

DEPARTMENT OF INVESTIGATION

Jocelyn E. Strauber, Commissioner



WHAT WE DO

The Department of Investigation (DOI) is a law enforcement agency that promotes and maintains integrity and efficiency in City government by investigating potential corruption, gross mismanagement, waste, and abuse by City agencies, entities, employees, elected officials, contractors and City-funded nonprofits. DOI has oversight of more than 45 mayoral agencies with over 300,000 employees, as well as dozens of City boards and commissions. DOI targets corruption comprehensively through investigations that lead to arrests, public reports, and recommendations for policy and procedural reforms intended to strengthen agencies' internal controls and improve their operations. DOI's mission is to identify and seek to prevent criminal misconduct, waste, abuse, and mismanagement, and to ensure wrongdoers—whether public officials, City employees, contractors, or other third parties—are held accountable, and thereby improve the way City government functions. For over 150 years DOI has been serving New Yorkers by acting as an independent and nonpartisan watchdog for City government.

FOCUS ON EQUITY

DOI's commitment to equity focuses on improving the integrity, effectiveness and confidence in City government and rooting out corruption, mismanagement and fraud, which threaten New Yorkers' access to services. DOI works to hold individuals engaged in misconduct accountable and to return stolen funds to workers and to the City. DOI also makes policy and procedure recommendations (PPRs) to remedy vulnerabilities that DOI investigations identify, to improve how City agencies operate and to prevent future misconduct so that City government can serve all New Yorkers more efficiently and with integrity.

In addition to pursuing hundreds of investigations into specific allegations of misconduct or wrongdoing, DOI issued nine public reports during Fiscal 2023 addressing a wide range of issues and illustrating the breadth of DOI's work. DOI's public reports explain the basis for critical policy and procedural recommendations, which seek to ensure, among other things, that City funds and services are delivered efficiently and equitably, and that vulnerable populations receive the City resources to which they are entitled. These include public reports on the New York City Police Department's (NYPD) use of its Criminal Gang Database and use of surveillance technology. DOI public reports also identified lapses in New York City Housing Authority's (NYCHA) compliance with a range of fire safety protocols at public housing developments, and revealed flaws in the Department of Social Services' (DSS) enforcement of its policies that prohibit payment of fees to brokers that place DSS' clients into private housing, if the landlord and broker are affiliated. In addition to public reports, DOI's investigations have led to numerous criminal prosecutions on charges that include bribery of City employees, contraband smuggling by correction officers into Department of Correction (DOC) facilities, negligent homicide by failing to maintain safe construction sites, and violations of prevailing wage laws (leading to the return of lost wages), and other wrongdoing by both public officials and vendors who do business with the City.

DOI works closely with its law enforcement partners and prosecutors on these criminal investigations in an effort to protect the City's resources and fight fraud and corruption to level the playing field for all New Yorkers. For example, this past fiscal year, DOI worked closely with the Bronx County District Attorney's Office (BXDA) to charge three contractors in the death of a construction worker who was crushed to death allegedly as a result of blatant disregard for building safety codes and worker protections. Another notable DOI investigation resulted in an indictment by the District Attorney for New York County (DANY) of six developers and their real estate corporations for defrauding New York's 421-a tax exemption program meant to promote affordable housing, fraudulently obtaining over \$1.6 million in property tax benefits. DOI also worked with DANY on the investigation of a massive construction industry kickback scheme which led to the indictments of 24 individuals and 26 companies for allegedly rigging the contract bidding process at worksites around Manhattan. DOI worked with the United States Attorney's Office for the Southern District of New York on a prosecution of a retired NYPD Inspector who pled guilty to conspiring to commit federal program fraud in connection with his work as a disaster relief consultant to the City following Hurricane Sandy. He agreed to pay the City restitution in the amount of \$387,749.

