



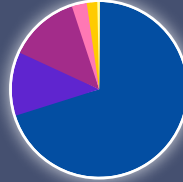
# 2023 Annual Report

Office of the MTA Inspector General





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**Twitter, Instagram: @MTAOIG**

**Facebook, LinkedIn: @MTA Inspector General**





# Message from the Inspector General



Ensuring a robust and accountable Metropolitan Transportation Authority (MTA) is, and has always been, the primary objective of Metropolitan Transportation Authority Office of the Inspector General (MTA OIG) — and as we enter our fifth decade serving New Yorkers we must continue to evolve and adapt.

Our partners in this mission include the workforce that keep the system running, and the public whom we all serve. It is a partnership that must be built on trust, with transparency the cornerstone of that trust. My predecessors believed in this and made great strides that I intend to continue as I deliver on my vision for the future of MTA OIG.

The MTA workforce is 70,000 strong, and their duty is to maintain a safe, clean, and reliable transportation network for a rising number of users. They must perform this monumental task amid a daunting set of challenges: a post-Covid return toward normal ridership, the increasing impact of extreme weather, aging infrastructure, and ever-present security concerns.

It's easy to get off-track under these circumstances and our oversight plays an essential role.

Effective oversight starts with visibility. I want all 70,000 MTA employees to know who we are and to fully understand the role MTA OIG plays. We are not only watching, but we are also listening. My goal is to make this office as accessible as possible, to have meaningful interactions with MTA workers and to engage with them through a new outreach campaign that utilizes several creative approaches. We hope our efforts at being more visible will serve as a deterrent, and also let the MTA workforce know that there is a safe place to report suspected wrongdoing.

This office also believes it is important to maintain a good working relationship with MTA management, one that can withstand the inevitable moments of tension and disagreement. A collaborative approach not only enriches our understanding of the MTA but also underscores the collective responsibility we have towards the public we serve.

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Looking back, I am proud of MTA OIG's investigations and audits in 2023, and especially proud of the knowledgeable and hardworking staff of this office who made this substantive work possible. Through their efforts, we uncovered ethical breaches and nepotism by a manager at MTA Construction and Development; revealed that excessive hours for railroad workers were posing a safety risk at LIRR; uncovered dual employment, time theft, and other acts of fraud and corruption by MTA workers; found serious problems with the monitoring and maintenance of fire alarm systems at a major NYC Transit facility; and revealed how the MTA's Small Business Development Program lacks the necessary information to properly measure and evaluate its impact. Lastly, the MTA implemented 56 MTA OIG recommendations made in seven reports, bringing to closure reforms in MTA Police Department internal investigations, improvements in Equal Employment Opportunity (EEO) complaint processing, and the strengthening oversight of contractor performance.

But there is much more work to be done, and these challenges require our office to develop initiatives that I hope will steer MTA OIG forward. This includes better integrating cutting-edge technologies into our investigations and keeping a watchful eye on the mega projects shaping our transit landscape.

Through collaboration and transparency, through the tireless efforts of this staff and by working effectively with the MTA leadership and workforce, we'll navigate the challenges of tomorrow with confidence and integrity.

**Daniel G. Cort**  
*Inspector General*



# 2023 Statistical Highlights





# 2023 Statistical Highlights



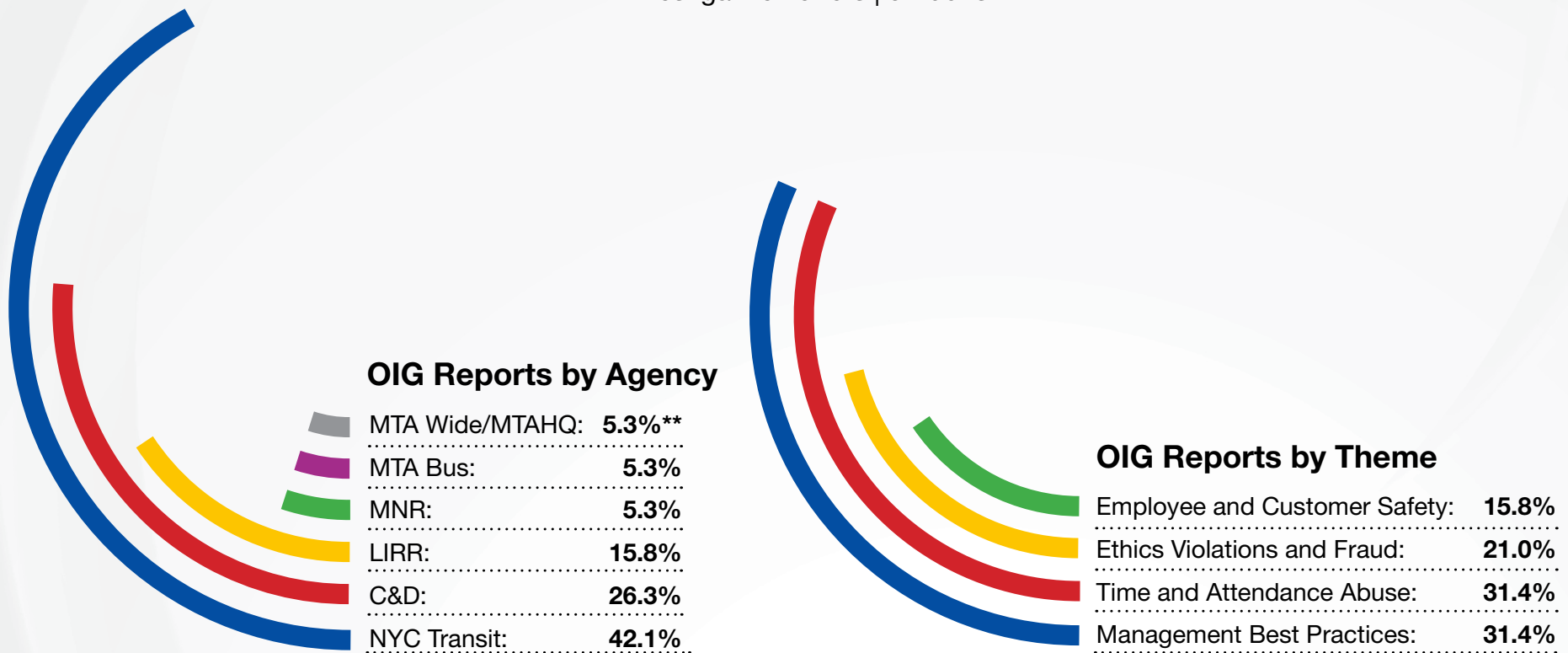
It was another impressive year for OIG’s work in support of the MTA, its affiliates, and subsidiaries including MTA New York City Transit (NYC Transit), MTA Long Island Rail Road (LIRR), MTA Metro-North Railroad (MNR), MTA Bridges and Tunnels (B&T), MTA Headquarters (MTAHQ), MTA Police Department (MTAPD), MTA Bus Company (MTA Bus), and MTA Construction and Development (C&D).\*

In 2023, OIG issued 19 reports with substantive findings across the MTA. Intake staff processed 4,214 complaints from individuals both inside and outside the MTA. OIG saw a substantial increase in complaints and responded to, referred, or investigated each one.

*\* As used in this report, unless the context indicates otherwise, the term “MTA” includes its affiliates and all subsidiaries.*

