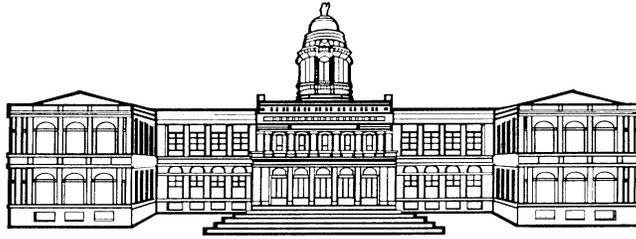


New York City Council



BUDGET REPORT

Finance Division

March 2009

***Analysis of the
Fiscal 2010 Preliminary Budget
and
Fiscal 2009 Preliminary Mayor's Management Report
for the
Equal Employment Practices Commission
Monday, March 16, 2009***

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin, Chair
Committee on Finance

Hon. Larry Seabrook, Chair
Committee on Civil Rights

Preston Niblack, Director

Jeffrey Rodus, First Deputy Director

Latonia McKinney, Deputy Director

Pakhi Sengupta, Senior Legislative
Financial Analyst

PREFACE

On March 16, 2009, at 12:45p.m., the Committee on Civil Rights, chaired by the Hon. Larry Seabrook, will hold a hearing on the Mayor's Fiscal 2010 Preliminary Budget and Fiscal 2009 Preliminary Mayor's Management Report for the Equal Employment Practices Commission.

Section 236 of the New York City Charter requires the Mayor to submit by January 16th a preliminary budget for the upcoming fiscal year.^a In addition, under section 12 of the City Charter, the Mayor must make public and submit to the Council by January 30th the Preliminary Mayor's Management Report (PMMR) for the current fiscal year.^b Among other things, the PMMR must contain "proposed program performance goals and measures for the next fiscal year reflecting budgetary decisions made as of the date of submission of the preliminary budget."^c The Charter also requires the Council to hold hearings on the preliminary budget and to submit recommendations to the Mayor by March 25th.^d This year, the Council will hold joint hearings on the Fiscal 2010 Preliminary Budget and the Fiscal 2009 Preliminary Mayor's Management Report.

Beginning with the Fiscal Year 2008 Adopted Budget, the Council and the Mayor's Office of Management and Budget agreed to an additional budget presentation, referred to by OMB as the budget function analysis, and by the Council as the program budget. Two agencies were initially presented in the program budget form. Beginning with the January 2008 Financial Plan (Fiscal 2009 Preliminary Budget), a total of 16 agencies are now in program budget form. The Equal Employment Practices Commission is not program budget agency.

This report was prepared by Pakhi Sengupta, Senior Legislative Financial Analyst, under the supervision of Deputy Director Latonia R. McKinney.

^a The Charter prescribes specific actions that are required as part of the annual budget submission process during a fiscal year. The Charter allows for changes, via local law, in the dates in the submission of the PMMR, as well as an extension for subsequent steps in the budget process. This year, Local Law 03 of 2009 changed the date for the submission of the Preliminary Budget to January 30th, and the date for the Council's Response to the Preliminary Budget to April 8th.

^b Local Law 03 of 2009 changed the date of submission of the PMMR to February 13, 2009.

^c New York City Charter, §12(b)(2).

^d *See id.* at §247.

Equal Employment Practices Commission (133)

The Equal Employment Practices Commission (EEPC) is empowered by the New York City Charter to monitor and evaluate the employment programs, practices, policies and procedures, of all city agencies to ensure that they maintain an effective affirmative employment program of equal employment opportunity for protected groups who are employed by, or seek employment with, the New York City government. The Charter authorizes the appointment of two Commissioners by the Mayor, two by the City Council and the joint appointment of the Chair by the City Council Speaker and the Mayor. All Commissioners serve part-time, for four-year staggered terms.

