



## Best Practice: Policy and Procedure Recommendation Program

REPORT UPDATED: MAY 2012

**CITY: NEW YORK CITY**

**POLICY AREAS: PUBLIC INTEGRITY**

### BEST PRACTICE

The New York City Department of Investigation's (DOI's) comprehensive approach to combating corruption consists of stopping corruption through investigations and arrests; educating key stakeholders about the City's anti-corruption efforts through a robust corruption prevention lecture program; and fixing procedural vulnerabilities in City agencies identified during DOI investigations. DOI issues recommendations to City agencies in the wake of investigations that are designed to avoid recurrence of the same types of problems that enabled the fraud to take place and are powerful tools for agency improvement. They are so significant that in 2007 DOI formalized the practice into the "**Policy and Procedure Recommendation (PPR) Program**" by appointing a staff member to track the recommendations made by all DOI Inspectors General (IGs) issued to the 45 City agencies they collectively oversee.

The role of the PPR coordinator at DOI is to ensure that the IG makes each recommendation in writing and receives a response about implementation from the subject City agency. The PPR Program provides a concrete assurance that the recommendation will be memorialized and responded to, and is another means by which DOI measures the work it does. A recommendation includes both a detailed description of the extent of the problem uncovered and, because the investigation affords DOI the opportunity to learn a great deal about the matter, a suggestion for remediation. Recommendations may range from better fiscal controls in a division of an agency to changes that could impact public safety. Some recommendations are made to multiple agencies under circumstances where they have interconnecting roles.

DOI's PPR Program has made an enormous impact; from 2002 to the publication of this report, DOI's IGs have issued a total of 2,730 policy and procedure recommendations throughout City agencies on a wide variety of topics, with the majority of them being implemented to date. We believe that is good government.

### ISSUE

Tracking procedural recommendations and cataloguing responses allows DOI to measure its impact and record improvements implemented across City agencies. If an agency does not implement a recommendation, DOI requires the agency to set forth its reasons and whether it has implemented an alternative policy or procedure to address the problem identified in the DOI investigation. This program allows DOI to document observations made during investigations, make remedial recommendations to the City agencies, and track their implementation. In this way, DOI does much more than make arrests.

### GOALS AND OBJECTIVES

The goal of the PPR Program is to strengthen City agency operations, spur change where it is needed and prevent the recurrence of corruption vulnerabilities found through DOI investigations.

### IMPLEMENTATION

DOI's mission has long included issuing recommendations to cure operational deficiencies or vulnerabilities found during its investigations. Prior to 2007, however, the agency did not formally make all recommendations in writing and did not track either the recommendations or their implementation in a centralized way. There was not a comprehensive and clear record of the outcomes of problems identified and DOI's recommendations for specific changes that had been made to various City agencies.



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In 2006-2007, DOI noticed fraud cases in City agencies where there had been similar previous frauds and where DOI had made prior suggestions about procedural changes. Therefore, DOI strengthened its efforts in this area and instituted what became the more formalized PPR Program. In 2007, DOI hired an experienced analyst who compiled a historical record of all recommendations DOI had made since 2002 to aid its understanding of corruption vulnerabilities already identified at City agencies. This effort was organized by the PPR coordinator hired specifically for this program and enlisted all IGs in accumulating several years' worth of PPRs. The PPR coordinator then sent a memo to each of the IGs requesting a full accounting of the PPRs issued since 2002 and created a central tracking system for DOI going forward.

To ensure the process was uniform among the IGs, the PPR coordinator prepared a basic summary sheet in which IGs log in PPRs with common information such as the case name and number, the agency and unit involved, a summary of the investigation and each recommendation or PPR made, the date the PPR was made, when the PPR was implemented, and if it was not, an explanation as to why. These summaries are filed with the PPR coordinator, who then organizes the PPRs by individual City agency and year. (A copy of a blank PPR log in sheet follows this report). The program was so successful that DOI then incorporated PPR data into its measured outputs or "indicators" in the annual Mayor's Management Report (MMR), which is a Citywide report on the performance of all agencies in a wide variety of categories.

### COST

The PPR program is administered by a coordinator and a staff analyst who run DOI's Central Data Unit (CDU), which is responsible for compiling agency statistics on significant indices that are due throughout the year in the form of various reports and public testimony. Other categories that are tracked and measured by CDU include arrests, complaints received, cases opened and closed, and financial recoveries from investigations. The goal of releasing information to the public is to make the work of DOI transparent and well-known, instilling confidence that DOI is a robust, independent watchdog. That, in turn, triggers additional people to contact DOI on a continuing basis.