## OIG Issued 19 Reports in 2023

14 Investigative Letters | 5 Audits

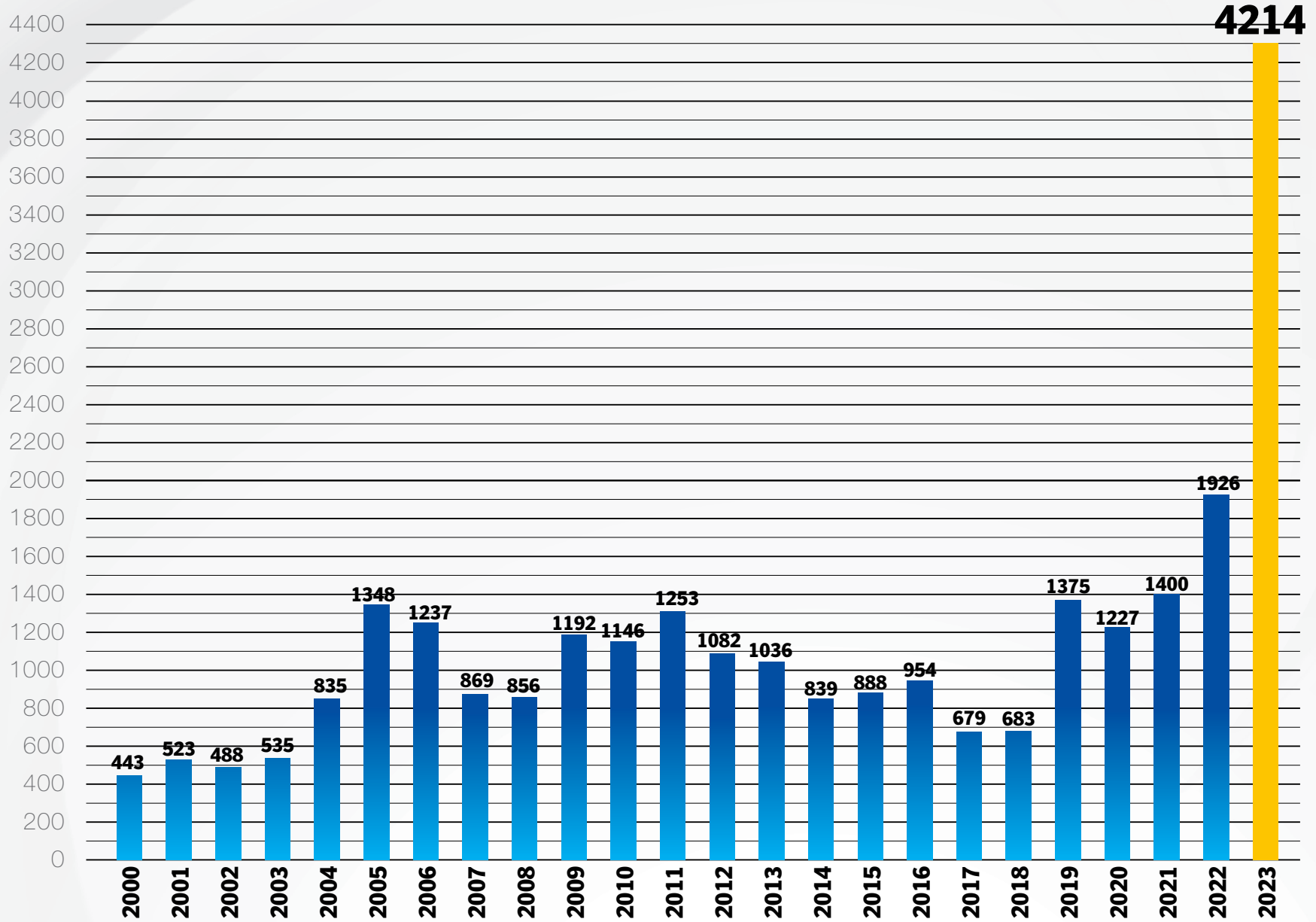


*\*\* The statistics in this section are rounded to the nearest tenth of a percent.*





# Total Number of Complaints



*\*In 2023 OIG saw a significant increase in service-related complaints.*



# Complaints by Source

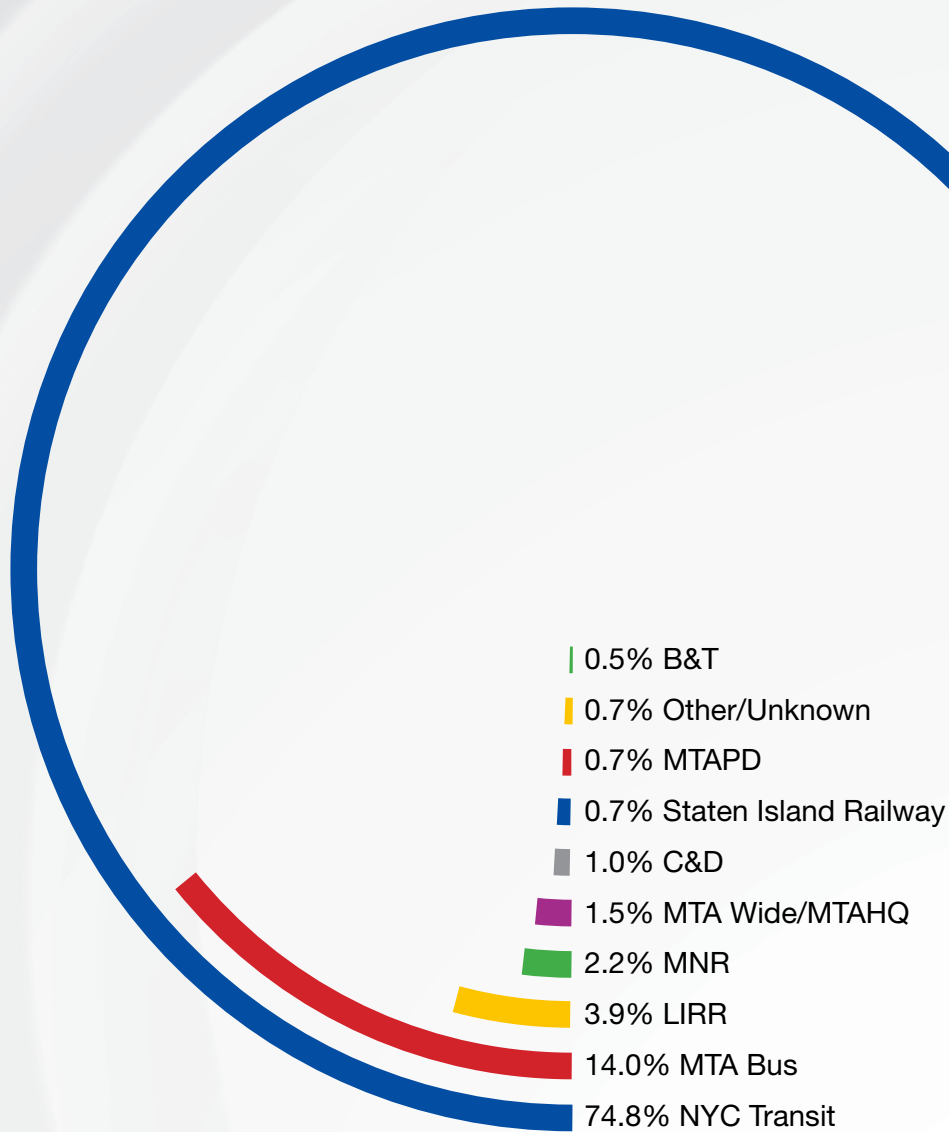


|                                  |              |
|----------------------------------|--------------|
| ● Members of the Public          | 3,091        |
| ● Anonymous                      | 868          |
| ● MTA Employee / Former Employee | 179          |
| ● Other                          | 52           |
| ● Other Governmental Agency      | 24           |
| <b>TOTAL COMPLAINTS:</b>         | <b>4,214</b> |



