

# **DEPARTMENT OF AUDIT AND CONTROL**

## **MISSION**

The Department of Audit and Control was created in 1926 and is headed by the State Comptroller, who is elected by the people. The Department is responsible for paying the State's bills and payrolls; verifying all financial transactions of the State; reviewing the financial and management practices of State agencies; supervising the fiscal affairs of local governments; investing State funds and issuing bonds and notes; and administering the retirement program for State and most local government employees.

## **ORGANIZATION AND STAFFING**

The operations of the Department of Audit and Control are organized into eleven programs, with its main office in Albany and regional offices in New York City, Buffalo, Rochester, Syracuse, Binghamton, Glens Falls, Newburgh and Hauppauge. These regional offices function primarily as decentralized audit centers, providing financial review of the accounting of revenues collected and expenses incurred by counties, cities, towns and villages, school and fire districts and quasi-governmental entities.

## **BUDGET HIGHLIGHTS**

The Executive Budget recommends **\$290.1 million All Funds** (\$173.5 million General Fund; \$101.4 million Fiduciary Fund; \$4.2 million Internal Service Fund; \$11 million Other Funds), unchanged from 2009-10. The Department of Audit and Control will have a workforce limit of **2,643**. The Division of the Budget projects that with attrition, staffing levels could fall as low as **2,552**.

## **PROGRAM HIGHLIGHTS**

- The Executive Direction, Legal Services, Administration and the Chief Information Office programs are responsible for the public information, internal audit, fiscal research, IT operations, financial administration, legal, office services, management analysis and human resource functions of the Department.
- The Office of Operations provides accounting and financial reporting services, audits State contracts, expenditures and payrolls prior to payment, carries out the mandates of the Abandoned Property Law by safeguarding lost assets belonging to residents, maintains the State's current Central Accounting System, and is working with the Executive to consolidate the FOCAS and NYFMS projects into a single statewide financial system. The Office is also responsible for the VendRep system, which was established to promote State agency and Office of the State Comptroller due diligence in assessing the responsibility of vendors with whom the State contracts.
- The State and Local Government Accountability program provides oversight through audits of all State and local government agencies, authorities and special purpose entities. It collects and reviews local government financial data, provides training programs and support services for local financial officials, and publishes research and analysis on a variety of local government policy issues. The Office is comprised of the Divisions of State Government Accountability and Local Government and School Accountability.

## **AUDIT AND CONTROL**

- The Office of the State Deputy Comptroller for the City of New York assists the New York State Financial Control Board in carrying out and exercising the responsibilities assigned, and powers granted, to the Board by the Financial Emergency Act for the City of New York. The Retirement Services program administers the State Retirement Systems, consisting of the Employees' Retirement System, the Police and Fire Retirement System and the Public Employees' Group Life Insurance Plan. Currently, there are about 3,000 participating government employers, 677,000 active and vested members and approximately 358,000 pensioners and their beneficiaries.
- The Pension Investment and Public Finance program, in addition to overseeing the assets of the Retirement Systems, issues general obligation debt, invests short-term moneys for the State and local governments and selects financial institutions to provide banking services to the State.
- Under Chapter 845 of the Laws of 1977, the Comptroller administers the New York State Environmental Protection and Oil Spill Compensation Fund. Costs associated with cleaning up oil spills are paid from the fund upon certification of the Commissioner of Environmental Conservation. Moneys in this fund consist of receipts from a fee levied on each barrel of petroleum shipped into the State.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2009-10</b>	<b>Appropriations Recommended 2010-11</b>	<b>Change</b>	<b>Reappropriations Recommended 2010-11</b>
State Operations	258,113,000	258,113,000	0	0
Aid To Localities	32,025,000	32,025,000	0	0
Capital Projects	0	0	0	0
Total	290,138,000	290,138,000	0	0

# AUDIT AND CONTROL

## ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2009-10 Estimated FTEs 03/31/10	2010-11 Estimated FTEs 03/31/11	FTE Change
Administration Program			
General Fund	115	115	0
Chief Information Office			
General Fund	168	168	0
Environmental Protection and Spill			
Compensation			
Special Revenue Funds - Other	6	6	0
Executive Direction			
General Fund	98	98	0
Internal Service Funds	13	13	0
Pension Investment and Public Finance			
Program			
General Fund	5	5	0
Fiduciary Funds	54	54	0
Legal Services			
General Fund	58	58	0
State Services Program			
Special Revenue Funds - Federal	8	8	0
Internal Service Funds	11	11	0
Retirement Services Program			
Fiduciary Funds	850	850	0
Office of the Special Deputy Comptroller for			
New York City			
Special Revenue Funds - Other	28	28	0
State and Local Accountability			
General Fund	538	538	0
State Operations			
General Fund	600	600	0
Total	<u>2,552</u>	<u>2,552</u>	<u>0</u>

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2009-10	Recommended 2010-11	Change
General Fund	141,457,000	141,457,000	0
Special Revenue Funds - Other	11,008,000	11,008,000	0
Internal Service Funds	4,258,000	4,258,000	0
Fiduciary Funds	101,390,000	101,390,000	0
Total	<u>258,113,000</u>	<u>258,113,000</u>	<u>0</u>