### RESULTS AND EVALUATION

PPRs are an important measure for IGs. The number, type and implementation of those PPRs are reviewed at DOI's weekly CompStat meeting, attended by DOI executives and all IGs. At this meeting one IG gives a comprehensive presentation on matters in his or her unit. Discussions at CompStat about PPRs help DOI identify common corruption problems across agency lines, changes that DOI recommended and the effectiveness of those solutions. The PPR Program, in combination with the CompStat program, enhances DOI's ability to spot potential issues among City agencies and proactively trigger the issuance of the same recommendation to multiple agencies even before a vulnerability becomes a corruption case.

As a result of this centralized tracking program, DOI can view PPRs comprehensively across all IG units and understand the impact they have at agencies. For instance, DOI conducted an investigation regarding the advent of bogus online educational degrees that had been submitted by individuals to gain either competitive and sought-after positions or valuable promotions. DOI issued a public report discussing 14 cases where individuals submitted such diplomas to the City's Fire Department. The report included a discussion of the means by which the individuals obtained these seemingly authentic degrees, the deceptive practices utilized by the online entities, the undercover investigation undertaken by DOI, and PPRs to strengthen the Fire Department's degree verification process. Given that other City agencies hire and promote employees and could fall victim to the same online degree scam, DOI issued the same PPRs to other City agencies. Later that same year, because DOI's recommendations had been implemented, the Fire Department knew what to look for and became suspicious of educational degrees submitted by a total of six job applicants. Those cases were referred to DOI for investigative action; in all six cases the degrees submitted were fraudulent and criminal referrals were made.

Other recommendations implemented also serve as illustrations. For example, as a result of a DOI investigation into the illegal sale of mobile food vending permits, the City's Health Department adopted a new procedure recommended by DOI that requires legitimate permit and license holders to appear in person before Health Department representatives during the



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permit inspection and license renewal processes. The corrective action stemming from PPRs reduces the opportunity for illegal operators to pass themselves off as legitimate permit and license holders and gives the City more direct scrutiny of permit and license recipients.

As a result of a series of PPRs issued by DOI regarding violence in the City's adolescent jail facility, the City's Department of Correction increased supervision, video surveillance and staffing to monitor and identify unsafe activities.

These and many other successful recommendations borne from DOI investigations illustrate the progress that can be made as a result of the PPR program and when City agencies work together to address seemingly intractable corruption-related problems.

The advent of a formalized PPR Program contributed to a dramatic increase – nearly 16% – in the number of PPRs implemented (see table below). From 2002 to May 2012, DOI issued 2,730 PPRs on a variety of corruption vulnerability issues, and 77% of those recommendations were implemented, with the remainder in process and/or under review. In addition, the number of PPRs implemented after DOI began to formally track them significantly increased, as illustrated in the below table.

### Number of PPRs Issued and Implemented (as of May 2, 2012)

PPRs Issued and Implemented	Totals
<b>1/2002 – 5/2/2012</b>	
PPRs issued	2,730
PPRs implemented	2,075
Rate of implementation	77%
<b>1/2002 – 12/31/2006 (prior to formalization of the PPR Program)</b>	
PPRs issued	612
PPRs implemented 1/2002 – 12/31/2006	390
Rate of implementation	63.7%
<b>1/2007 – 5/2/2012 (following the establishment of a formal PPR Program)</b>	
PPRs issued	2,118
PPRs implemented	1,685
Rate of implementation	79.5%

### TIMELINE

It took approximately one year to initially complete the historic cataloging of five years of PPRs and to establish a program to centrally track them. Now PPRs issued to agencies by IGs are sent by the IGs to the PPR coordinator on a monthly basis, as are updates about feedback and implementation that come in from the various City agencies. The PPR Program is an important function of each IG unit and an indicator that is monitored weekly by DOI executives in our CompStat program.

### LEGISLATION

Throughout the years, various Mayoral Executive Orders have empowered the agency. The City Charter (Chapter 34) establishes that DOI's Commissioner is empowered to study or investigate what is in the best interest of the City. Executive Order 16 gives the DOI Commissioner the authority to "develop strategies and programs for the investigation and



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elimination of corruption and other criminal activity affecting the City of New York.” In addition, Executive Order 16 directs City agencies, in collaboration with DOI, to “formulate a comprehensive anti-corruption program for each agency to identify, evaluate, and eliminate corruption hazards,” the results of which are filed annually with the Mayor’s Office.

These mandates speak to the mission of the PPR program. In fact, the DOI staff member who tracks the agency’s PPRs compiles the information for and assists in preparing the annual corruption-hazard report filed with the Mayor’s Office, in which PPRs and their implementation play an integral role.