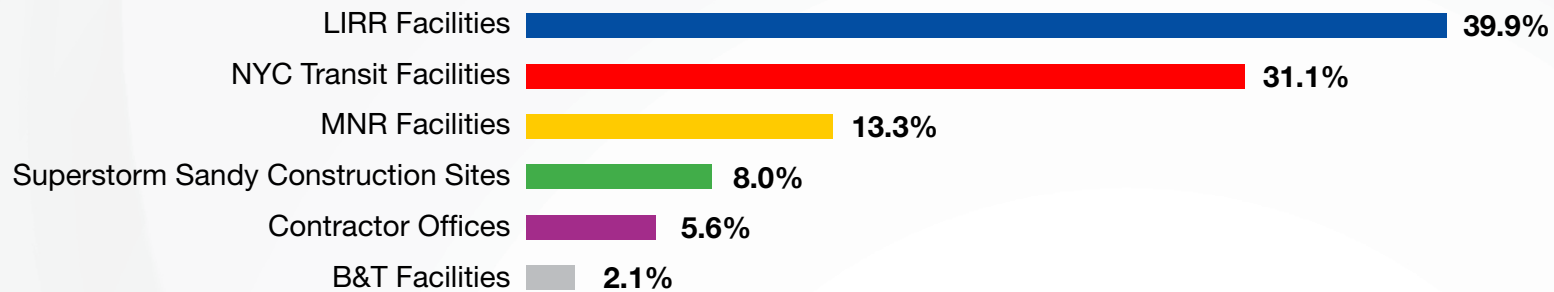
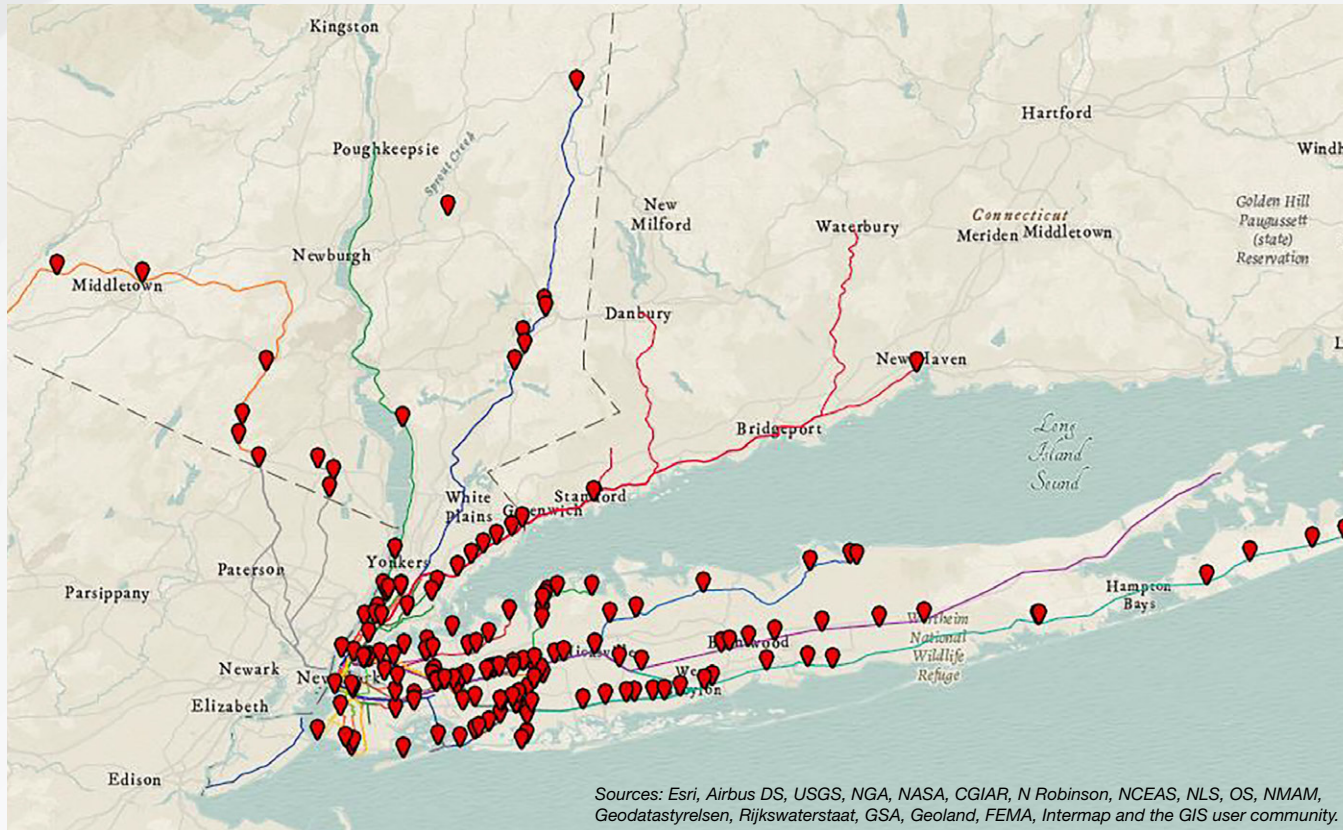


# Complaints Disposition and Resolution



# 2023 Site Inspections

OIG's Investigations unit conducted 286 site inspections.

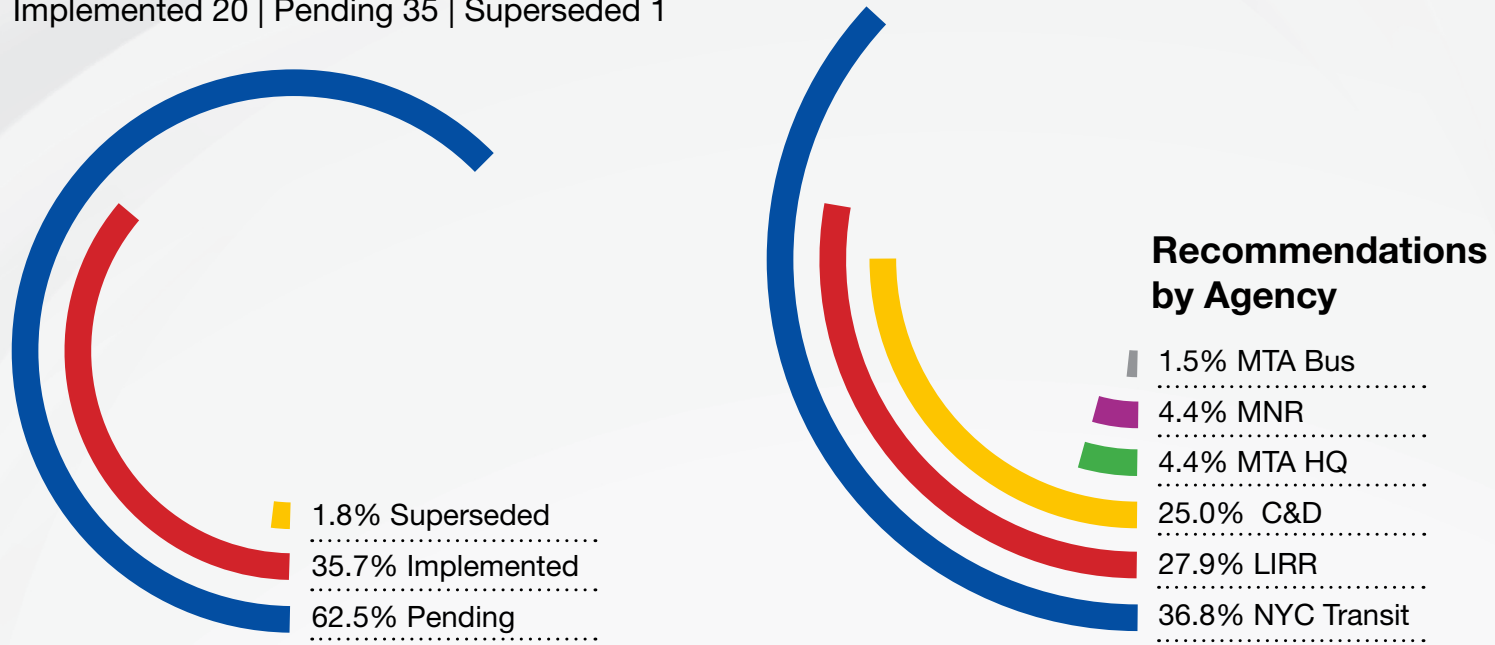






# OIG Issued 56 Recommendations in 2023

Implemented 20 | Pending 35 | Superseded 1





# Audit & Investigative Highlights



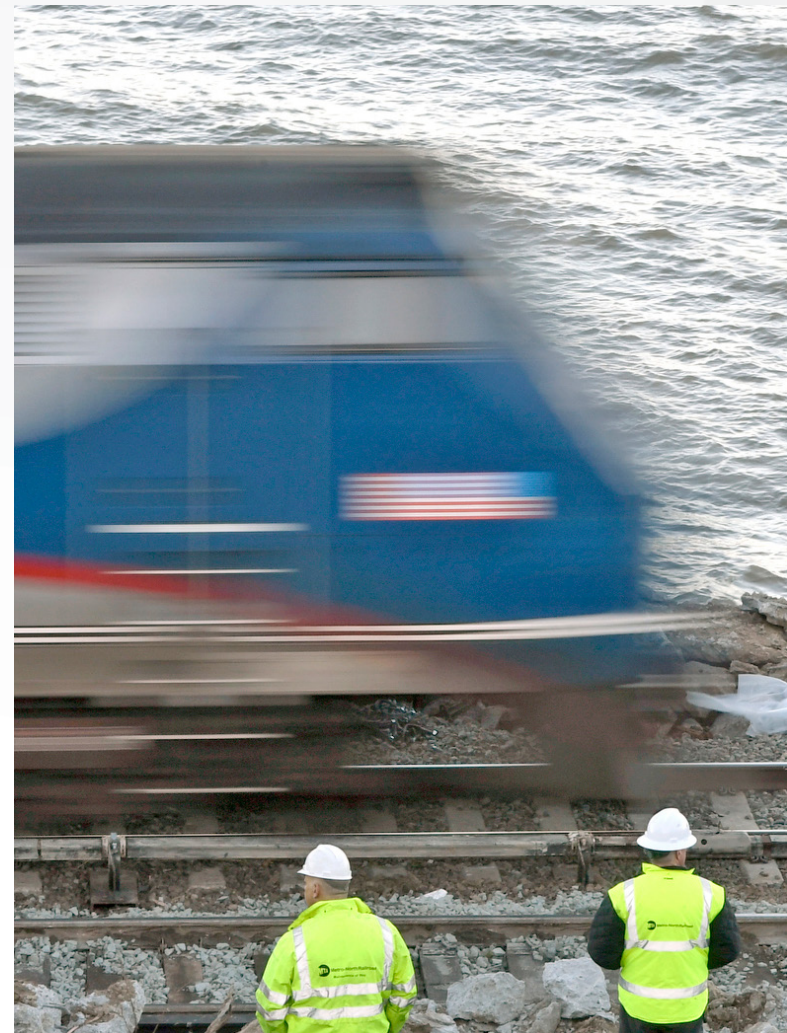
Chapters



In 2023, OIG published reports, monitored initiatives, and worked on criminal matters with law enforcement partners.

