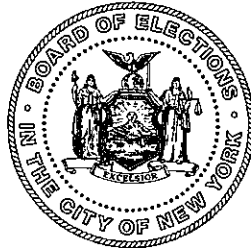


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## **BOARD OF ELECTIONS**

IN  
THE CITY OF NEW YORK  
EXECUTIVE OFFICE, 32 BROADWAY  
NEW YORK, NY 10004-1609  
(212) 487-5300  
[www.vote.nyc.ny.us](http://www.vote.nyc.ny.us)

**Testimony of  
Michael J. Ryan  
Executive Director  
Board of Elections in the City of New York  
before the  
Committee on Governmental Operations  
Council of the City of New York  
on the  
Fiscal Year 2015 Preliminary Budget**

**March 25, 2014**

Chair Kallos and members of the Council's Committee on Governmental Operations, I want to thank this committee for giving us the opportunity to appear before you on behalf of the Board of Elections. For the record, my name is Michael Ryan and I am the Executive Director of the Board.

Joining me here at the table are the Board's:

- Deputy Executive Director Dawn Sandow
- Administrative Manager Pamela Perkins

Also present at today's hearing are the Board's:

- General Counsel Steven H. Richman, Esq.
- Acting Finance Officer Gerald Sullivan
- Deputy General Counsel Raphael Savino, Esq.
- Director of Communications and Public Affairs Valerie Vazquez
- Director of Electronic Voting Systems John Naudus
- Director of Management Information Systems Steve Ferguson
- Chief Voting Machine Technician John P. O'Grady
- Coordinator of Election Day Operations Debra Leible
- Coordinator of Customer Service Danny Lavelle
- Coordinator of Ballot Management Tom Sattie
- Training Specialist Stephen Thompson
- Agency Chief Contracting Officer John Luisi

Before I begin my Fiscal Year 2015 (FY15) preliminary budget testimony, I would like to address the budgetary shortfall in the Board of Elections (Board) FY14 budget.

The Board greatly appreciates the additional \$7 million allocated in the Mayor's Preliminary Budget.

The Board has unfunded needs for FY14, including an estimated inter-agency telecommunications deficit for the Department of Information Technology and Telecommunications (DoITT) of approximately \$630,000.

In addition, the Program to Eliminate the Gap (PEG) estimated at \$8.8 million for Other Than Personal Services (OTPS) is not achievable and we urge the Council to remove the PEG from the current budget. For each of the past 12 years, a budget PEG has been imposed upon the Board and has never been achievable. This is a clear demonstration of chronic and sustained budgetary underfunding.

This consistent underfunding has placed the Board in financial jeopardy and has negatively impacted the Board's ability to effectively and efficiently conduct elections. As a result, the Board has been forced to rely excessively on overtime payments to otherwise underpaid staff. As we move forward in this process, I urge the Mayor and the Council to work with the Board with a view towards right sizing our staff needs and to provide a fair and equitable level of compensation for employees of the Board at all levels.

### **Mayor's Preliminary Budget for Fiscal Year 2015**

In order to fulfill its constitutional and statutory mission successfully, the Board is requesting that the City **provide significant additional resources** for FY15.

The Mayor's Preliminary Budget for FY15 contains a projected shortfall of at least \$23.8 million in current PS funding, \$14.25 million in new PS funding and \$16.4 million in OTPS funding including \$8.8 million in another non-itemized PEG reduction. This \$54.5 million shortfall represents 40 percent of the Board's FY14 budget. In addition, the Board is in the process of evaluating the implementation of an electronic time keeping system. It is

anticipated that the Board will request a budget modification during FY15 to procure an electronic system upon the decision of the Commissioners.

The FY15 shortfall is disconcerting as the Board must conduct both a Primary and a citywide General Election when New York City voters will cast ballots for Governor, State Attorney General, State Comptroller, and all members of Congress, the State Senate and the Assembly within the City of New York.

Virtually all of the Board's duties, responsibilities and activities are prescribed by Federal, State, and Local law. The Board does not have the discretion to postpone or cancel an election based on inadequate funding.

The Board urges the City to re-appropriate for FY15, the approximately \$2.4 million remaining from the Help America Vote Act (HAVA) grant funds, provided by the Federal and State Governments that are eligible for reimbursement. These grants enable the Board to improve poll site accessibility, both on a permanent and temporary basis, as well as conduct enhanced poll worker training and public education activities.