Copies of Chapter 34 of the City Charter and Executive Order 16 are attached. Executive Order 16 can also be found on DOI’s website at the following link: <http://www.nyc.gov/html/doi/html/about/report.shtml>.

### LESSONS LEARNED

The PPR Program is an outgrowth from an important lesson learned: failing to track anti-corruption measures in a systematic way undermines an agency’s ability to fully understand the strength of its practices, spot potential vulnerabilities across agencies and prevent schemes from recurring. DOI’s PPR Program allows the City’s integrity agency to ensure agencies are examining and implementing recommendations that flow from DOI’s investigations to prevent loss of City tax dollars or safety-related problems.

### TRANSFERABILITY

Other integrity agencies can easily adapt a program like DOI’s PPR program.

### CONTACTS

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Facts and figures in this report were provided by the New York City Department of Investigation to New York City Global Partners.



The City of New York  
Department of Investigation

POLICY/PROCEDURE RECOMMENDATIONS SUMMARY	
OIG	
CASE #	
CASE NAME	
AGENCY INVOLVED	
UNIT INVOLVED	
SUMMARY OF INVESTIGATION (A SENTENCE OR TWO)	
DATE OF CASE CLOSURE	
DATE OF POLICY/PROCEDURE RECOMMENDATION	
NAME & TITLE OF PERSON(S) TO WHOM RECOMMENDATION WAS MADE	
HOW WAS THE RECOMMENDATION MADE? (BY PHONE/LETTER/? IF LETTER, ATTACH)	
WHAT WAS THE RECOMMENDATION?	
WAS IT IMPLEMENTED BY THE AGENCY?	
IF NOT, WHY?	

## CHAPTER 34

## DEPARTMENT OF INVESTIGATION

## Section

- 801. Department; commissioner.
- 802. Deputies.
- 803. Powers and duties.
- 804. Complaint bureau.
- 805. Conduct of investigations.
- 807. Inspectors general of agencies.

Sec. 801. Department; commissioner. There shall be a department of investigation the head of which shall be the commissioner of investigation. The commissioner shall be a member of the bar of the state of New York in good standing and shall have had at least five years of law enforcement experience. The mayor may remove the commissioner upon filing in the office of personnel director and serving upon the commissioner the reasons therefor and allowing such officer an opportunity of making a public explanation.

Sec. 802. Deputies. The commissioner may appoint two deputies, either of whom may, subject to the direction of the commissioner, conduct or preside at any investigations authorized by this chapter.

Sec. 803. Powers and duties. a. The commissioner shall make any investigation directed by the mayor or the council.

b. The commissioner is authorized and empowered to make any study or investigation which in his opinion may be in the best interests of the city, including but not limited to investigations of the affairs, functions, accounts, methods, personnel or efficiency of any agency.

c. For any investigation made pursuant to this section, the commissioner shall prepare a written report or statement of findings and shall forward a copy of such report or statement to the requesting party, if any. In the event that the matter investigated involves or may involve allegations of criminal conduct, the commissioner, upon completion of the investigation, shall also forward a copy of his written report or statement of findings to the appropriate prosecuting attorney, or, in the event the matter investigated involves or may involve a conflict of interest or unethical conduct, to the board of ethics.

d. The jurisdiction of the commissioner shall extend to any agency, officer, or employee of the city, or any person or entity doing business with the city, or any person or entity who is paid or receives money from or through the city or any agency of the city.

e. The commissioner shall forward to the council and to the mayor a copy of all reports and standards prepared by the corruption prevention and management review bureau, upon issuance by the commissioner.

Sec. 804. Complaint bureau. There shall be a complaint bureau in the department which shall receive complaints from the public.

Sec. 805. Conduct of investigations. a. For the purpose of ascertaining facts in connection with any study or investigation authorized by this chapter, the commissioner and each deputy shall have full power to compel the attendance of witnesses, to administer oaths and to examine such persons as he may deem necessary.

b. The commissioner or any agent or employee of the department duly designated in writing by him for such purposes may administer oaths or affirmations, examine witnesses in public or private hearing, receive evidence and preside at or conduct any such study or investigation.

Sec. 807. *Inspectors general of agencies.* No person shall be appointed as an inspector general of a city agency unless such appointment is approved by the commissioner of investigation. The commissioner of investigation shall promulgate standards of conduct and shall monitor and evaluate the activities of inspectors general in the agencies to assure uniformity of activity by them.



