throughout the year. This information is obtained via phone/OPI hotline, walk-ins, employee and/or OPI e-mail, USPS mail, and referrals.

During Fiscal Year 2020-21 OPI received the following:

Hotline/phone	20
E-mail	18
USPS mail	2
Walk In	0
Referrals	2

Investigations

Investigations are conducted in response to allegations of wrongdoing by City employees or individuals and companies that do business with the City. OPI investigations may include interviews, document reviews, surveillance, and data research and analysis. Investigations are conducted in close coordination with Human Resource Management, the Law Department and Labor Relations. If during the investigation internal control weaknesses are identified, OPI then provides recommendations to strengthen controls. These recommendations often fall into one of the following categories:

- Correct the identified deficiencies.
- Clarify applicable policy, law, or regulation.
- Strengthen the internal controls within the impacted department.

When investigative findings identify potential criminal conduct, the matter is referred to the appropriate law enforcement authorities for review and appropriate action.

OPI utilizes the following categories to issue findings:

Sustained:

- The allegations are validated, and there is sufficient evidence to justify a reasonable conclusion the actions occurred and there were violations of law, policy, rule or contract.

Unfounded:

- There is sufficient evidence to justify a reasonable conclusion the alleged actions did not occur, or there were no identified violations of law, policy, rule, or contract.

Not Provable:

- The allegations are not validated, and there is insufficient evidence to prove or disprove the allegations.

Exonerated:

- There is sufficient evidence to justify a reasonable conclusion the actions did occur, and they were lawful and in compliance with policy, rule or contract.

Office:

- Insufficient information is available regarding the allegation, and no further action is taken until new information is brought the attention of our office.

Investigation Results

During the fiscal year, OPI conducted 26 administrative investigations. The investigations addressed allegations of the following:

- Unprofessional/Unethical Conduct
- Violation of City Policy
- Questionable Procedures
- Favoritism/Discrimination
- Conflict of Interest
- Falsification of Documentation
- Misuse of City Resources
- Potential Illegal Activities

The completed investigations resulted in the following dispositions:

- Sustained 0
- Unfounded 8
- Not Provable 5
- Office 4
- Referral 8
- Exonerated 1

Ethics

OPI is responsible for the development and delivery of ethics awareness training to City employees. This training is focused on the City's Code of Ethics and provides guidance and recommendations on how employees can remain in compliance. OPI acts as a clearinghouse for ethical issues raised by City employees and City residents. When appropriate, issues are referred to the City's Ethics Board for Advisory Opinions. The Director of OPI serves as Secretary of the City's Ethics Board.

During the fiscal year, OPI provided ethics training materials for 12 virtual ethics training sessions to employees in the following offices:

- Communications
- Emergency Communications Department
- Environmental Services Department
- Finance
- Fire Department
- Human Resource Management
- Information Technology
- Law Department

- Mayor/Administration
- Neighborhood and Business Development
- Office of Community Wealth Building
- Office of Innovation
- Office of Management and Budget
- Police Department
- Recreation and Youth Services
- Rochester Public Library

Confidentiality/Whistleblower Protection

After the receipt of a complaint or information from any City of Rochester employee, OPI shall not disclose the identity of an employee without their consent unless OPI determines that it is unavoidable during the course of an investigation.

The City of Rochester established a Confidential Hotline Program to provide a secure means of reporting suspicious activity to OPI concerning City programs and operations. To enhance the Confidential Hotline Program, OPI implemented a Whistleblower Protection Policy to protect employees who report a belief that their organization is engaged in or willfully permits unethical or unlawful activities. Suspicious activity may include instances of fraud, waste, and abuse, mismanagement, or a danger to the public's health and safety. The Office of Public Integrity confidential hotline number is **(585) 428-9340**.

Persons may also contact OPI directly by telephone **(585 428-7245)**, e-mail to: opi@cityofrochester.gov or surface mail to: Office of Public Integrity, 85 Allen Street, Suite 100, Rochester, New York, 14608.