

THE COUNCIL OF THE CITY OF NEW YORK

Speaker of the Council
Christine C. Quinn



Jumaane D. Williams, Chair, Oversight & Investigations

Hearing on the Mayor's Fiscal 2013 Preliminary Budget & the Fiscal 2012 Preliminary Mayor's Management Report

Department of Investigations

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DOI Overview

The Department of Investigation (DOI) promotes and maintains integrity and efficiency in government operations. Through its Inspector General (IG) and other investigative staff, the Department investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, or employee of the City, as well as those who do business with, or receive benefits from, the City. The Department provides the Mayor with recommendations for corrective actions to assist City agencies in the design and interpretation of strategies to limit opportunities for criminal misconduct and waste.

Fiscal 2013 Preliminary Plan Highlights

This report provides a review of DOI's Preliminary Budget for Fiscal 2013 and the initiatives included in the November and February Financial Plans present a list of budget actions since June 2011, a summary of DOI's contract budget, and key statistic from the Preliminary Mayor's Management Report for Fiscal 2012. DOI has no capital budget.

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	2011	2012	2012	2013	*Difference
<i>Dollars in Thousands</i>	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Personal Services	\$15,313	\$14,724	\$14,580	\$14,785	\$62
Other Than Personal Services	6,424	5,556	6,819	5,344	(212)
Agency Total	\$21,737	\$20,280	\$21,399	\$20,129	(\$150)

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan funding.*

- **Commission to Combat Police Corruption (CCPC) Funding Increase.** DOI will receive baseline funding for four additional attorneys totaling \$139,000 in Fiscal 2012 and \$340,000 in Fiscal 2013 and the outyears.

Financial Summary

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Budget by Program Area					
Agency Operations	\$16,023	\$16,121	\$15,646	\$15,978	(\$142)
Inspector General	5,714	4,159	5,752	4,151	(8)
TOTAL	\$21,737	\$20,280	\$21,399	\$20,129	(\$150)
Funding					
City Funds	N/A	\$15,699	\$15,131	\$15,578	(\$120)
Intra City	N/A	3,946	5,548	3,946	0
Other Categorical	N/A	634	720	604	(30)
TOTAL	\$21,737	\$20,279	\$21,399	\$20,129	(\$150)
Positions					
Agency Operations	138	158	156	162	4
Inspector General	58	62	71	62	0
TOTAL	196	220	227	224	4

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan funding.*

The Fiscal 2013 Preliminary Budget for the Department of Investigation (DOI) is \$150,000 less than its Fiscal 2012 Adopted Budget. The Department's City-funded budget is reduced over that period by \$120,000 while its non-City funds are reduced by \$20,000. DOI took a PEG reductions in the November and February Plans totaling \$819,000 for Fiscal 2012 only. It received funding for the Commission to Combat Police Corruption (CCPC) to hire four attorneys totaling \$130,000 in Fiscal 2012 and \$340,000 in Fiscal 2013. Agency Operations will gain four city-funded positions as part of the CCPC's funding increase.

Financial Plan Changes

- Commission to Combat Police Corruption (CCPC) Funding Increase.** The CCPC was created in 1995 as a permanent board to monitor and evaluate the anti-corruption programs, activities, commitment, and efforts of the New York City Police Department. The Commission was placed as a separate entity comprising two budget codes within DOI but is administratively separate from DOI. The Commission will receive baseline funding for four additional attorneys totaling \$139,000 in Fiscal 2012 and \$340,000 in Fiscal 2013 and the outyears. The attorneys will be hired at an average salary of \$85,000 per year and will be tasked with investigating a series of corruption allegations that have arisen at the NYPD within the past year.

- **PS PEG Reductions.** DOI will take reductions to its Fiscal 2012 personal service (PS) Budget totaling \$819,000 by surrendering PS accruals. These are one-year savings.

Revenue

The following revenue changes for DOI were introduced in the November 2011 Plan:

- **Full Background and Four-Step Investigation Fee.** The Department will receive PEG credit for additional revenue generated by an increase in the fees charged for full background and four-step investigations. The full background investigation fee will rise from \$120 to \$250 and the four-step from \$40 to \$150.
- **Fingerprint Fee Increase.** DOI will increase the fees it charges for fingerprinting from \$110 to \$130.
- **Marshal Fees.** DOI will realize additional assessment revenues based on the appointment of six additional Marshals.

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
DOI Budget as of June 2011 Plan	\$15,700	\$4,580	\$20,280	\$15,239	\$4,580	\$19,819
Program to Eliminate the Gap (PEGs)						
Hiring Freeze Savings	(543)	0	(543)	0	0	
PS Savings	(276)	0	(276)	0	0	
TOTAL, PEGs	(\$819)	\$0	(\$819)	\$0	\$0	\$0
New Needs						
CCPC Funding Increase	139,344	0	139,344	340	0	340
TOTAL, New Needs	\$139	\$0	\$139	\$340	\$0	\$340
Other Adjustments						
Attrition Fringe Offset	111	0	111	0	0	0
Intra City Sales	0	1,602	1,602	0	0	0
Other Categorical	0	87	87	0	(29)	(29)
TOTAL, Other Adjustments	\$111	\$1,688	\$1,800	\$0	(\$29)	(\$29)
TOTAL, All Changes	(\$569)	\$1,688	\$1,120	\$340	(\$29)	\$311
DOI Budget as of February 2012 Plan	\$15,131	\$6,268	\$21,400	\$15,579	\$4,551	\$20,130

Appendix B: DOI Contract Budget

Contract Category	Number	Budgeted	Pct. of DOI Total
Contract Services General	1	234	56.0%
Telecommunications Maintenance	3	12	3.0%
Maintenance & Repair General	2	4	0.8%
Office Equipment Maintenance	3	5	1.2%
Data Processing Equipment	3	7	1.7%
Printing Contracts	4	11	2.7%
Security Services	1	2	0.4%
Temporary Services	5	11	2.6%
Training Pgm City Employees	1	1	0.2%
Prof Serv Computer Services	2	6	1.4%
Professional Services Other	5	125	29.9%
Preliminary Budget	30	417	100.0%

Appendix C: Fiscal 2012 PMMR Performance Measures

	Actual		Updated Target			FY 11 4-Month Actual	FY 12 4-Month Actual
	FY 09	FY 10	FY 11	FY 12	FY 13		
<i>Performance Statistics</i>							
Complaints	14,594	13,825	13,626	*	*	4,378	4,151
Caseload	2,396	2,285	1,955	*	*	1,157	1,084
Cases closed	1,438	1,427	1,202	*	*	343	393
Referrals for criminal prosecution	483	753	1,010	*	*	429	206
Arrests resulting from DOI investigations	728	822	791	*	*	344	170
Financial recoveries to the City ordered/agreed (\$)	\$16,184,024	\$18,086,520	\$20,985,513	*	*	\$2,097,761	\$1,624,568
Financial recoveries to the City collected (\$)	\$6,633,626	\$8,537,930	\$9,973,645	*	*	\$1,506,398	\$1,120,622
Average Time to Complete a Case (days)	277	296	274	*	*	301	240
- Major investigations	934	904	466	*	*	344	313
- Significant investigations	497	682	628	*	*	1,165	293
- Routine investigations	267	269	259	*	*	266	237
Average time to complete a background investigation (days)	310	451	370	*	*	459	364
Background investigations closed within six months (%)	60%	53%	60%	60%	60%	58%	51%
Average time to complete a VENDEX check (calendar days)	NA	34	15	*	*	14	14
VENDEX checks completed within 30 days (%)	NA	60%	98%	95%	95%	99%	98%