DOI follows the facts and the law, regardless of politics, influence, or position. Through investigations, DOI ensures that wrongdoers who misappropriate public dollars, circumvent City rules to evade safety regulations, or undermine City operations so they can personally profit, are held accountable. DOI's work endeavors to protect the City's interests and address corruption vulnerabilities.

OUR SERVICES AND GOALS

SERVICE 1 Investigate possible corruption, fraud, waste and unethical conduct in City government.

- Goal 1a Maintain the integrity of City agencies, employees, contract vendors and other recipients of City funds.
- Goal 1b Improve the impact and effectiveness of investigations.

SERVICE 2 Conduct background and fingerprint checks for certain City employees, contractors and day care workers.

- Goal 2a Ensure that all background investigations and fingerprint checks are conducted in a timely manner.

HOW WE PERFORMED IN FISCAL 2023

SERVICE 1 Investigate possible corruption, fraud, waste and unethical conduct in City government.

Goal 1a Maintain the integrity of City agencies, employees, contract vendors and other recipients of City funds.

During Fiscal 2023, DOI helped to preserve the integrity of City government through its investigations. Written PPRs issued to City agencies during the reporting period decreased by 57 percent compared to Fiscal 2022. This decrease can largely be attributed to the fact that in Fiscal 2022, DOI issued an unusually high number of PPRs in a single case (133), which accounted for 48 percent of the PPRs issued in the prior reporting period. While the rate of acceptance, implementation, and rejection of issued PPRs remained consistent, the rate of pending PPRs increased by one percentage point, from eight percent in Fiscal 2022 to nine percent in Fiscal 2023, which is an overall 13 percent increase in pending PPRs.

DOI strives to educate as many City employees regarding corruption, fraud, waste and unethical conduct as possible through various means, including corruption prevention lectures. To reach non-office-based employees who may find access to the e-learning platform difficult, DOI instituted a pilot program to reach Department of Sanitation (DSNY) employees at their garage locations, delivering more than 80 corruption prevention lectures to over 9,300 attendees. This program contributed to a 225 percent increase in lectures conducted compared to Fiscal 2022. Additionally, DOI continued to promote and distribute the e-learning corruption prevention lecture, reaching over 29,000 employees in Fiscal 2023, a 24 percent increase over the prior reporting period.

Performance Indicators	Actual					Target		Trend	
	FY19	FY20	FY21	FY22	FY23	FY23	FY24	5-Year	Desired Direction
★ Complaints	15,067	12,017	11,543	12,317	13,562	*	*	Neutral	*
★ Written policy and procedure recommendations (PPRs) issued to City agencies	573	193	313	276	120	*	*	Down	*
Written PPRs issued during previous fiscal years that have been accepted by City agencies (%)	87%	91%	90%	87%	86%	75%	75%	Neutral	Up
- Written PPRs issued during previous fiscal years that have been implemented of those accepted by City agencies (%)	85%	87%	86%	86%	86%	*	*	Neutral	Up
Written PPRs issued during previous fiscal years that are still pending an outcome from City agencies (%)	2%	3%	5%	8%	9%	*	*	Up	*
Written PPRs issued during previous fiscal years that have been rejected by City agencies (%)	3%	4%	4%	4%	4%	*	*	Up	*
★ Corruption prevention and whistleblower lectures conducted	449	318	67	72	234	100	100	Down	Up
Corruption prevention lecture e-learning attendees	33,539	26,298	25,028	23,395	29,031	*	*	Down	*
Integrity monitoring agreements	13	12	10	12	12	*	*	Neutral	*
Vendor name checks completed within 30 days (%)	80%	80%	92%	93%	97%	85%	85%	Up	Up
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None									

Goal 1b Improve the impact and effectiveness of investigations.