### **Poll Workers and Election Day Activities**

Poll workers, as a result of an Internal Revenue Service (IRS) determination, must be treated as employees of the City of New York. Consequently, such employees are compensated from the PS allocation. The FY15 allocation for poll workers is \$14.7 million. The Board estimates that this is \$7.9 million less than the \$22.6 million needed to train and deploy approximately 36,000 poll workers for each currently scheduled election event during FY15. (Please see Attachment 1)

Please note that the Board will continue its fiscally responsible practice to combine election districts where legally permissible and assign a reduced number of poll workers accordingly. State Election Law severely constrains the Board's ability to combine election districts in the scheduled elections during FY15. In addition, gubernatorial elections historically have the second highest voter turnout during the four year election cycle.

## Poll Worker Training

In FY13 and FY14 the Board retained a training consultant. Based on the recommendations of our training consultant, the Board implemented certain changes to the poll worker training program. Due to the compressed time frame and the use of two vastly different voting systems, this vendor was limited in the scope of recommendations that could be made and implemented for the poll worker training program. It is important to note, that legislation authorizing the use of the lever machines for the Primary and Run-Off Elections was not signed into law by the Governor until July 9, 2013.

As the result of reviewing the vendor's recommendations, the Board has moved to the completion of a negotiated acquisition for the retention of expert election administration professionals. This vendor will be tasked with analyzing the Board's current training and Election Day practices and to serve as consultants for the implementation of any recommendations. The consultants will assist in implementing best practices from across the country as set forth in the bipartisan Presidential Commission on Election Administration report titled "The American Voting Experience" (Presidential report) released in January 2014 and other sources. The Board believes that bringing on election specific experts for a multi-year contract is the best way to move forward with the process of improving our poll worker training program.

The Board recognizes the need for the implementation of such an initiative. Indeed, there has been significant public discourse regarding enhancement of the poll worker training program by the Board, advocacy groups, various legislative bodies and the Department of Investigation. As such, we are seeking the partnership of the Mayor and the City Council in helping the Board achieve this universally recognized goal.

This necessary and ambitious undertaking is not without cost. Based on preliminary estimates, it is anticipated that the process will occur over several fiscal years and total approximately \$1 million with an immediate impact of approximately \$250,000 for FY15.

### Poll Worker Election Day Compensation

Given the dramatic changes in the conduct of elections imposed upon the voters and poll workers of the City of New York by federal and state law, it is vital for the Mayor to heed the Board's call to increase the compensation for all poll workers by \$100 for each election event. The last increase in poll worker compensation occurred in August 2001 by Mayoral Executive Order, more than 12 years ago. The time has long since passed for an increase. The Board recognizes that even with this increase, the compensation for poll workers will be by no acceptable definition, exorbitant.

The case in support of this increase is clear. Poll workers are now required to work longer hours with additional responsibilities using the Electronic Voting System. With the enhanced testing standards already implemented for poll workers, such an increase is essential to enable the Board to recruit and retain qualified poll workers year after year. Several City Council members and the Asian American Legal Defense and Education Fund (AALDEF) have previously expressed support for this proposal.

The Board urges the Council and the Mayor to place appropriate emphasis on just compensation for poll workers as they remain our frontline protectors of democracy. The Board asks this Council to implore the Mayor to grant this increase effective immediately. (Please see Attachment 2)

### Performance Incentive

The current baseline funding for the poll worker performance incentive, of \$35 per poll worker, is inadequate. The Board asks the Mayor and the Council to fund a fair and equitable \$100 performance incentive. To be eligible for this incentive, poll workers must attend appropriate training, pass the exam, and work at least two elections per year. It should be noted that the performance incentive was \$100 in FY11 when supplemented by additional City funding for the first year of implementation of the Electronic Voting System. The baseline funding remains at the unacceptable \$35 level.

With this funding, the Board will continue to improve its program to retain qualified poll workers from event to event and help to ensure that all poll sites are staffed with trained and experienced poll workers during elections.

### **Information Technology**

The Board's Management Information Systems (MIS) unit manages, maintains, develops and operates the Board's complex technology and data systems. Such systems are vital to enable the Board to meet its mandated responsibilities to the voters of the City of New York.

#### **Election Information System**

Specifically, the Board is requesting \$500,000 in capital funding to procure a vendor for the continued development, testing, documentation and implementation of the infrastructure for its Election Information System - Mobile Applications Program during FY15.

