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September 2, 2014

Helen Diane Foster
Commissioner
New York State Division of Human Rights
One Fordham Plaza, 4th Floor
Bronx, New York 10458

RE: NYS IG 1623-016-2013

Dear Commissioner Foster:

In August 2013, my office received an allegation that an employee in the Housing Investigation Unit (HIU) of the Division of Human Rights (DHR) may have entered fraudulent information into the U.S. Department of Housing and Urban Development (HUD) Title VIII Automated Paperless Tracking System (TEAPOTS). Specifically, it was alleged that, after DHR issued a decision in *Johnson v. SG2 Management* ("the Johnson Case") and deemed the case closed, data entries were made in TEAPOTS, even though the corresponding information had not been entered in DHR's Case Management System (CMS). This letter advises you of the findings of our investigation of this matter.

Our investigation confirmed the validity of all the case activity that had been entered into TEAPOTS and CMS for the Johnson Case. Nevertheless, some case activity was entered into TEAPOTS and CMS almost two months after DHR issued its final determination. These delays, however, were not caused by malfeasance on the part of any particular DHR employee. Rather, our investigation revealed that the investigator assigned to the Johnson Case was on medical leave intermittently during the investigation and at the time of the closing of the case, and therefore not all the case activity was entered into CMS and TEAPOTS. Another DHR employee unfamiliar with the Johnson Case entered the case activity into TEAPOTS resulting in some entries appearing in TEAPOTS but not CMS. In addition, the Johnson Case was inadvertently not finalized for submission to HUD within 30 days of the issuance of DHR's final determination, as required by the HUD contract. While the delays in processing the Johnson Case are

troubling, it appears, based on our review, that the delays were not typical of HIU investigations.

Further, our investigation did not find evidence of systematic back-entering of case activity information into CMS or TEAPOTS. Our investigation found that HIU investigators generally enter case activity in a timely manner consistent with DHR guidelines. While a number of HIU investigators explained that they enter case activity into TEAPOTS contemporaneously with entering the information into CMS, most investigators reported that they wait until the end of an investigation to transfer case activity from CMS to TEAPOTS. The HUD contract does not delineate a timeframe by which DHR investigators must enter case activity into TEAPOTS; rather, it directs DHR to accomplish this task in a "timely manner." Many investigators testified that TEAPOTS is cumbersome to operate, and that entering information into TEAPOTS at the end of the investigation allows them to focus on completing case activities and meeting the stated DHR standard of closing 10 cases per month. DHR should consider the feasibility of continuing to permit entry of data into TEAPOTS at the end of an investigation.

During this investigation, it was further discovered that a unit-wide backlog of employment and housing cases undermined HIU's productivity and created considerable pressure on investigators to meet the monthly closing target of 10 cases. Some investigators reported working weekends without compensation to meet this target.

We note that DHR has implemented significant organizational and operational changes to address these concerns and improve efficiency, including staffing changes in the HIU and the establishment of a Brooklyn Satellite Office. According to information provided to my office, these remedial measures reportedly have eased case backlogs, fostered a more collaborative approach to housing investigations, and improved overall agency morale. To better assess the results of these changes, I recommend that DHR complete a formal review of the operations of the revised HIU and the new Brooklyn Satellite Office by October 31, 2014, and advise me of the findings.

If you require further information about our investigation, please contact Special Deputy Inspector General Philip F. Foglia at (212) 635-3150.

Sincerely,



Catherine Leahy Scott
Inspector General