



**New York City Council**

Christine C. Quinn, Speaker

**Finance Division**

Preston Niblack, Director

Jeffrey Rodus, First Deputy Director

**Hearing on the Mayor's Fiscal Year 2012 Preliminary Budget &  
the Fiscal Year 2011 Preliminary Mayor's Management Report**

**Conflicts of Interest Board**

March 29, 2011

**Committee on Standards and Ethics**

Hon. Inez Dickens, Chair

Andy Grossman, Deputy Director, Finance Division  
Lionel Franco, Legislative Financial Analyst

## Summary and Highlights

### Conflicts of Interest Board

*Dollars in Thousands*

	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011 – 2012*
Personnel Services	\$1,717	\$1,778	\$1,845	\$1,845	\$1,846	\$1
Other Than Personal Services	181	131	178	178	142	(36)
<b>Table Total</b>	<b>\$1,898</b>	<b>\$1,909</b>	<b>\$2,022</b>	<b>\$2,022</b>	<b>\$1,987</b>	<b>(\$35)</b>

\*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Projected Fiscal 2012 Budget.

The Fiscal 2012 Preliminary Budget for the Conflicts of Interest Board (\$1.987 million) is \$35,000 less than the agency's Fiscal 2011 Adopted Budget of \$2.022 million. On the Personal Services side, COIB is held harmless but sustains a small OTPS reduction of \$36,000 below its Fiscal 2011 Adopted appropriation.

### Issues and Budget Highlights

There are no actions impacting COIB's Fiscal 2012 Preliminary Budget in either the November or February Plans.

### Miscellaneous Revenues

The Conflicts of Interest Board generates minimal revenue from the collection of late filing fees. The February Plan projects late filing fees totaling \$99,000 in Fiscal 2012 and the outyears.

# Conflicts of Interest Board

The Conflicts of Interest Board (COIB) implements and interprets the conflicts of interest provisions of Chapter 68 of the New York City Charter. This is accomplished through the training and education of City employees regarding ethical standards and through the issuance of advisory opinions to prospective, current, and former City employees. The Board processes complaints concerning alleged violations of the provisions of Chapter 68, and receives and reviews financial disclosure statements.

## Conflicts of Interest Board

*Dollars in Thousands*

	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011 – 2012
<b>Spending</b>						
<b>Personal Services</b>	<b>\$1,716</b>	<b>\$1,778</b>	<b>\$1,845</b>	<b>\$1,845</b>	<b>\$1,846</b>	<b>\$1</b>
Additional Gross Pay	13	16	13	7	7	(6)
Amounts to be Scheduled	-	-	42	-	-	(42)
Full-Time Salaried - Civilian	1,703	1,762	1,771	1,838	1,820	48
Other Salaried and Unsalaries	-	-	18	-	19	1
<b>Other Than Personal Services</b>	<b>\$181</b>	<b>\$131</b>	<b>\$178</b>	<b>\$178</b>	<b>\$142</b>	<b>(\$36)</b>
Contractual Services	34	19	40	30	40	0
Other Services and Charges	72	56	63	65	63	0
Property and Equipment	49	33	34	45	34	0
Supplies and Materials	26	23	40	37	4	(36)
<b>TOTAL</b>	<b>\$1,898</b>	<b>\$1,909</b>	<b>\$2,022</b>	<b>\$2,022</b>	<b>\$1,987</b>	<b>(\$35)</b>
<b>Funding</b>						
<i>City Funds</i>			\$2,022	\$2,022	\$1,987	(\$35)
<b>TOTAL</b>			<b>\$2,022</b>	<b>\$2,022</b>	<b>\$1,987</b>	<b>(\$35)</b>
<b>Headcount</b>	<b>20</b>	<b>19</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>0</b>
Full-Time Salaried	20	19	21	21	21	0

## Other Issues

The following legislative item was included in the Board's 2010 Annual Report:

### BUDGET PROTECTION AND OTHER PROPOSED AMENDMENTS TO CHAPTER 68

In 2010, pursuant to the mandate of City Charter section 2603(j), the Board issued a comprehensive report proposing extensive amendments to Charter Chapter 68, the Conflicts of Interest Law. That report reiterated a number of amendments to Chapter 68 that the Board has proposed over the years including several passed in November of 2010 as a group of referendum items on the general election ballot. In particular, the Board has urged 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. Virtually alone among City agencies, the Board has the power to sanction violations of the law by the very public officials who set its budget, in itself an unseemly conflict that can only undermine the Board's independence in the eyes of the public and of public servants. That situation should 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. That situation should finally 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.

## Fiscal 2012 Preliminary Contracts Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personal service provided to the City by means of a contract. The Contract Budget is actually a subset of the Other Than Personal Services (OTPS) portion of the City's Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget.

Category	Number	Budgeted	% of COIB Total	% Change from 2011 ADP
Maint. & Repair General	1	\$600	1.5%	0%
Office Equipment and Maintenance	3	37,709	94.2%	0%
Data Processing Equipment	1	1,000	2.5%	0%
Prof. Services Other	1	729	1.8%	0%
<b>Preliminary Budget</b>	<b>6</b>	<b>\$40,038</b>	<b>100.0%</b>	<b>0.0%</b>

### Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of July 2010 Plan</b>	\$2,022	\$0	\$2,022	\$1,987	\$0	\$1,987
<b>Program to Eliminate the Gap (PEGs)</b>						
None			\$0			\$0
<b>Total, PEGs</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>PEG Restorations</b>						
None			\$0			\$0
<b>Total, PEG Restorations</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>New Needs</b>						
None			\$0			\$0
<b>Total, New Needs</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Adjustments</b>						
None			\$0			\$0
<b>Total, Other Adjustments</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Changes to Agency</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Agency Budget as of February 2011 Plan</b>	\$2,022	\$0	\$2,022	\$1,987	\$0	\$1,987