THE CITY OF NEW YORK  
OFFICE OF THE MAYOR  
NEW YORK, N.Y. 10007

TEXT OF EXECUTIVE ORDER NO. 16

JULY 26, 1978

COMMISSIONER OF INVESTIGATION, INSPECTORS  
GENERAL AND STANDARDS OF PUBLIC SERVICE

By the power vested in me as Mayor of the City of New York, it is hereby ordered:

Section 1. Responsibilities of Commissioner. The Commissioner of Investigation (hereinafter called the Commissioner) shall have general responsibility for the investigation and elimination of corrupt or other criminal activity, conflicts of interest, unethical conduct, misconduct and incompetence (i) by City agencies, (ii) by City officers and employees, and (iii) by persons regulated by, doing business with or receiving funds directly or indirectly from the City (hereinafter called persons dealing with the City), with respect to their dealings with the City. For these purposes the Commissioner shall: (a) assist agency heads in establishing and maintaining standards of conduct together with fair and efficient disciplinary systems; (b) direct the activities of the Inspectors General of all agencies of the City; (c) conduct background investigations of employees to be appointed to or holding positions of responsibility; (d) receive complaints and information from the public with respect to City agencies, officers, and employees, as well as persons dealing with the City, and to take appropriate action with respect to such complaints; (e) undertake any investigation or study of the affairs, functions, accounts, methods, personnel or efficiency of any agency; and (f) act as liaison with federal, state and local law enforcement and regulatory agencies concerning all matters within the scope of this Order.

§ 2. Responsibilities of Agency Heads. All agency heads shall be responsible for establishing, subject to review for completeness and inter-agency consistency by the Commissioner, written standards of conduct for the officials and employees of their respective agencies and fair and efficient disciplinary systems to maintain those standards of conduct.

§ 3. Responsibilities of Inspectors General.

(a) All agencies shall have an Inspector General who shall report directly to the respective agency head and to the Commissioner and be responsible for maintaining standards of conduct as may be established in such agency under this Order. Inspectors General shall be responsible for the investigation and elimination of corrupt or other criminal activity, conflicts of interest, unethical conduct, misconduct and incompetence within their respective agencies.

(b) Except to the extent otherwise provided by law, the employment or continued employment of all existing and prospective Inspectors General and members of their staffs shall be subject to complete background investigations and approval by the Department of Investigation.

§ 4. Investigations.

(a) Within the scope of the general responsibility of the Commissioner set forth in Section 1 of this Order, the Commissioner shall have authority to examine, copy or remove any document prepared, maintained or held by any agency except those documents which may not be so disclosed according to law. Inspectors General shall have the same authority in their respective agencies.

(b) The Commissioner and, with the approval of the Commissioner, the Inspectors General and any person under the supervision of the Commissioner or the Inspectors General, may require any officer or employee of the City to answer questions concerning any matter related to the performance of his or her official duties or any person dealing with the City, concerning such dealings with the City, after first being advised that neither their statements nor any information or evidence derived therefrom will be used against them in a subsequent criminal prosecution other than for perjury or contempt arising from such testimony. The refusal of an officer or employee to answer questions on the condition described in this paragraph shall constitute cause for removal from office or employment or other appropriate penalty. Beginning September 1, 1978 all contracts, leases, licenses or other agreements entered into or issued by the City shall contain a provision approved as to form by the Corporation Counsel permitting the City to terminate such agreement or to take other appropriate action upon the refusal of a person dealing with the City to answer questions in relation to such agreements on the condition of testimonial or use immunity described in this paragraph.

(c) Every officer or employee of the City shall cooperate fully with the Commissioner and the Inspectors General. Interference with or obstruction of an investigation conducted by the Commissioner or an Inspector General shall constitute cause for removal from office or employment or other appropriate penalty.

(d) Every officer and employee of the City shall have the affirmative obligation to report, directly and without undue delay, to the Commissioner or an Inspector General any and all information concerning conduct which they know or should reasonably know to involve corrupt or other criminal activity or conflict of interest, (i) by another City officer or employee, which concerns his or her office or employment, or (ii) by persons dealing with the City, which concerns their dealings with the City. The knowing failure of any officer or employee to report as required above shall constitute cause for removal from office or employment or other appropriate penalty.

(e) Upon receipt of any information concerning corrupt or other criminal activity or conflict of interest related to his or her agency, the Inspector General of such agency shall report directly and without undue delay such information to the Department of Investigation, and shall proceed in accordance with the Commissioner's directions.

(f) No officer or employee other than the Commissioner, an Inspector General, or an officer or employee under their supervision, shall conduct any investigation concerning corrupt or other criminal activity or conflicts of interest without the prior approval of the Commissioner or an Inspector General.