PROGRAM TO ELIMINATE THE GAP

Since the Fiscal 2009 Budget was adopted in June, the Office of Management and Budget has twice asked agency heads to submit Programs to Eliminate the Gap (PEGs) proposals. In the first round, in September, OMB sought PEG submissions equal to five percent of agency City tax-levy budgets for Fiscal 2010, with a further seven percent sought in December.

PEGs reduce the City's budget gap either by reducing an agency's City tax-levy Expense Budget spending, or by increasing City revenues. The chart below indicates the proposed PEG amounts for the EEPC based on the Fiscal 2010 forecast at the time the Fiscal 2009 Budget was adopted (June 2008).

November and January Plan PEGs for Fiscal 2010 <i>(in 000s)</i>	
Fiscal 2010 Forecast at Fiscal 2009 Adoption (June 2008)	\$799,000
Expense PEGs	(\$56,000)
Revenue PEGs	\$0
Total Fiscal 2010 PEGs	(\$56,000)
PEGs as a Percent of the Fiscal 2010 Forecast	7.01%

PRELIMINARY BUDGET HIGHLIGHTS

Changes to the budget in the Fiscal 2010 Preliminary Plan for the Equal Employment Practices Commission (EEPC) are minimal. Given its relatively small budget of less than \$1 million and an overall agency headcount of less than 10, opportunities for budgetary cuts, even in a time of fiscal crisis, are scant. Additionally, it is significant to note that the budget for the EEPC is funded entirely through City funds. Unlike other City agencies which receive non-City funds to support their operations, the EEPC relies entirely on the City. Therefore, finding non-essential City funds within this agency's budget, remains very challenging. Nevertheless, for Fiscal 2010 the EEPC will experience a headcount reduction of one and an overall agency budget cut of approximately four percent. The cut will generate a total cost savings of \$56,000 in City funds for Fiscal 2010 and in the outyears. As the majority of EEPC positions are auditors, it is likely that an auditor position will be eliminated, as a result of this cut.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	\$799,319	\$799,319	\$764,708
Other Categorical	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0
State	\$0	\$0	\$0
Community Development	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0
Total	\$799,319	\$799,319	\$764,708

HEADCOUNT OVERVIEW

Headcount (Uniform and Civilian)	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	9	9	8
Non-City	0	0	0
Total	9	9	8

UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/A's represent the amount appropriated for personal services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity or institution. The table below presents the EEPB budget, comparing the Fiscal 2009 Adopted Budget to the Fiscal 2010 Preliminary Budget. The Fiscal 2009 Modified Budget reflects this year's budget at the time this financial plan was released.

U/A#	U/A Name	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget	Percent Change from Adoption
001	Personal Services	\$520,403	\$501,302	\$485,792	-6.65%
002	Other Than Personal Services	\$278,916	\$298,017	\$278,916	0.00%
	Total Agency	\$799,319	\$799,319	\$764,708	-4.33%

PRELIMINARY BUDGET ACTIONS (in 000s)

The following table is a summary of the Preliminary Plan actions for Fiscal 2009 and Fiscal 2010 that are described in the Program Budget section above. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes for the EEPC.

Description	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the November Plan	\$800	\$0	\$800	\$800	\$0	\$800
January Plan Programs to Eliminate the Gap (PEGs)						
PS Reduction -- Layoff	\$0	\$0	\$0	(\$56)	\$0	(\$56)
Total PEGs	\$0	\$0	\$0	(\$56)	\$0	(\$56)
January Plan New Needs						
Total New Needs	\$0	\$0	\$0	\$0	\$0	\$0
January Plan Other Adjustments						
Collective Bargaining	\$11	\$0	\$11	\$16	\$0	\$16
Fringe Benefit Offset	\$0	\$0	\$0	\$4	\$0	\$4
Total Other Adjustments	\$11	\$0	\$11	\$20	\$0	\$20
Total January Plan Budget Changes	\$11	\$0	\$11	(\$36)	\$0	(\$36)
Agency Budget as per the January Plan	\$811	\$0	\$811	\$764	\$0	\$764