Brief summaries of many of OIG's activities have been organized into areas of:

- 1 Management Best Practices
- 2 Ethics Violations and Fraud
- 3 Time and Attendance Abuse
- 4 Employee and Customer Safety
- 5 Construction and Vendor Integrity Monitoring





# Management Best Practices



Chapter

1





## Agency Oversight of Vehicle Usage (#2023-15) and (#2023-14)

In 2023, OIG released two separate audits regarding how NYC Transit and LIRR monitor their “highway fleets,” e.g., cars and sport utility vehicles. OIG has long had an interest in how the MTA agencies monitor vehicle usage, especially how the agencies identify and respond to instances of idling that might have no operational purpose or benefit.\* In addition to wasting fuel and creating harmful emissions, in previous cases, OIG found that some employees in idling vehicles were neglecting their duties, thus raising concerns that excessive idling is linked to a lack of productivity and accountability. OIG has also been concerned with unsafe driving, as evidenced by harsh braking, harsh acceleration, and speeding. Such driving increases the

risk of injury to employees and others, as well as damage to MTA property. OIG believes that careful oversight of vehicle usage is a prudent form of risk management.

In April 2021, the MTA entered into an all-agency contract with a new provider of an Automatic Vehicle Location and Monitoring (AVLM) system. The rollout of this new system presented an opportunity for OIG to examine whether each agency was prepared to use its AVLM system to effectively monitor and manage vehicle idling, unsafe driving, and overall driver accountability. OIG’s audits of the programs at NYC Transit and LIRR are described below; the audit of MNR’s vehicle oversight activities will be completed in 2024.

*\* In 2012 and 2018, OIG released reports about excessive vehicle idling at MNR and LIRR. (NYC Transit did not have an idling-oversight program in place at the time.)*





## New York City Transit (#2023-15)

OIG identified several concerns about NYC Transit’s use of AVL:

**Idling and risky driving-related behaviors occurred at significant levels.** OIG’s analysis revealed that of 417 vehicles assigned to either the NYC Transit Department of Subways (Subways) or the Department of Buses (Buses), 269 idled excessively. During the two-week period analyzed, OIG found a total of over 5,000 hours of vehicle idling, with an average of over 18 hours of idling per vehicle. OIG’s analysis of two risky driving-related indicators, harsh braking and harsh acceleration, showed differences between vehicles assigned to Subways and Buses workers.

**NYC Transit was not monitoring driver behavior.** OIG found that while the NYC Transit Fleet Services group oversaw the assignment, maintenance, and repair of the highway fleet, they did not monitor drivers’ behavior, including excessive idling and risky driving-related events. Likewise, the various operating departments were also not monitoring drivers’ behavior. NYC Transit had not yet assigned, nor clearly defined, oversight responsibilities to the departments.

**NYC Transit employees had not been trained on how to use the AVL system to identify risky driving behavior and excessive idling.** OIG found that, although the AVL vendor offered training during the initial rollout as required by its contract, some employees did not attend the training.

**Two data-related issues diminished the AVL system’s reliability, resulting in a lack of awareness of vehicles that have lost their connection to the system and an inability to effectively monitor speeding, both of which deserved managerial attention.** OIG found that NYC Transit did not have an efficient, reliable way to identify and fix AVL disconnections. The second issue concerned the measurement of speeding events, which were tallied in one-minute intervals rather than by a more useful metric, e.g., by an event’s total duration.

**NYC Transit lacked a way to efficiently document drivers’ identity.** OIG found that unlike MNR and LIRR, NYC Transit does not require drivers to swipe or tap an identification card before driving an agency vehicle; the agency’s highway fleet is not equipped with card readers.



The report includes recommended actions to address the findings and ensure a successful implementation of the new AVL system, including the following:

- NYC Transit should identify and counsel employees who repeatedly showed above-average levels of idling and risky driving behaviors.
- NYC Transit should make better use of the AVL system’s reporting features.
- NYC Transit should devote attention to the data-related issues that diminish the AVL system’s reliability.



## Long Island Rail Road (#2023-14)

In 2018, in a **follow-up report** on LIRR’s vehicle oversight program, OIG found that while the agency had taken some steps since 2012 to improve its monitoring of vehicle usage, deficiencies persisted. In 2023, OIG initiated another follow-up review, finding that both idling and safety-related behaviors continued to occur at concerning levels.

OIG analyzed AVL M data for the month of March 2023. To focus on extended periods of idling, which were less likely to be caused by stops at traffic lights or other short, intermittent events, OIG reviewed instances lasting longer than five minutes. That analysis revealed that the vehicles in the departments with more than 10 highway vehicles idled for an average of 19% of the time their engines were running.

The Communications Department’s vehicles had the highest proportion of excessive idling, at 33% of their running engine hours. OIG’s analysis of two safety-related indicators, harsh braking and harsh acceleration, showed differences among operating departments, possibly caused by variations in traffic conditions drivers encountered.

- **LIRR did not fully implement two recommendations from 2018.** Following the 2018 report, LIRR agreed to implement OIG’s six recommendations. However, the agency’s revised policies still did not sufficiently define the duties required of executives, the Vehicle Fleet Office, and the operating departments’ Vehicle Coordinators. Second, LIRR had not developed goals and metrics to allow the agency to track its progress in reducing unnecessary idling.
- **LIRR personnel did not fully utilize the AVL M system’s capabilities to monitor and report on driving behaviors.** To help reduce unnecessary risks, the agency should have performed periodic analyses and design reports to identify risky behavior. Also, LIRR should have developed a mechanism for managers to give feedback to employees whose driving patterns were of concern.
- **Two data-related issues diminished the AVL M system’s reliability and deserved managerial attention (same as NYC Transit, see page 14).**



In 2023, when OIG discussed its findings with the agency, an LIRR official explained that a new policy was developed in February 2019, when LIRR was using the previous AVL M software. Before creating the new procedures to monitor idling, the agency underwent the long process of contracting with the new vendor. The Covid-19 pandemic then added a new source of disruption. All these factors resulted in the incomplete implementation of the agreed-upon recommendations.

In its efforts to monitor vehicle usage, LIRR centralized some oversight authority while delegating key duties. With clarification of expectations, delegation of responsibility, proper training, and guidance from central management, OIG recommended that the departments could better manage excessive vehicle idling, and curb risky driving behavior.

Both NYC Transit and LIRR accepted all of OIG’s recommendations and provided expected dates for their implementation.



## Security Lapses at Pitkin Yard: 3D Printer (#2023-09)

An investigation by OIG following the theft of a 3D printer from the Pitkin Yard Electrical Motor Rewind & Fabrication Shop (Pitkin Yard) caused the MTA to assess its security and policy protocols at the facility.

On April 22, 2022, OIG received a notification from NYC Transit’s Department of Security that a “Mark-Forged” printer, worth approximately \$103,000, was missing from Pitkin Yard. The 3D printer was delivered on March 24th and discovered missing on April 5th. A review of CCTV video recordings revealed that the printer was missing for approximately seven days before any supervisor at the Yard noticed. When OIG investigators toured the facility, they found that too many workers had access to the area where the 3D printer was temporarily stored.

Despite an investigation, OIG and law enforcement authorities have been unable to locate the 3D printer. Nor could they determine how it was removed or by whom. At the time of the theft, OIG investigators learned

that there was no procedure or policy in place regarding the safekeeping of expensive equipment.