(c) The Mayor or an agency head may in the public interest direct that the appointment, employment or assignment of any person be subject to a background investigation by the Department of Investigation.

(d) The appointment or employment of any person requiring background investigations under this Order shall be made subject to the completion of such investigation and a determination by the appointing authority that the appointee has the appropriate qualifications, is free from actual or potential conflicts of interest and is one in whom the public trust may be placed.

(e) All prospective appointees and employees subject to background investigation under this Order shall comply with all procedures established by the Commissioner for such purpose, including the completion of a background questionnaire and full disclosure of financial holdings and relationships.

(f) Background investigations conducted under this Order shall include the collection of all available criminal history information relating to the prospective appointee, which shall be considered in accordance with applicable law.

(g) The making by a person of an intentional false or misleading statement in connection with a background investigation required under this Order, or otherwise failing to comply with the background investigation procedures established by the Commissioner, may constitute cause for removal from office or employment or other appropriate penalty.

#### § 8. Dissemination of Information.

(a) All agency heads shall distribute to each officer and employee of their respective agencies within 90 days of the effective date of this Order and to each officer and employee appointed thereafter, a statement prepared by the Commissioner explaining the responsibilities of the Commissioner, Inspectors General, agency heads and all City officers and employees under this Order.

(b) Knowledge of the responsibilities of the Commissioner of Investigation and the Inspectors General and of relevant provisions of Articles 195 and 200 of the Penal Law, the City Charter, the Code of Ethics and this Order shall constitute an employment responsibility which every officer and employee is expected to know and to implement as part of their job duties and is to be tested in promotional examinations beginning January 1, 1979.

§ 9. Regulations and Procedures. The Commissioner may establish such regulations, procedures and reporting requirements with respect to Inspectors General or as may be otherwise necessary or proper to fulfill the Commissioner's responsibilities under this Order and other applicable law. The Inspectors General may, with the approval of the Commissioner and the respective agency heads, establish such regulations and procedures as may be necessary or proper to fulfill their responsibilities under this Order and other applicable law.

§ 10. Waiver of Provisions. Any agency head may for good cause apply to the Commissioner for the modification or waiver of any provision within the jurisdiction of the Commissioner under this Order.

### § 5. Formal Disciplinary Proceedings.

(a) Within six months of the effective date of this Order, the Inspector General of each agency shall be responsible for the preparation and prosecution of all formal administrative proceedings, including removal and other disciplinary proceedings for misconduct or incompetency, initiated by such Inspector General or any other person authorized by the agency head to initiate such proceedings on behalf of the agency. The Inspector General or an attorney-designee (including attorneys of the Department of Investigation) shall prosecute such matters. Any agency head may for good cause apply to the Commissioner for the modification or waiver of any provision of this paragraph.

(b) The Inspector General of an agency may, with the approval of the agency head, suspend any officer or employee of that agency, pending the timely service of formal charges.

(c) Officers or employees of the City convicted of a crime relating to their office or employment, involving moral turpitude or which bears upon their fitness or ability to perform their duties or responsibilities, shall be removed from such office or employment, absent compelling mitigating circumstances set forth in writing by the head of the employing agency. Proof of said conviction, as a basis for removal or other disciplinary action, must be established in accordance with applicable law.

### § 6. Informal Disciplinary Proceedings.

(a) Each agency head shall, with the advice of the Commissioner, establish appropriate reporting requirements, disposition standards and other administrative procedures for informal disciplinary proceedings to permit the fair and expeditious resolution of minor violations of the standards of conduct established by such agency head under this Order, without prejudice to any rights provided to officers or employees of the City by law or by contract.

(b) Informal disciplinary proceedings may be undertaken on the following conditions: (i) the employee or official who is the subject of such proceedings shall consent to accept a predetermined penalty upon a finding of cause in lieu of the filing of a formal disciplinary charge; and (ii) the record and result of the informal disciplinary proceedings shall be expunged from all permanent personnel or employment files of the subject official or employee after one year in which such person has not been penalized as a result of any subsequent formal or informal disciplinary proceedings.

(c) The Inspector General of each agency shall be notified of the disposition of all informal disciplinary proceedings.

### § 7. Background Investigations.

(a) The Department of Investigation shall conduct background investigations of all persons to be appointed to or employed in positions with salary rates equal to or greater than the minimum rate of the Management Pay Plan or any successor plan, whether or not the person is to become a member of such plan.

(b) Background investigations need not be made under this Order with respect to the appointment or employment of persons for positions with salary rates equal to or greater than the minimum rate of the Management Pay Plan or any successor plan where such person is to be appointed to a permanent civil service position in the competitive class.