# AUDIT AND CONTROL

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2009-10	Recommended 2010-11	Change
Administration Program			
General Fund	12,572,000	12,572,000	0
Chief Information Office			
General Fund	19,453,000	19,453,000	0
Environmental Protection and Spill			
Compensation			
Special Revenue Funds - Other	1,018,000	1,018,000	0
Executive Direction			
General Fund	8,759,000	8,759,000	0
Internal Service Funds	1,868,000	1,868,000	0
Pension Investment and Public Finance			
Program			
General Fund	756,000	756,000	0
Internal Service Funds	2,240,000	2,240,000	0
Fiduciary Funds	11,288,000	11,288,000	0
Legal Services			
General Fund	6,308,000	6,308,000	0
Retirement Services Program			
Fiduciary Funds	90,102,000	90,102,000	0
Office of the Special Deputy Comptroller for			
New York City			
Special Revenue Funds - Other	4,397,000	4,397,000	0
State and Local Accountability			
General Fund	43,993,000	43,993,000	0
Special Revenue Funds - Other	491,000	491,000	0
State Operations			
General Fund	49,616,000	49,616,000	0
Special Revenue Funds - Other	5,102,000	5,102,000	0
Internal Service Funds	150,000	150,000	0
Total	258,113,000	258,113,000	0

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	7,274,000	0	7,124,000	0
Chief Information Office	14,323,000	0	13,823,000	0
Executive Direction	7,882,000	0	7,792,000	0
Pension Investment and Public Finance				
Program	561,000	0	558,000	0
Legal Services	5,932,000	0	5,862,000	0
State and Local Accountability	39,076,000	0	38,601,000	0
State Operations	38,726,000	0	37,309,000	0
Total	113,774,000	0	111,069,000	0

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration Program	50,000	0	100,000	0
Chief Information Office	300,000	0	200,000	0
Executive Direction	75,000	0	15,000	0
Pension Investment and Public Finance				
Program	3,000	0	0	0
Legal Services	50,000	0	20,000	0
State and Local Accountability	275,000	0	200,000	0
State Operations	475,000	0	942,000	0
Total	1,228,000	0	1,477,000	0

# AUDIT AND CONTROL

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2010-11 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration Program	5,298,000	0	346,000	0
Chief Information Office	5,130,000	0	550,000	0
Executive Direction	877,000	0	74,000	0
Pension Investment and Public Finance Program	195,000	0	12,000	0
Legal Services	376,000	0	67,000	0
State and Local Accountability	4,917,000	0	206,000	0
State Operations	10,890,000	0	458,000	0
<b>Total</b>	<b>27,683,000</b>	<b>0</b>	<b>1,713,000</b>	<b>0</b>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration Program	201,000	0	4,603,000	0
Chief Information Office	125,000	0	3,065,000	0
Executive Direction	91,000	0	682,000	0
Pension Investment and Public Finance Program	21,000	0	129,000	0
Legal Services	73,000	0	216,000	0
State and Local Accountability	2,961,000	0	1,441,000	0
State Operations	400,000	0	6,661,000	0
<b>Total</b>	<b>3,872,000</b>	<b>0</b>	<b>16,797,000</b>	<b>0</b>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration Program	148,000	0
Chief Information Office	1,390,000	0
Executive Direction	30,000	0
Pension Investment and Public Finance Program	33,000	0
Legal Services	20,000	0
State and Local Accountability	309,000	0
State Operations	3,371,000	0
<b>Total</b>	<b>5,301,000</b>	<b>0</b>

# AUDIT AND CONTROL

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Environmental Protection and Spill				
Compensation	1,018,000	0	523,000	0
Executive Direction	1,868,000	0	1,201,000	0
Pension Investment and Public Finance				
Program	13,528,000	0	6,696,000	0
Retirement Services Program	90,102,000	0	44,449,000	0
Office of the Special Deputy Comptroller for				
New York City	4,397,000	0	2,759,000	0
State and Local Accountability	491,000	0	270,000	0
State Operations	5,252,000	0	68,000	0
Total	<u>116,656,000</u>	<u>0</u>	<u>55,966,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Environmental Protection and Spill		
Compensation	495,000	0
Executive Direction	667,000	0
Pension Investment and Public Finance		
Program	6,832,000	0
Retirement Services Program	45,653,000	0
Office of the Special Deputy Comptroller for		
New York City	1,638,000	0
State and Local Accountability	221,000	0
State Operations	5,184,000	0
Total	<u>60,690,000</u>	<u>0</u>

## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2009-10	Recommended 2010-11	Change
General Fund	32,025,000	32,025,000	0
Total	<u>32,025,000</u>	<u>32,025,000</u>	<u>0</u>

Adjustments:	
Transfer(s) To	
Criminal Justice Services, Division of	
Special Revenue Funds - Other	78,000,000
Appropriated 2009-10	<u>110,025,000</u>

## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2009-10	Recommended 2010-11	Change
State Operations			
General Fund	32,025,000	32,025,000	0
Total	<u>32,025,000</u>	<u>32,025,000</u>	<u>0</u>