Vulnerabilities revealed during the investigation at Pitkin Yard showed a lapse of security measures and raised questions about:

- The length of time that video footage was stored and available.
- The amount of time that had passed before MTA employees noticed that equipment was missing.
- The procedures followed by the NYC Transit Property Protection Agents when checking the identification of individuals entering the facility.

Since the incident, the MTA has taken steps to secure all deliveries to Pitkin Yard.





## Post-Sandy Track Work at the 207th Street Yard (#2023-10)

On October 29, 2012, Hurricane Sandy caused record coastal flooding and wind damage to MTA assets, especially those of NYC Transit. Damage to revenue service equipment such as buses, trains, and subway tunnels was significant; and assets in bus depots, train yards, parts of the signal systems, and fan plants also sustained severe damage. Fortunately, the rehabilitation of NYC Transit assets damaged by Hurricane Sandy was approved for reimbursement under a Federal Transit Administration Sandy grant.

Adjacent to the Harlem River, the 207th Street Yard experienced substantial flooding from Sandy's storm surge when the river crested. In planning to repair the damage, NYC Transit used a combination of private-sector design consultants and in-house staff to develop the scope of work needed before publicizing the project to potential contractors.

After winning the contract in late 2018, the contractor discovered significant discrepancies between the scope of the work described in the contract and the actual track conditions in the yard. NYC Transit

Track Maintenance personnel had already replaced thousands of feet of damaged track between 2015 and 2017 to ensure safe operations, but this was not reflected in the scope of work that went out to bid. The in-house designers had been unaware of the additional significant repairs. Therefore, adjustments in scope worth millions of dollars were required.

The original 2018 bid documents relied on a 2014 survey of the site conditions, which meant that the scope of work had not been updated to reflect any changes in site conditions or repairs that had occurred in the interim years. The in-house design that resulted in an outdated scope for the track work at 207th Street caused several negative outcomes:

- The designers in the Track Engineering Design & Specifications Department did not consult a more recent Track Engineering Quality Assurance survey when finalizing the scope of work for the 207th Street Yard. This oversight led to missed opportunities for updating the design documents and potential cost savings.
- The justification given to managers to approve two Additional Work Orders misrepresented the reasons a change was needed. Documents did not designate the issue as a design error and omission. Instead, the change was erroneously attributed to new conditions that could not have been foreseen.
- NYC Transit's inadequate procedures for capturing completed work tasks, labor, and material prevented it from readily calculating – and reimbursing – the operating budget for the cost of Department of Subways Track Maintenance employees' work.

The fact that emergency repairs were done by the operating department impacted the agency's ability to access federal Sandy rehabilitation funds to be reimbursed for the in-house repairs. Not updating the outdated contract scope caused the agency to unnecessarily purchase thousands of feet of new track and third rail from the contractor.

NYC Transit agreed to implement all of OIG's recommendations.





## MTA Needs More Information to Evaluate the Impact of its Small Business Support Programs (#2023-03)

The MTA's Small Business Development Program (Program) provides small construction businesses with training and mentoring to build their capacity to do business with MTA and to expand the MTA's pool of approved vendors. In this review, OIG found that the Program, which costs more than \$7.2 million annually, lacked the necessary information to properly measure and evaluate its impact. OIG identified weaknesses in the MTA's ability to report on participating firms' success in winning contracts – and their continuing operation as businesses – after completing the Program. Without this additional information, the agency cannot determine whether the Program is increasing competition and resulting in greater viability of the participating firms – or whether, in contrast, the Program needs to be modified to achieve these goals more successfully.

The Program was launched in 2010 to help increase the pool of qualified contractors who can compete for MTA projects in accordance with contractual requirements. As part of the Program, MTA staff members and

a private contractor utilize a wide range of outreach activities and direct services to assist participants. Firms are eligible to win MTA contracts both during and after their active involvement in the Program.

In 2022, management reported on the contracting activity of fewer than 20% of the companies that had graduated from the Program, providing an incomplete picture of the Program's impact. In addition, the agency did not compile information about the firms' ability to succeed as MTA vendors after completing the Program – including how many graduates had bid on MTA contracts and how often such bids were successful. The MTA had outdated or incorrect contact information for at least 50 of the graduated firms, hindering the MTA's ability to inform them of upcoming contracting opportunities. The MTA agreed with all three of OIG's recommendations, which called on the agency to obtain and track the bidding activity of, and contract awards to, firms participating in the Program.





## MTA Employee Exceeded Bonus Payments (#2023-12)

On January 28, 2023, OIG received an anonymous allegation that a NYC Transit Maintenance Supervisor received Change of Tour (COT) bonus payments which exceeded those allowed under the Subway-Surface Supervisors Association (SSSA) collective bargaining agreement (CBA). The complaint further alleged that the Maintenance Supervisor's managers improperly approved the overpayments. OIG found that the Maintenance Supervisor had, in fact, received COT bonus payments exceeding those authorized by the CBA. These payments were authorized by a Superintendent, who relied on the guidance of a NYC Transit Timekeeper. OIG has determined that the Superintendent's reliance on the Timekeeper's answer was reasonable. OIG recommended that NYC Transit ensure that supervisors fully understand the timekeeping and payroll provisions of their subordinates' CBAs and that NYC Transit provide clear direction about where supervisors should seek guidance when they have questions about the CBAs. OIG also recommended that NYC Transit recover the Maintenance Supervisor's bonus overpayment.

In September 2023, in response to OIG's investigation and report, NYC Transit accepted OIG's findings that the COT Bonus provision of the CBA had been misinterpreted and as a result, a Maintenance Supervisor was overpaid. When OIG first notified NYC Transit that the provision had been misunderstood, NYC Transit immediately instructed managers of the correct application of COT Bonus rules. Additionally, MTA management requested that Timekeeping and Payroll review the application of COT Bonus pay to all Maintenance Supervisors within Materiel Management & Distribution (MM&D) going back to January 2022. This review by Timekeeping and Payroll identified only a few instances of additional improper payments.

MM&D also informed OIG that it had reinstructed its management team regarding the proper application of COT Bonus Pay and CBA compliance and advised its managers of the various resources available to assist with contractual issues or concerns.