These applications will be used to support both Board operations as well as information for the voting public. It will also provide the capacity to address special situations such as Hurricane Sandy. Initial applications consist of:

- Election Day Worker ([ElectionDayWorker.com](http://ElectionDayWorker.com))
- Poll Site Locator ([PollsiteLocator.com](http://PollsiteLocator.com))
- Election Responder (Call Center and Election Day Management)
- Poll Worker Management
- Election Night Results

#### **Ethernet Private Line**

The Board is in the process of completing the installation of a 50 Megabit (Mb) Ethernet Private Line (EPL) high speed network at all Board facilities. This installation was made possible by a City Council addition to the Board's FY13 budget. EPL lines, like other forms of technology, require annual maintenance. The cost of such maintenance at current levels is approximately \$265,000. While the Board appreciates the Council's prior support enabling the Board to upgrade to EPL lines, it is now necessary to recognize the importance of funding the EPL maintenance in the Board's baseline budget.

## NYC Charter Section 1063

I am pleased to publicly state that the Board was the first non-mayoral agency to comply with Section 1063 of the New York City Charter requiring webcasting and/or posting of digital video of the public meetings of the Commissioners. This provision of the City Charter was effective March 3, 2014 and the Board recorded its March 4, 2014 meeting and posted the video by close of business on that date.

As an interim solution, the Board is digitally recording the weekly Commissioners' meetings and posting them to the web via a YouTube channel. While this meets the minimum requirements of the City Charter, it does not provide the Board with the technology necessary to meet the ultimate aim of Section 1063 to webcast live where practicable. The Board requires funding to procure professional webcasting services to fulfill the Charter's goal.

This will provide higher quality audio and video. Such webcasting services are more "user friendly" and will provide the public with an ease of access to the meetings via video data files that can be appropriately archived and indexed. Simply put, interested persons will be able to search the database by meeting date, subject matter, keywords, search terms, and the like.

This requires an appropriation of at least \$35,000 for FY15 consisting of an initial cost of \$10,000 and an annual service fee of approximately \$25,000. The annual service fee needs to be baselined as a recurring cost in FY16 and future years.

## Software Licenses

Virtually all of the Board's internal information systems utilize Microsoft software. These systems are vital to the Board's daily operations. The Board must obtain Microsoft software licenses agency-wide to replace outdated software and operating systems that are no longer supported by Microsoft. Licenses for Microsoft Office, Exchange, SQL Server, and operating systems require updates costing approximately \$400,000.



## **Transportation**

The number and types of Election Day staff and equipment transported by the Board has increased with the introduction of the Electronic Voting System. In addition to delivering 3,689 scanners to all poll sites, the Board also transports an increased number of Monitoring Teams and Technicians, and thousands of supply carts, ballot marking devices, privacy booths, tables and chairs to more than 1,200 poll sites located in every corner of this City. For the FY15 elections, (Primary and General) the estimated cost to the Board for contracted equipment transportation and staff deployment transportation will be approximately \$4.1 million. The Mayor's Preliminary Budget allocates only \$2.75 million for this need leaving a shortfall of \$1.35 million.

## **Educating the Voters**

To supplement the legally-required notices for the 2014 Election Cycle, the Board urges the City Council to support enhancing voter outreach efforts. Such efforts include additional advertisements in citywide and community newspapers at an estimated cost of \$300,000.

The failure to do so will hamper the Board's ability to effectively reach voters with important election-related information. The Board further urges the Mayor and the City Council to partner with the Board and encourage the Metropolitan Transportation Authority to do its part and provide no cost public service announcements to the Board during the various election cycles throughout the year. Such advertising will reach millions of New Yorkers in the subway stations, on the trains, and on the rolling billboards known as New York City buses. The Board stands for the proposition that all government entities should be working together to educate voters and enhance the voting experience. If the Board remains alone in this endeavor maximum effectiveness of voter outreach will never be realized.

The Board further urges the Mayor and the Council to provide assistance in establishing public/private voter education endeavors and to utilize the disparate "bully pulpits" to assist in this regard. If all aspects of government work toward this common goal, the private sector and corporate entities that benefit greatly by calling the City of New York home will surely recognize the importance of these efforts and commit the resources necessary to

partner with the Board, and implement new and creative voter outreach programs.