DOI strives to obtain financial recoveries through its investigations whenever practicable. In Fiscal 2023, the financial recoveries for the City ordered or agreed to rose by 443 percent, from \$1.8 million in Fiscal 2022 to \$10.1 million in Fiscal 2023. This increase is primarily the result of one case in which two defendants pled guilty to conspiracy to commit wire fraud in a multi-million-dollar scheme to obtain benefits for ineligible individuals who did not reside in New York City. These defendants were collectively ordered to repay over five million dollars. Financial recoveries collected for the City fell 70 percent, and financial recoveries ordered or agreed for non-City entities fell by 46 percent; however, the amount ordered and collected in a given fiscal year is often outside DOI's control as it can depend on court orders on recoveries and determination of the timing of repayments, among other matters. Financial recoveries collected in a given year is not necessarily a subset of financial recoveries ordered and agreed for that same year, due to the timing of repayments.

Performance Indicators	Actual					Target		Trend	
	FY19	FY20	FY21	FY22	FY23	FY23	FY24	5-Year	Desired Direction
Average time to complete an investigation (days)	179	215	218	213	201	180	180	Neutral	Down
Active Investigations	2,000	1,784	1,632	1,549	1,615	*	*	Down	*
Closed Investigations	1,298	1,035	930	803	877	*	*	Down	Up
Referrals for civil and administrative action	984	1,003	936	984	900	*	*	Neutral	*
Referrals for criminal prosecution	722	778	523	415	402	*	*	Down	*
★ Arrests resulting from DOI investigations	609	545	288	288	291	*	*	Down	*
Financial recoveries to the City ordered/agreed (\$000)	\$2,874	\$2,556	\$2,715	\$1,863	\$10,110	*	*	Up	*
Financial recoveries to the City collected (\$000)	\$1,962	\$2,044	\$2,580	\$7,017	\$2,117	*	*	Up	*
Financial recoveries to individuals and non-City entities ordered/agreed (\$000)	\$918	\$2,639	\$3,419	\$3,810	\$2,063	*	*	Up	*
★ Critical Indicator ● Equity Indicator "NA" Not Available ⇅ Directional Target * None									

SERVICE 2 Conduct background and fingerprint checks for certain City employees, contractors and day care workers.

Goal 2a Ensure that all background investigations and fingerprint checks are conducted in a timely manner.

DOI's background investigation unit has consistently outperformed and exceeded the target timeframe of 180 days to complete a background investigation, for background submissions received after July 2019. In Fiscal 2023, the average number of days to complete a background investigation rose to 119 days, a 68 percent increase compared to the 71 days to complete in Fiscal 2022; however, this figure is still well below the target of 180 days. This increase in the time to complete a background investigation can be attributed to increased workload for investigators. In total, the number of background checks completed and closed increased by 24 percent, or 326 background checks.

During Fiscal 2023, 540 backlogged background investigations, that is, those background investigations received prior to July 2019, were closed during the reporting period, a 62 percent decrease in the number of backlogged investigations closed compared to Fiscal 2022. This decrease resulted from an increase in the number of new background investigations received, as well as reduced staff. To address the increase in new background investigations, DOI temporarily paused its efforts to close backlogged background investigations, directing investigative staff to focus on completing the new investigations within the 180-day target period. At the end of this reporting period, 729 backlogged background investigations remain open, a decrease of 43 percent in the number of backlogged background investigations that remained open at the end of Fiscal 2022. DOI is training a dedicated team of new investigators to complete the backlogged background investigations.

Performance Indicators	Actual					Target		Trend	
	FY19	FY20	FY21	FY22	FY23	FY23	FY24	5-Year	Desired Direction
★ Average time to complete a background investigation (from date of receipt) (days)	NA	88	107	71	119	180	180	NA	Down
Closed background investigations (of those opened on or after July 1, 2019)	NA	1,354	1,180	1,386	1,712	*	*	NA	*
Background investigations received and closed within 6 months (%)	NA	97%	91%	99%	99%	80%	80%	NA	Up
Backlogged background investigations closed during the reporting period	NA	1,880	1,879	1,443	547	*	*	NA	*
Backlogged background investigations remaining open	NA	4,599	2,720	1,276	729	*	*	NA	*
Time to notify agencies of arrest notifications for current child-care, home care and family care workers after receipt from State Division of Criminal Justice Services (days)	1	2	4	1	1	*	*	Down	Down
★ Critical Indicator ● Equity Indicator "NA" Not Available ⇅ Directional Target * None									