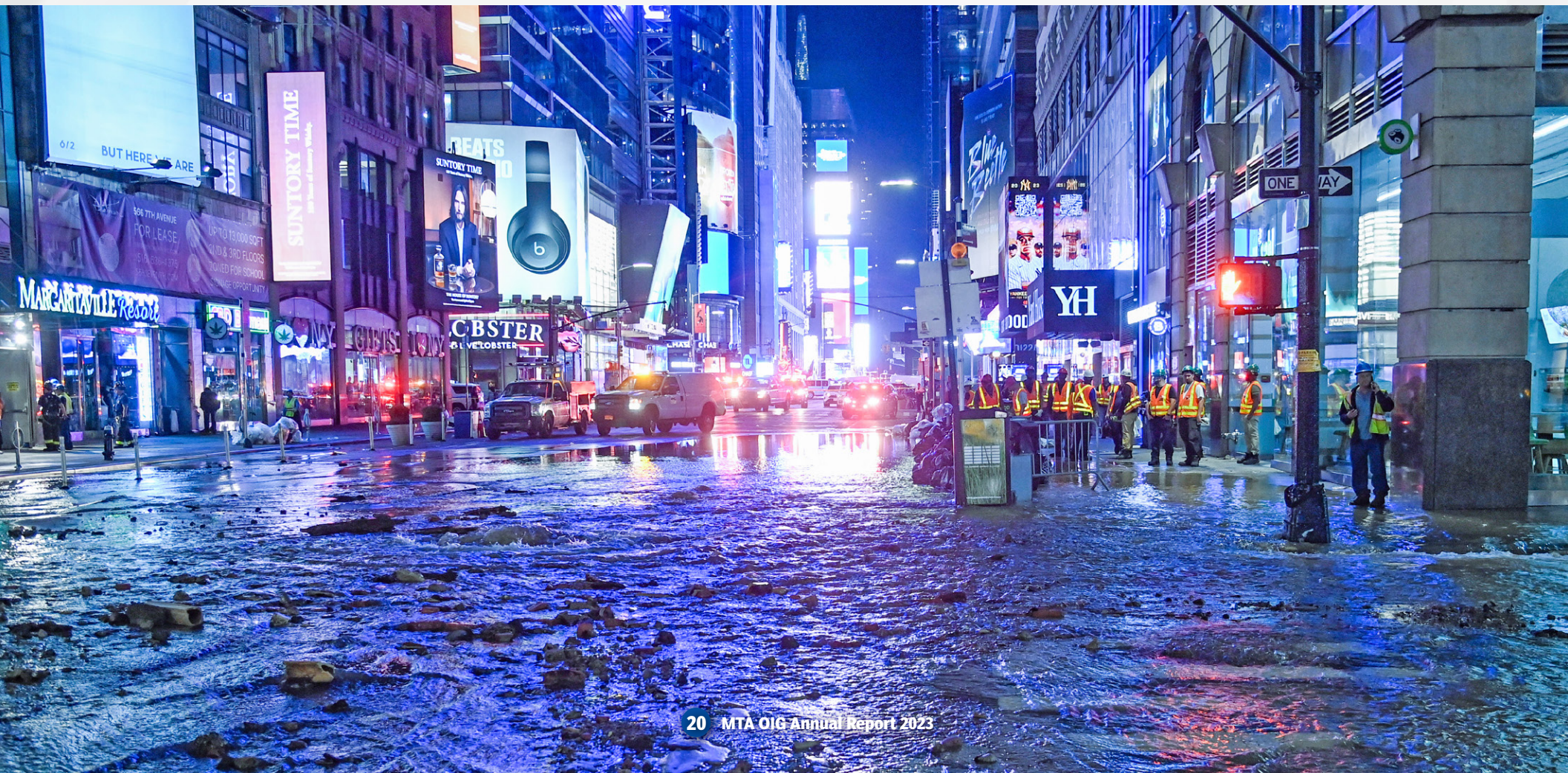


# Ethics Violations and Fraud



Chapter

2





# Employee Conflicts of Interest and Vendor, Contractor and Employee Compliance Issues (#2022-14), (#2023-01) and (#2023-07)

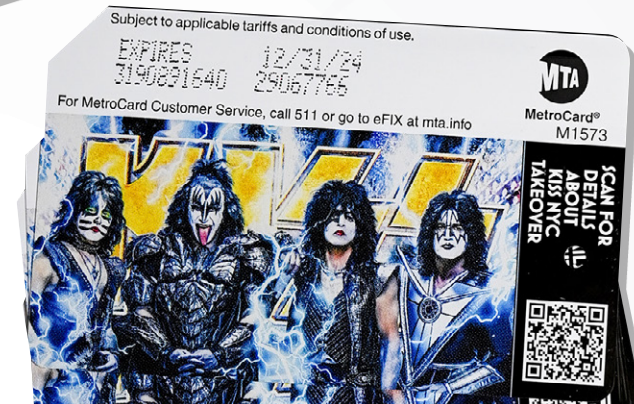
OIG substantiated an anonymous allegation that an MTA C&D Assistant Vice President/Deputy Executive for Capital Programs managed two MTA contracts on which his family members, a nephew and a brother, were employed by the prime contractors, creating a potential conflict of interest. OIG found that the Executive failed to seek ethical guidance or recuse himself from oversight of these contracts. Further, OIG found that in at least one instance, the Executive’s family member was not qualified for his safety-sensitive position on the MTA contract but was nevertheless approved for the role without objection from the MTA Project Management team. Finally, both the Executive and another brother (the nephew’s father), who is an MTA Bus Maintainer, failed to cooperate with OIG’s investigation.

OIG further found that one of the prime contractors failed to meet its contractual obligation to provide a full-time exclusive project manager. OIG determined that the prime contractor’s project manager was simultaneously working for a different company on another MTA construction project in a different borough. The second prime contractor, which employed the Executive’s brother, assigned an unqualified safety supervisor to an MTA contract with a false résumé. An MTA Senior Director and Project Chief Executive Officer learned about the deception but nevertheless allowed him to remain on the project as the Safety Supervisor for over a year.

This investigation generated three separate reports. In October 2023, MTA C&D and NYC Transit responded to OIG’s three reports, stating that it agreed with all of OIG’s findings and had implemented its recommendations. As a result of the investigation, the Executive was terminated and his final payments were withheld. NYC Transit brought disciplinary charges against the Bus Maintainer; and after a hearing, an arbitrator concluded that NYC Transit had cause to discipline the Bus Maintainer and found that a 20-day suspension was appropriate.

OIG also recommended that the MTA Project Management team, which included the Resident Engineer, Construction Manager, and the Project Chief Executive Officer, be reinstructed about their obligation to strictly enforce contract specifications, particularly as they pertain to the qualifications of a contractor’s project management team. MTA C&D and NYC Transit accepted and implemented this recommendation.

Lastly, OIG recommended that the MTA should conduct a Special Responsibility Hearing for the one contractor who was still doing business with the MTA. OIG further recommended that the MTA seek a credit from that contractor for the value of the project manager’s absence from the site. The MTA conducted a responsibility hearing, which resulted in a credit of \$174,000 to the MTA from the contractor. The second contractor did not have any current contracts, nor was it performing as a subcontractor on MTA contracts. Therefore, OIG recommended that the MTA should use OIG’s report when evaluating whether the contractor should be considered for future contracts.





## MTA Employees Violated Agency Rules and Policies at 44th Street Trailers (#2022-09)

Investigators confirmed that on multiple occasions a NYC Transit Maintenance Supervisor and a Structure Maintainer were observed giving money in exchange for unknown merchandise to various individuals who approached the MTA worksite. The two employees were working out of temporary trailers on a project to replace and repair subway grates along Eighth Avenue.

Furthermore, OIG investigators discovered alcohol in the Maintenance Supervisor’s worksite locker. Even more troubling, the Maintenance Supervisor was observed brandishing a knife and placing it against the neck of an unidentified individual during a transaction involving the unknown merchandise.

In response to these findings, NYC Transit initiated disciplinary proceedings against the Maintenance Supervisor and the Structure Maintainer. On December 2, 2022, the Maintenance Supervisor retired pursuant to a settlement stipulation with NYC Transit. Following an administrative hearing in January 2024 for the Structure Maintainer, the arbitrator imposed a 10-day suspension without pay.

OIG substantiated allegations that NYC Transit employees possessed alcohol at their worksite and were purchasing goods from unknown individuals while on duty.





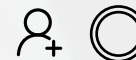
## MTA Employees Bid-Rigging the Sale of Vehicles

OIG worked with the Department of Justice Antitrust Division and the Federal Bureau of Investigation to successfully prosecute three MTA employees who were responsible for a scheme to use confidential MTA information concerning surplus MTA vehicles to benefit themselves. The three employees used this information to manipulate the price

of the vehicles so that they could make the winning bids at an MTA vehicle auction. The vehicles were subsequently resold at a profit. The employees, who had previously pleaded guilty in Federal Court to charges of conspiracy to commit wire fraud, were sentenced to three years' probation and are no longer employed by the MTA.







## MTA Senior Director Misuse of MTA Property and Ethics Violations (#2023-13)

OIG substantiated anonymous complaints of ethics violations and misuse of MTA property by an MTA Bus Company Senior Director. OIG found that the Senior Director misused his MTA-issued email account to conduct work for his private engineering and real estate businesses and other non-MTA matters – sending and receiving over 200 emails between 2020 and 2022, more than 70 of which occurred during his MTA work hours. Additionally, the Senior Director misused MTA photocopying/scanning machines by scanning documents related to his engineering and real estate businesses and other non-governmental purposes.

Although the Senior Director received approval to engage in dual employment/outside activity regarding his engineering business, he did not obtain authorization for dual employment regarding his two rental property businesses. Additionally, when questioned by OIG investigators, the Senior Director failed to fully and honestly answer whether he conducted private business during MTA work hours.

OIG also found that the Senior Director failed to report the income

that he received from the two rental properties associated with his real estate businesses on his 2019, 2020 and 2021 annual Statements of Financial Disclosure filed with the New York State Joint Commission on Public Ethics (which has been superseded by the Commission on Ethics and Lobbying in Government (COELIG)). OIG forwarded this matter to COELIG for potential disciplinary action. Furthermore, the Senior Director's admissions to OIG indicated that he may have violated New York City Department of Buildings (NYC DOB) policies. Therefore, OIG also forwarded this matter to NYC DOB and the New York City Department of Investigation for any action those agencies may deem appropriate.

On October 25, 2023, in response to OIG's investigation and report, the Senior Director was issued a formal reprimand by MTA Bus Company with respect to the policy violations referenced in this report. The Senior Director amended his 2021 and 2022 financial disclosure filings to include his rental property and he also requested outside activity approval related to his rental property.