### **Election Day Poll Site Monitoring**

The City Council allocated funds for the Board to acquire 450 reporting tablets. These tablets are distributed to Assembly District (AD) monitors and field staff to electronically report issues at over 1,200 poll sites in “real time” and eliminate the need for Board staff to transfer written information.

The tablets transmit incident reports and resolutions from AD monitors, Voting Machine Technicians and other field staff directly to the Board’s existing call center system. This streamlines the method of incident reporting which previously relied on the inefficient telephone call-in process. Additionally, the tablets alert field staff to respond to poll site locations to rectify any situations in their assigned coverage area.

The Board incurs a wireless service cost each year of approximately \$105,000. This cost for wireless service has not been funded in the Preliminary Budget for FY15. The use of tablets will improve service to the voters. As such, the Board requests that this allocation be part of the baseline funding.

### **Electronic Voting Systems**

The Electronic Voting System continues to evolve. As technology is ever changing, it is essential to provide expert training and support to key personnel including voting machine technicians (VMT) and Electronic Voting Systems (EVS) programmers. Such training must be provided by the current vendor, Election Systems and Software (ES&S).

With each passing election the Board reaches new levels of efficiency in preparing the poll site scanners and ballot marking devices (BMDs). The Election Management System (EMS) software and the voting equipment firmware are upgraded regularly. Such upgrades are mandated by the New York State Board of Elections certification process.

The current upgrades are being undertaken with a view toward reducing ballot jams, providing technicians with more specific directional prompts

during the machine's set-up process, and adjusting the poll closing protocol to significantly reduce the delays associated with unofficial election results reporting caused by the current certified system. The Board urged ES&S to develop a process to allow the printing of election results tapes from the "backup" portable memory device (PMD). This change will allow for the removal and transport of the "primary" PMD from each scanner to the 76 police precincts throughout the City without being unnecessarily delayed by waiting for the results tape to finish printing. This will significantly speed up the release of the unofficial results on election night. The State Board of Elections acted expeditiously upon this request and the process for certification is well under way.

The required enhanced vendor training and support for the September Primary and November General Elections costs \$1.98 million. This necessary expenditure is a substantial reduction from the \$4.54 million cost in FY13 (2012 Primary and General Elections). This represents a \$2.56 million cost differential and has been accomplished via increased Board technical staff independence and a decreased reliance on vendor services.

In addition, Dominion Voting Systems support and supplies for the central ballot scanning system, which counts absentee, special, military, and affidavit ballots will cost \$230,000 for the September Primary and the November General Elections.

### **Voter Information Center Kiosk**

The Board has identified three areas of operations within a poll site that require improvement to more effectively meet the needs of the voters in the Electronic Voting System environment. The Board staff, through its ingenuity, ability, knowledge and dedication, has developed a prototype known as the Voter Information Center Kiosk (VICKi). This single piece of equipment innovatively addresses three critical functions for poll site operations.

These functions are poll worker attendance, efficient electronic replacement for the paper street finder books (used to provide voters with their proper ED/AD and to assist voters who arrive at the incorrect poll site) and a terminal to upload unofficial election night results.

The poll worker attendance module would allow the poll worker to scan their Notice to Work card, providing the Board with real-time notification of the arrival of each poll worker at their assigned poll site. This module will allow for the proactive deployment of standby poll workers and eliminate the remarkably inefficient and somewhat chaotic system of phone call notification upon which the Board must currently rely.

VICKi has been designed to allow two voters to access important information simultaneously. The design incorporates touch screens on both sides of the unit. The electronic street finder would allow a voter to enter their address and be informed (using GPS) if they are in the correct poll site and if not, provide the voter with printed directions to the proper poll site. Presently, this information is available on the Board's website. This system would provide the voter the ability to get this information at every poll site, when the information is needed the most.

At the close of polls, VICKi would become an election night reporting terminal allowing the poll workers to upload the PMD and transmit unofficial election results directly from the poll site.

The Board will utilize commercially available components, existing Shoup Machine cabinets, and Board staff to program and assemble VICKi.

As VICKi has been entirely developed "in-house" any necessary modifications and/or enhancements will be completed and implemented entirely by Board staff without reliance on expensive technology consultants or vendors.

The final design will ensure that the functions of VICKi will be in compliance with any requirements of the Americans with Disabilities Act.