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual					Target		Trend	
	FY19	FY20	FY21	FY22	FY23	FY23	FY24	5-Year	Desired Direction
Customer Experience									
Letters responded to in 14 days (%)	100%	100%	100%	100%	100%	*	*	Neutral	Up
Average wait time to speak with a customer service agent (minutes)	3	3	3	3	3	*	*	Neutral	Down
CORE facility rating	100	100	NA	NA	NA	*	*	NA	Up
Completed requests for interpretation	22	5	NA	9	20	*	*	NA	*
★ Critical Indicator ● Equity Indicator "NA" Not Available ↕ Directional Target * None									

AGENCY RESOURCES

Resource Indicators	Actual ¹					Plan ²		
	FY19	FY20	FY21	FY22	FY23	FY23	FY24	5yr Trend
Expenditures (\$000,000) ³	\$49.1	\$53.2	\$51.4	\$49.9	\$54.0	\$56.9	\$51.8	Neutral
Revenues (\$000,000)	\$3.2	\$2.6	\$1.7	\$2.6	\$2.8	\$2.4	\$4.2	Down
Personnel	355	362	332	287	272	326	295	Down
Overtime paid (\$000)	\$966	\$696	\$146	\$377	\$107	\$107	\$107	Down
¹ Actual financial amounts for the current fiscal year are not yet final. Final fiscal year actuals, from the Comptroller's Comprehensive Annual Financial Report, will be reported in the next PMMR. Refer to the "Indicator Definitions" at nyc.gov/mmr for details. ² Authorized Budget Level ³ Expenditures include all funds "NA" - Not Available * None								

SPENDING AND BUDGET INFORMATION

Where possible, the relationship between an agency's goals and its expenditures and planned resources, by budgetary unit of appropriation (UA), is shown in the 'Applicable MMR Goals' column. Each relationship is not necessarily exhaustive or exclusive. Any one goal may be connected to multiple UAs, and any UA may be connected to multiple goals.

Unit of Appropriation	Expenditures FY22 ¹ (\$000,000)	Modified Budget FY23 ² (\$000,000)	Applicable MMR Goals ³
Personal Services - Total	\$26.9	\$25.4	
001 - Personal Services	\$22.2	\$20.5	All
003 - Inspector General	\$4.7	\$4.9	All
Other Than Personal Services - Total	\$23.0	\$28.7	
002 - Other Than Personal Services	\$22.6	\$28.2	All
004 - Inspector General	\$0.4	\$0.5	All
Agency Total	\$49.9	\$54.0	
¹ Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2022. Includes all funds. ² City of New York Adopted Budget for Fiscal 2023, as of June 2023. Includes all funds. ³ Refer to agency goals listed at front of chapter. "NA" Not Available *None			

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- The Department updated Fiscal 2022 values for 'Complaints,' 'Written policy and procedure recommendations (PPR's) issued to City agencies,' 'Written PPRs issued during previous fiscal years that are still pending an outcome from City agencies,' 'Corruption prevention and whistleblower lectures conducted,' 'Corruption prevention lecture e-learning attendees,' 'Closed investigations,' 'Referrals for civil and administrative action,' 'Referrals for criminal prosecution,' and 'Arrests resulting from DOI investigations,' to reflect the most accurate data.
- Performance data is unavailable for 'CORE facility rating' as no DOI service centers were visited in Fiscal 2023.

ADDITIONAL RESOURCES

For more information on the agency, please visit: www.nyc.gov/doi.