# Time and Attendance Abuse



Chapter

3





# MTA Employee Stole Time and Abused Outside Activity (#2021-25)

OIG found that an MNR shop Foreman stole time when he took extended breaks on at least seven dates, totaling more than 18 hours. Sometimes scheduled passenger service was delayed when the Foreman could not be located to release a track needed for trains to leave the yard.

Additionally, OIG found that the Foreman failed to obtain prior approval for two outside activities: conducting an electrical business and serving as an officer in a non-profit organization with regular meetings that conflicted with his work schedule.

Finally, the Foreman failed to cooperate with OIG’s investigation, offering implausible explanations for his absence from the yard and his failure to seek approval for his outside activity.

OIG recommended that the Foreman be disciplined and that MNR seek to recoup payments it made for time when the Foreman was not working. The Foreman was terminated in February 2022, after a disciplinary hearing. In January 2023, MNR denied the foreman’s appeal. The American Railway Supervisors Association has further appealed MNR’s decision to the National Mediation Board.







## Time and Attendance Abuse at Yukon Bus Depot (#2023-02) and (#2023-06)

An OIG investigation generated two reports related to the conduct of three Bus Maintainers and four Line Supervisors at the Yukon Bus Depot on Staten Island. Bus Maintainers at the Yukon Bus Depot play a pivotal role in maintaining the cleanliness of vehicles, which was of particular importance during the Covid-19 pandemic. The investigation revealed these employees, who were among the highest overtime earners of all the Bus Maintainers at Yukon Depot, were repeatedly absent from their work site during overtime shifts. OIG found that one Bus Maintainer swiped a coworker's employee ID at the time clock to

conceal their early departures. The investigations also revealed that two of the three workers were found at their homes during their assigned working hours.

Furthermore, OIG found that because several supervisors were unaware that their subordinates were frequently missing, they had failed to adequately supervise the workers. As a result of the investigations and subsequent arbitration, all three Bus Maintainers and their supervisors were disciplined.



## MTA General Superintendent Abused Time and Attendance (#2023-04)

OIG found that a General Superintendent for NYC Transit was traveling to Florida when he was reportedly working. During the investigation, OIG reviewed the General Superintendent’s time records from January 2021 to June 2022, and obtained airline records of flights he took during the same period. By comparing the two records, OIG found multiple instances in which the General Superintendent could not have worked his entire scheduled shift based on his flight departure and arrival times.

The General Superintendent had oversight of inspection, maintenance, and repairs of elevators and escalators for stations from 14th Street in

Manhattan to the Bronx. Timekeeping records reflected that he often claimed to be doing “Fieldwork” when airline records show that he was on board an airplane to Florida. Additionally, OIG found that the General Superintendent occasionally would not swipe his ID at the time clock at the end of his shift and would falsely report his departure time for that day directly to his supervisor. As a result, he was paid for time that could not be accounted for, based on the comparison of time clock records, airline records, and related documents.

The General Superintendent was terminated from NYC Transit following an appeal through the managerial disciplinary process.





## MTA Employee Engaged in Dual Employment with a Major Airline (#2023-08)

OIG found that an LIRR Machinist worked at a major airline in addition to his duties at LIRR. At times, the Machinist's second job overlapped with his LIRR shifts. OIG identified 103 dates between 2019 and 2022 when time records showed that the Machinist was working simultaneously at the LIRR and at the airline.

OIG confirmed that the Machinist had neither notified nor received

authorization from LIRR for his second job with the airline. Furthermore, in addition to the 103 dates when the Machinist worked overlapping shifts at the airline and LIRR, OIG also identified nine dates when the Machinist used leave at LIRR but worked at the airline in violation of agency rules.

The LIRR Machinist resigned pending discipline.





## NYC Transit Trackworker/Chauffeur (#2023-11)

A NYC Transit Trackworker/Chauffeur worked for two different freight companies as a truck driver while employed by NYC Transit. OIG substantiated an allegation that the Trackworker/Chauffeur engaged in unauthorized dual employment, failed to obtain authorization for either job, and violated NYC Transit's hours of rest restrictions for his safety-sensitive position 156 times. On seven occasions, his hours

with NYC Transit and one of the freight companies overlapped, and on 30 dates, he took sick leave from NYC Transit but reported to work at the freight company. NYC Transit implemented disciplinary charges and dismissed the Trackworker/Chauffeur after he failed to appear for disciplinary hearings.



## MTA Employee Committed Extensive Overtime Fraud

On January 27, 2023, NYC Transit Employee Michael Gundersen was sentenced to six months imprisonment and six months home confinement and ordered to pay \$232,094.79 in restitution as a result of his guilty plea on July 26, 2022, in the U.S. District Court, Southern

District of New York, on charges related to overtime fraud. OIG, in collaboration with the Federal Bureau of Investigation, investigated time and attendance abuse, which resulted in Gundersen and four other LIRR employees being successfully prosecuted on charges of overtime fraud.



## Timesheet Misuse by Trackworker

OIG investigated a complaint that a NYC Transit trackworker failed to properly record his time and was unaccountable during his work hours. A review of time records revealed inconsistencies in the trackworker swiping into and out of his work locations. During a site visit by OIG to the trackworker's work location during his

scheduled shift, the trackworker could not be found and was missing from the jobsite for a period of several hours. As a result of the OIG's unscheduled visit, the trackworker was directed to report to the MTA's Office of Labor Relations. He subsequently accepted a 20-day suspension.