The Board has examined various ways to bring technology into the poll site. It has been suggested by some that the Board should utilize hand-held tablets to meet the extensive technological needs at the poll sites. For the reasons set forth below and other significant operational concerns, tablets would be an irresponsible investment of City Capital funds. The utilization of tablets would require the Board to rely on outside vendors to provide excessive wireless connectivity. Tablets would require the purchase of carts to securely store and safely transport these devices along with all peripheral supplies. The Board has conducted a financial analysis and

found the initial investment for the purchase of tablets and all necessary additional equipment is approximately \$4.7 million. The same analysis shows that the initial investment for full implementation of VICKi is approximately \$6.8 million.

VICKi will be equipped with a commercial grade wireless router that will enable each poll site to be an independent and secure “hot spot” under the control of the Board. A hot spot can service at least 15 individual devices. As such, the annual cost for wireless connectivity would be limited to approximately \$315,000 ( $\$34.99 \times 1500 \text{ units} \times 6 \text{ months}$ ) appropriated from the Board’s expense budget, with no additional per unit costs.

The utilization of tablets would require additional wireless connectivity costs for each device. The annual cost for wireless connectivity using tablets is \$720,000 ( $\$39.99 \times 3000 \text{ units} \times 6 \text{ months}$ ) appropriated from the Board’s expense budget; an increase of approximately \$400,000 over the costs for VICKi’s wireless connectivity.

As the technological requirements of poll sites increase over the course of time, the wireless connectivity costs will balloon. The grand beneficiary of using tablets versus VICKi will be contractual wireless service providers. The tax payers of the City of New York will bear this unnecessary burden. To further illustrate this point, for each additional device required at a poll site, in the absence of VICKi, results in at least an additional \$360,000 annually, a cost that will only increase with the passage of time. In the event of State authorization of the use of electronic poll books, the Board’s preliminary estimate for wireless connectivity for these devices alone exceeds \$1 million annually. As is clearly demonstrated, any increased capital cost of implementing VICKi would be devoured by the unnecessary increase in expense money required to secure sufficient wireless connectivity with the utilization of tablets. Prudent budgeting demands this trade off of capital versus expense funds.

VICKi provides significant logistical advantages in critical and core areas. For example, ease of use and set up for the poll workers, potential opportunities to enhance the voter experience and more effectively use technology in election management. Specifically, VICKi will be rolled into the Poll Site and require that the poll worker simply plug in to an electrical outlet and open the doors to be ready for use. Even as the use of tablets

becomes more expansive in our society, they present a steep learning curve for the poll workers and the public.

VICKi allows us to further our vendor independent strategy as the hardware incorporated into VICKi supports the use of any wireless service available in NYC; unlike tablets which are locked to a particular wireless carrier. The software utilized by VICKi was developed “in house” by Board staff. As such, it will be sustained moving forward without incurring additional vendor expense.

With the Council and Mayor funding this worthy initiative in FY15, the Board anticipates being able to launch a small but significant pilot citywide utilizing 100 VICKi units during the 2014 General Election. Incorporating lessons learned from the pilot, the Board’s goal is to deploy VICKi in all poll sites for the 2015 General Election.

It is estimated that this project will cost approximately \$6.8 million to build 1500 units. This project should be funded in the City’s Capital Budget. The Board estimates that the cost to maintain wireless connectivity will be \$315,000 annually.

### **Responsible Budgeting & Pay Equity**

During the Board’s February 28, 2014 testimony of the New York City joint Government Operations and Oversight & Investigations Committee hearing, inclusive of the “question and answer” session that followed, the Council was advised of a serious and ultimately unsustainable circumstance present at the Board involving chronic and systematic underfunding.

The Board is required to conduct elections when mandated by federal and state law or by executive action. The Board does not have the option to “pick and choose” those elections that will be conducted versus those elections that will be set aside due to lack of funding. It must be emphasized that all elections are conducted with the same level of effort whether the funding has been allocated or the Board has been short changed. While the Board has historically been a convenient foil for public criticism, it has at the same time been the victim of a funding scheme that seems to have been intentionally designed to “cash starve” the agency to accomplish some unknown and ultimately inconceivable goal.

The time has long since passed for all aspects of government to work together with the Board of Elections toward the common goal of serving the voters of the City of New York as effectively as possible. While the Board readily recognizes those operational areas that need improvement over the course of time, and works diligently to make such improvements, it is patently unfair to deprive the Board of required resources on the one hand and then be critical of the Board on the other hand. Every agency in the City of New York requires proper funding levels and adequate resources to meet its core responsibilities. The Board is no different.

