



THE COUNCIL OF THE CITY OF NEW YORK

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HEARING ON THE FISCAL YEAR 2014 EXECUTIVE BUDGET FOR THE

## **CONFLICTS OF INTEREST BOARD**

June 4<sup>th</sup>, 2013

### **EXECUTIVE BUDGET HIGHLIGHTS**

- The budget of the Conflicts of Interest Board is \$2.033 million, \$54,000 lower than its Fiscal 2013 Adopted budget of \$2.087 million.
- The Fiscal 2014 Executive Budget reduces COIB's budget by \$38,000 below its Fiscal 2014 Preliminary Budget. This is due to a \$38,000 reduction to its energy budget.

## **FINANCE DIVISION**

Preston Niblack, Director  
Jeffrey Rodus, First Deputy Director

Regina Poreda Ryan, Deputy Director  
Lionel G. Francois, Jr., Legislative Financial Analyst

## CONFLICT OF INTEREST BOARD OVERVIEW

This report provides an overview of the Conflict of Interest Board's (COIB) Fiscal 2014 Budget, a review of the significant initiatives included COIB's Budget for Fiscal 2014. Appendices 1 and 2 report the changes made to the Fiscal 2013 and Fiscal 2014 Budget since adoption of the Fiscal 2013 Budget. For additional information on COIB's Budget and its various programs, please refer to the 2013 Preliminary Budget hearing report available at:

<http://council.nyc.gov/downloads/pdf/budget/2013/312%20Conflicts%20of%20Interest%20Board.pdf>

### FINANCIAL SUMMARY

<i>Dollars in Thousands</i>	2012	2013		2014	Difference 2013–2014*
	Actual	Adopted	Exec. Plan	Exec. Plan	
<b>Spending</b>					
Personal Services	\$1,801	\$1,911	\$1,896	\$1,911	\$0
Other Than Personal Services	159	176	157	122	(54)
<b>TOTAL</b>	<b>\$1,960</b>	<b>\$2,087</b>	<b>\$2,053</b>	<b>\$2,033</b>	<b>(\$54)</b>
<b>Funding</b>					
City Funds	N/A	\$2,087	\$2,053	\$2,033	(\$54)
<b>TOTAL</b>	<b>\$1,960</b>	<b>\$2,087</b>	<b>\$2,053</b>	<b>\$2,033</b>	<b>(\$54)</b>
<b>Positions</b>					
Full-time Positions	20	22	22	22	0
<b>TOTAL</b>	<b>20</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>0</b>

\* Difference between FY 2013 Adopted Budget and FY 2014 Executive Budget.

The Fiscal 2014 Executive Budget for the Conflicts of Interest Board is \$2.033 million, \$54,000 lower than its Fiscal 2013 Adopted budget of \$2.087 million. This is due to an OTPS reduction totaling \$15,000 that was part of a planned reduction from the 2012 November Plan. In addition, a reduction of \$38,000 will be taken by COIB to its energy budget as part of the 2014 Executive Budget.

## MAJOR COIB ISSUES

- **Budget Protection.** COIB continues to advocate for the enactment of a Charter amendment providing it with an independent budget. Such protection has been one of the Board's highest legislative priorities for many years. COIB has the power to sanction violations of the law by the very public officials who set its budget and could serve to undermine the Board's independence in the eyes of the public and of public servants. This could be rectified through a Charter amendment removing the Board's budget from the discretion of the public officials who are subject to the Board's jurisdiction.
- **Online Training.** Beginning in 2010, COIB initiated an effort to optimize its agency resources to meet the expanded training mandate requiring COIB to provide ethics training for 300,000 city employees on an annual basis rather than, as previously required, every two years. In order to do this, COIB began development of an online training system designed to give them a computer-based training capability to supplement its instructor-led approach. This online system was designed to utilize video clips and online quizzes to give users a broad overview of Chapter 68 of the City Charter which encapsulates the city's "Conflicts of Interest Law". COIB anticipates the availability of a pilot system by December 31, 2013.

**APPENDIX 1: BUDGET ACTIONS IN THE EXECUTIVE PLAN**

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
<b>COIB as of Fiscal 2014 Preliminary Budget</b>	<b>\$2,057</b>	<b>\$0</b>	<b>\$2,087</b>	<b>\$2,072</b>	<b>\$0</b>	<b>\$2,087</b>
<b>Other Adjustments</b>						
Heat, Light and Power	(\$4)	\$0	(\$4)	(\$38)	\$0	(\$38)
<b>Total Other Adjustments</b>	<b>(\$4)</b>	<b>\$0</b>	<b>(\$4)</b>	<b>(\$38)</b>	<b>\$0</b>	<b>(\$38)</b>
<b>Total Changes</b>	<b>(\$4)</b>	<b>\$0</b>	<b>(\$4)</b>	<b>(\$38)</b>	<b>\$0</b>	<b>(\$38)</b>
<b>COIB as of Fiscal 2014 Executive Budget</b>	<b>\$2,053</b>	<b>\$0</b>	<b>\$2,053</b>	<b>\$2,033</b>	<b>\$0</b>	<b>\$2,033</b>

**APPENDIX 2: BUDGET ACTIONS IN THE NOVEMBER, FEBRUARY AND EXECUTIVE PLANS**

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
<b>COIB Budget as of July 2012 Plan</b>	<b>\$2,087</b>	<b>\$0</b>	<b>\$2,087</b>	<b>\$2,087</b>	<b>\$0</b>	<b>\$2,087</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
PS Accruals PEG	(\$16)	\$0	(\$16)	\$0	\$0	\$0
OTPS Savings	(15)	0	(15)	(15)	0	(15)
<b>Total PEGs</b>	<b>(\$31)</b>	<b>\$0</b>	<b>(\$31)</b>	<b>(\$15)</b>	<b>\$0</b>	<b>(\$15)</b>
<b>Other Adjustments</b>						
Heat, Light and Power	(\$4)	\$0	(\$4)	(\$38)	\$0	(\$38)
PS Accruals PEG Offset	1	0	1	0	0	0
<b>TOTAL, Other Adjustments</b>	<b>(\$3)</b>	<b>\$0</b>	<b>(\$3)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes</b>	<b>(\$34)</b>	<b>\$0</b>	<b>(\$34)</b>	<b>(\$38)</b>	<b>\$0</b>	<b>(\$38)</b>
<b>COIB as of Fiscal 2014 Executive Budget</b>	<b>\$2,053</b>	<b>\$0</b>	<b>\$2,053</b>	<b>\$2,033</b>	<b>\$0</b>	<b>\$2,033</b>