# Employee and Customer Safety



♀ ⦿ Chapter 4



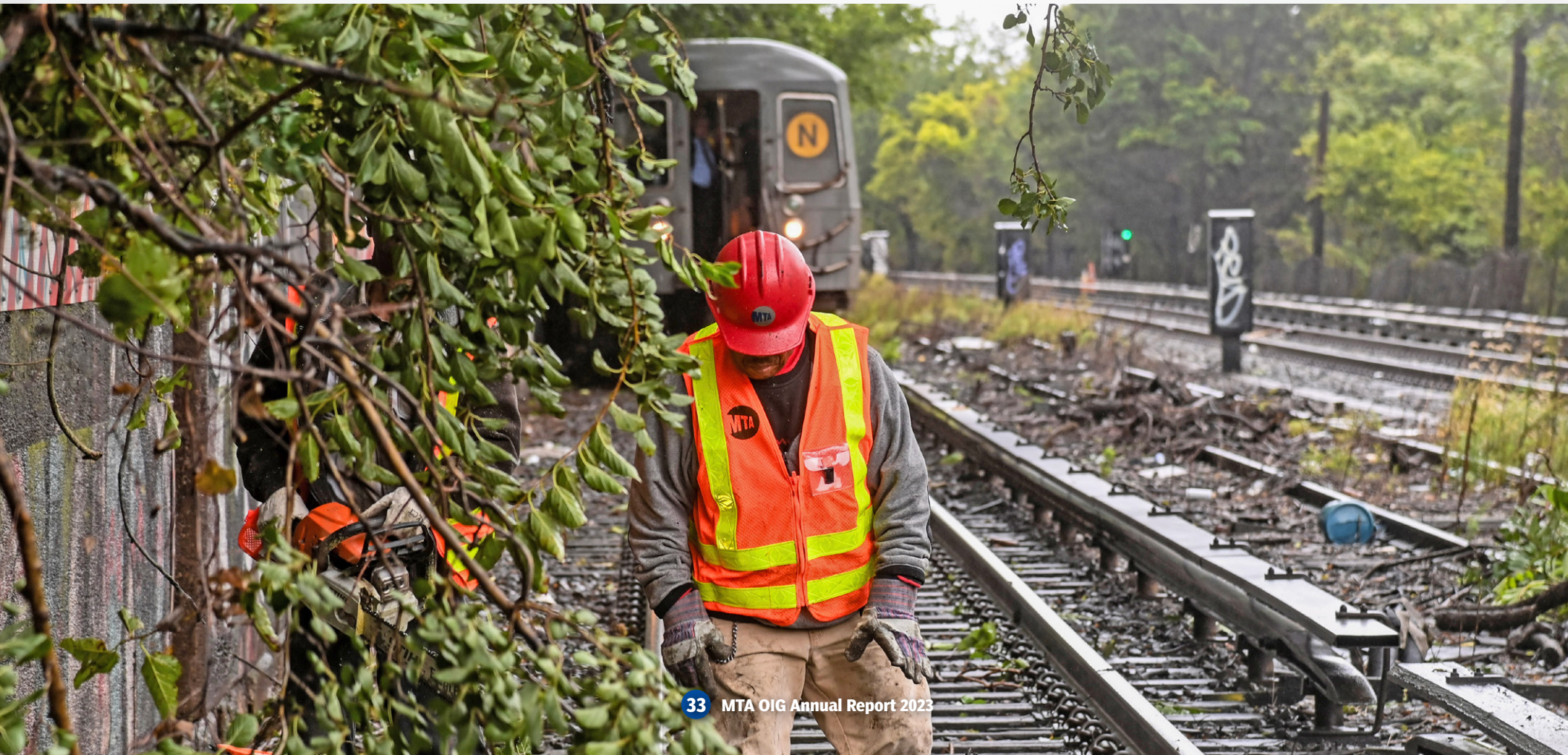


## Failed Hydrostatic Test at Rail Control Center (#2022-15)

An OIG investigation revealed troubling and potentially dangerous findings at NYC Transit’s Rail Control Center, the operational nerve center for the city’s subway system. The investigation found that an MTA contractor had submitted erroneous data on a hydrostatic test of the Rail Control Center’s fire suppression system, which is a critical “life-safety system” designed to reduce the risk of grave injury or death in the event of a fire. Further investigation revealed that representatives at MTA C&D did not effectively monitor the contractor’s work for compliance with contractual standards related to the performance of the fire suppression

system. C&D also neglected to ensure that the report submitted to NYC Transit’s Office of System Safety was complete and accurate. Finally, although C&D staff and the contractor erroneously believed the system was working, OIG discovered that safety procedures requiring alternative methods of fire detection when the fire suppression system was out of service were not followed.

As a result of this review, OIG made five recommendations, all of which were accepted by C&D.





## Excessive Hours and Fatigue Risk in the Long Island Rail Road Track Division (#2023-05)

OIG found that many LIRR Engineering Department employees, especially in the Track Division, worked a high number of hours, often consecutively, a practice which can lead to fatigue and increase the risk of accidents. Notably, these lengthy hours, referred to as “excessive hours” in this report, are not covered by Federal Railroad Administration (FRA) regulations limiting the hours of service allowed for other railway personnel.

OIG analyzed work hours during the 18-month period ending in June 2022. OIG studied which groups of LIRR employees regularly worked long hours, the factors that drove up the number of excessive hours worked, and the steps LIRR could take to reduce these hours. The study found that 267 Track Division employees worked 24 hours straight or longer on 4,375 occasions, with one worker on duty continuously for 24 hours or more 64 times during the 18-month period. Another employee was on duty for 84 consecutive hours on one occasion. The 20 employees who most often reported working long hours spent 39% of their hours working 24 hours or more, with 1,055 instances of such shifts. Employees of the railroad’s Engineering Department (including the Track Division) worked 7% of all their reported hours at risk of severe fatigue (i.e. exhaustion and inability to focus

properly on the work). The 20 employees with the most frequent long shifts, who were all Track Division employees, worked 37% of their assigned hours with a severe fatigue risk.

Reducing excessive hours for the LIRR is challenging because of operational and contractual issues. Employees work long hours for various reasons, including assignments to many high-priority capital projects requiring labor and contractual work rules. Another obstacle to limiting work hours is the capital program’s requirement that labor be available during evening and weekend hours, shifts that are worked only on overtime and which are not part of the regular schedule. Scheduling workers to cover all job assignments is also complicated by the numerous vacancies throughout the agency.

Nationwide, the FRA recognized the urgency of addressing employee fatigue, and in July 2022 it established new requirements for certain U.S. railroads. In 2023, the LIRR developed and submitted a fatigue risk management program, which is now subject to FRA review and approval. Based on this audit, OIG offered four recommendations, all of which LIRR accepted.





## Former LIRR Employee Pleaded Guilty to Falsifying Inspection Report

In partnership with the U.S. Attorney for the Eastern District of New York (EDNY) and the U.S. Department of Transportation Inspector General's Office (DOT IG), OIG investigated former LIRR employee, Stuart Conklin, for making a false entry in an inspection report that was required under federal law for railroad safety and operations.

Conklin was an LIRR signalman, whose responsibilities included performing regular inspections of rail bonds, which are electronic jumpers around joints in the rails of a track to ensure continuity of conductivity for signal currents. A joint OIG and DOT IG investigation revealed that on April 26, 2019, Conklin falsely indicated that he had inspected a particular rail bond in Speonk, New York, and that the bond

had passed inspection. However, video footage from an LIRR camera showed that Conklin did not inspect the bond during his shift that day.

On May 23, 2019, a westbound LIRR train collided with the rear of an eastbound train, causing a derailment. A subsequent LIRR investigation determined that the rail bond that Conklin had falsely reported that he had inspected was in fact broken and was the cause of the derailment. In March 2021, EDNY charged Conklin with making a false entry in a record required to be made and kept by the LIRR under federal regulations (Title 49, USC Sec. 21311). He was indicted for the same charge in April 2022 and subsequently pleaded guilty on December 1, 2023. His sentencing is scheduled for May 2024.





# Construction and Vendor Integrity Monitoring



Chapter 5





## Task Force on Superstorm Sandy Recovery & Resiliency, Monitoring Construction and Vendor Integrity

In response to a Federal Transit Administration requirement to provide monitors for the projects funded by the \$4.8 billion Superstorm Sandy Recovery Grants, the MTA established a monitoring oversight committee, which includes OIG. By having OIG and MTA's internal audit division perform this monitoring work, instead of third-party monitors, internal MTA estimates show that the MTA could avoid costs of up to \$48 million, which could be used for other construction projects. There were 16 Sandy projects monitored by the committee in 2023: 13 NYC Transit projects and 3 LIRR projects. OIG performed the following Sandy monitoring activities:

- Assisted in the rollout of a new fraud awareness video training program to Construction & Development personnel by conducting three online training sessions.
- Conducted 36 background checks of vendors and contractors working on Sandy grant funded projects to assess the integrity of parties contracting with the MTA.
- Attended 178 construction progress meetings and three project kick-off meetings.
- Conducted 23 site visits (either using OIG staff and/or consultants) to observe compliance with contract requirements.
- Conducted 16 disadvantaged business enterprise (DBE) office visits to assess the current validity of their DBE certifications.
- Reviewed 41 change orders that increased project costs by \$11,453,135, to verify that they were clearly and thoroughly documented per MTA policies and procedures. OIG will continue to monitor construction projects funded by Superstorm Sandy Recovery Grants until all the work is completed.





## OIG Consults on Vendor Performance and Integrity and also Monitors Certain Capital Projects

OIG assists MTA Vendor Relations staff in a wide range of activities, from reviewing independent private sector inspector general reports (IPSIG) and sharing intelligence regarding “Significant Adverse Information,” to attending and participating in responsibility hearings before, during, and after contract award. OIG consults with Vendor Relations on vendors who have Significant Adverse Information to determine if the imposition of an independent monitor is warranted. These consultations may include, where appropriate, the sharing of

information obtained from OIG’s investigative partners on certain vendors. OIG coordinates with its investigative and regulatory partners when it becomes aware of relevant adverse information about vendors.

OIG also monitors certain capital projects, focusing on megaprojects, including the procurement process of the next phase of the Second Avenue subway, which is a \$7.7 billion project.





## MTA Contractor Misconduct: Vendor and Employee Accountability

OIG continues to coordinate with MTA Vendor Relations, the Port Authority Inspector General and the NYC Department of Investigation regarding the IPSIG reporting on Navillus Contracting. The IPSIG was appointed because the principal and two senior employees of Navillus Contracting were convicted of Mail and Wire Fraud in the Eastern District

of New York for their participation in a scheme to avoid provisions of Collective Bargaining Agreements with various unions. The parties made it appear that certain workers were performing work for a consulting company that was set up to avoid paying union benefits, when those workers were really working for Navillus.





# Stay Connected



# Exit



OIG is proud of these achievements and continues to encourage all members of the public, including MTA employees, outside contractors, vendors, and management, to report their concerns about the MTA and its agencies to OIG's Intake and Intelligence Unit.

## TO SUBMIT A COMPLAINT:

**Online:** <https://MTAIG.ny.gov>

**Phone:** 1-800-MTA-IG4U (1-800-682-4448)

**Email:** [Complaints@mtaig.org](mailto:Complaints@mtaig.org)

**Postal Mail or Walk-Ins:**

1 Penn Plaza, 11th Floor New York, NY 10119