This chronic and systemic underfunding has led to pay inequality and unnecessary strain on an overworked and underpaid dedicated workforce. Any qualified budget professional will acknowledge that an agency that is properly funded with the requisite amount of employees is financially more viable and productively more efficient than an agency that must consistently rely on overtime to meet its core responsibilities and statutorily mandated deadlines. This unacceptable circumstance can no longer be tolerated. It is neither fair to the voters of the City of New York nor to the dedicated men and women who serve those voters.

Given the mandated tasks required of the Board, and the statutorily imposed deadlines that must be met, proper funding, equitable pay scales, and sufficient staffing levels are required. For the purposes of comparison, there is a 37% discrepancy between the average salary for this Board's employees and those at the City's Campaign Finance Board (CFB). For example, an Administrative Assistant at the Board of Elections is paid \$42,000 per year while the same title at CFB is paid \$61,000 per year.

Similar disparities exist when examining the Boards of Elections in the surrounding counties. Today clerks at the Board, who perform many important functions, receive compensation between \$22,000 - \$29,000 annually. In the adjacent counties of Westchester and Nassau, their clerks earn between \$36,000 - \$55,000 per year. Additionally, the starting salary for a voting machine technician, who is responsible for the maintenance, testing, and set-up of our Poll Site Voting System is only \$30,000 per year. Voting Machine Technicians in both Westchester and Nassau counties are paid over \$73,000 per year.

By act of Congress, the Board was required to implement an Electronic Voting System. This system is exponentially more complex than the old fashioned lever machines. Deploying and maintaining the Electronic Voting System requires significant technological skills. As such, the Board is required to conduct extensive training of current employees and substantial recruitment of new employees with the skills necessary to perform the required tasks. In this era of ever increasing technological saturation, a failure to immediately address the financial and staffing needs of the Board will place the voting process in dangerous and unnecessary peril.

The foregoing is not simply the opinion of the Board, although it is strongly such, it is also the conclusion reached by the Presidential Commission report which states:

*"The country's election officials find themselves second-guessed and heavily criticized when elections run into problems, and praise is not forth coming in comparable volume – or at all – when the process runs smoothly. At the same time, **these officials are all too often given inadequate resources with which to carry out this critical function...**the Commission arrived at a renewed appreciation of how hard, diligently and effectively the vast majority of the country's election officials work to provide well-run elections for voters- and how difficult the job is."*

The Board's dedicated public servants deserve a living wage that adequately reflects the technical skills required to perform their duties. It has become somewhat of an urban myth that individuals become employees of the Board of Elections to essentially retire and live from the independent wealth amassed from their salaries. The Council can be assured that nothing could be further from the truth. In fact, the employees of the Board remain grossly and unfairly underpaid for the services provided. While pontification regarding the importance of elections is often heard in many circles, unfortunately the resources do not match the rhetoric. The Board urges the Mayor and the Council to embark on this change process and bring the Board into a new era of adequate resources that will promote efficiency and enhance voter service.

The Board estimates that an appropriation of at least an additional \$11 million would enable us to raise the salaries of all our employees and thus



bring them closer to their counterparts at the Campaign Finance Board and other Boards of Elections. The additional \$11 million reflects an increase of 37% in the Board's current PS allocation.

The Board has reviewed the current staff allocation and determined that the Board needs 81 new positions which include supervisory, clerical, and office support positions. Most of these positions are assigned to our borough offices while a few are located at the Board's Executive Office. Without funding for these new positions, the Board's ability to comply with the mandates and responsibilities imposed as a result of state and federal legislation and the use of electronic voting systems is seriously jeopardized.

Included among those new positions is a Borough Voting Systems Unit in each borough, consisting of two supervisors and two support staff dedicated to managing the full range of activities (testing, pre-election preparation and post election canvass) relating to the Electronic Voting System. The Board projects that the total additional annual cost for these 81 positions is approximately \$3.25 million.

### Conclusion

The conduct of fair, honest, and open elections is a fundamental right in our democracy. The constant underfunding for not just the Board, but for Election Administrators across the state, and indeed the nation, is alarming. Again, I will refer the Council to the bipartisan Presidential Commission report which provides detailed evidence of this pervasive problem.

Any further fiscal constraints placed upon the Board will render the ability of the Board to conduct effective elections in serious danger. Clearly, funding cuts must not be contemplated; rather those charged with fiscal allocation must do whatever is necessary to provide the Board with sufficient resources and just compensation for the services provided.

While the Board is sensitive to the fiscal challenges faced by the City, the needs of the Board to perform its duties must be met. The Board assures the Council that any allocated resources will be wisely utilized and the public trust will be the guide post. For the Council's reference, please find attachment 3 summarizing the Board's unfunded fiscal needs.

It is respectfully trusted that this committee will take the time necessary to fully consider this testimony and the attachments. It is further trusted that upon due consideration, the Council will work closely with the Mayor and the Board to ensure that sufficient resources are allocated to guarantee the voters of the City of New York will be well served. As always, my colleagues and I are available to answer any questions that you may have, and we are always available if anyone should need further information.

# **ATTACHMENT # 1**

## Election Day Payroll (Primary and General Election)

Category	Sub-Category	Number of Poll Workers	Election Day Unit Cost	Performance Incentive Cost	Debriefing Unit Cost	Total Cost Election Day and Debriefing	Bonus Total Cost
Election Day	AD Monitors	396	\$ 300	\$ -	\$ 150	\$ 297,000	\$ -
	Coordinators	1,750	\$ 300	\$ 75	\$ 25	\$ 1,093,750	\$ 131,250
	Inspectors/ Poll Clerks/ Information Clerks	30,000	\$ 200	\$ 75	N/A	\$ 12,000,000	\$ 2,250,000
	Door Clerks, Interpreters	4,000	\$ 200	\$ 35	N/A	\$ 1,600,000	\$ 140,000
	Total					\$ 14,990,750	\$ 2,521,250
			Total Election Day Expenditure		\$ 17,512,000		

## Training Payroll

Category	Sub-Category	Rate of Pay	Number of Trainers/Poll Workers	Proposed Cost
Trainer Pay	Attending Training			
	Lead Adjunct 5 Days	\$200 per diem	12	\$ 12,000
	Adjunct Trainer 5 Days	\$200 per diem	150	\$ 150,000
	Assistant Trainer 2 Days	\$100 per diem	380	\$ 76,000
	Conducting Training			
	Lead Adjunct (Adjunct & Assistant Trainer Classes)	\$33.33/Hr	12	\$ 40,000
	Adjunct Trainer ( Poll Worker Classes)	\$33.33/Hr	150	\$ 400,000
	Assistant Trainer (Poll Worker Training Classes)	\$22.22/Hr	380	\$ 1,070,000
Poll Worker Attending and Passing Class Stipend	Coordinator (8 Hours)	\$100	1,750	\$ 175,000
	Inspector/Poll Clerk/Information Clerk (6 Hours)	\$100	30,000	\$ 3,000,000
	AD Poll Site Monitor (8 Hours)	\$150	396	\$ 59,400
	Door Clerk (2 Hours)	\$25	1,500	\$ 37,500
	Interpreters (2 Hours)	\$25	2,500	\$ 62,500
			Total Cost	\$ 5,082,400

FY15 Poll Worker PS:  
22,594,400 Million

# **ATTACHMENT # 2**

## Request for Mayor to Increase Poll Worker per diem

Category	Sub-Category	Number of Poll Workers	Proposed FY2014 Election Day Unit Cost	Current Cost	Cost with Increase
Election Day	AD Monitors	396	\$ 400	\$ 118,800	\$ 158,400
	Coordinators	1,750	\$ 400	\$ 525,000	\$ 700,000
	Inspectors/Poll Clerks	28,000	\$ 300	\$5,600,000	\$ 8,400,000
	Door Clerks, Information Clerks, Interpreters	6,425	\$ 300	\$1,285,000	\$ 1,927,500
	Total	36,571		\$7,528,800	\$11,185,900
			Additional Funding per Citywide Election required \$ 3,657,100		

# **ATTACHMENT # 3**

## Board of Elections FY14 - Additional Funding Needed

	Expense
<b>Other Than Personal Services</b>	
OMB "Program to Eliminate Gap" Reduction	\$8,800,000
DOITT Telecommunications Deficit	\$630,000
<b>Total OTPS Needed</b>	<b>\$9,430,000</b>
<b>TOTAL EXPENSE BUDGET SHORTFALL FY14</b>	<b>\$9,430,000</b>

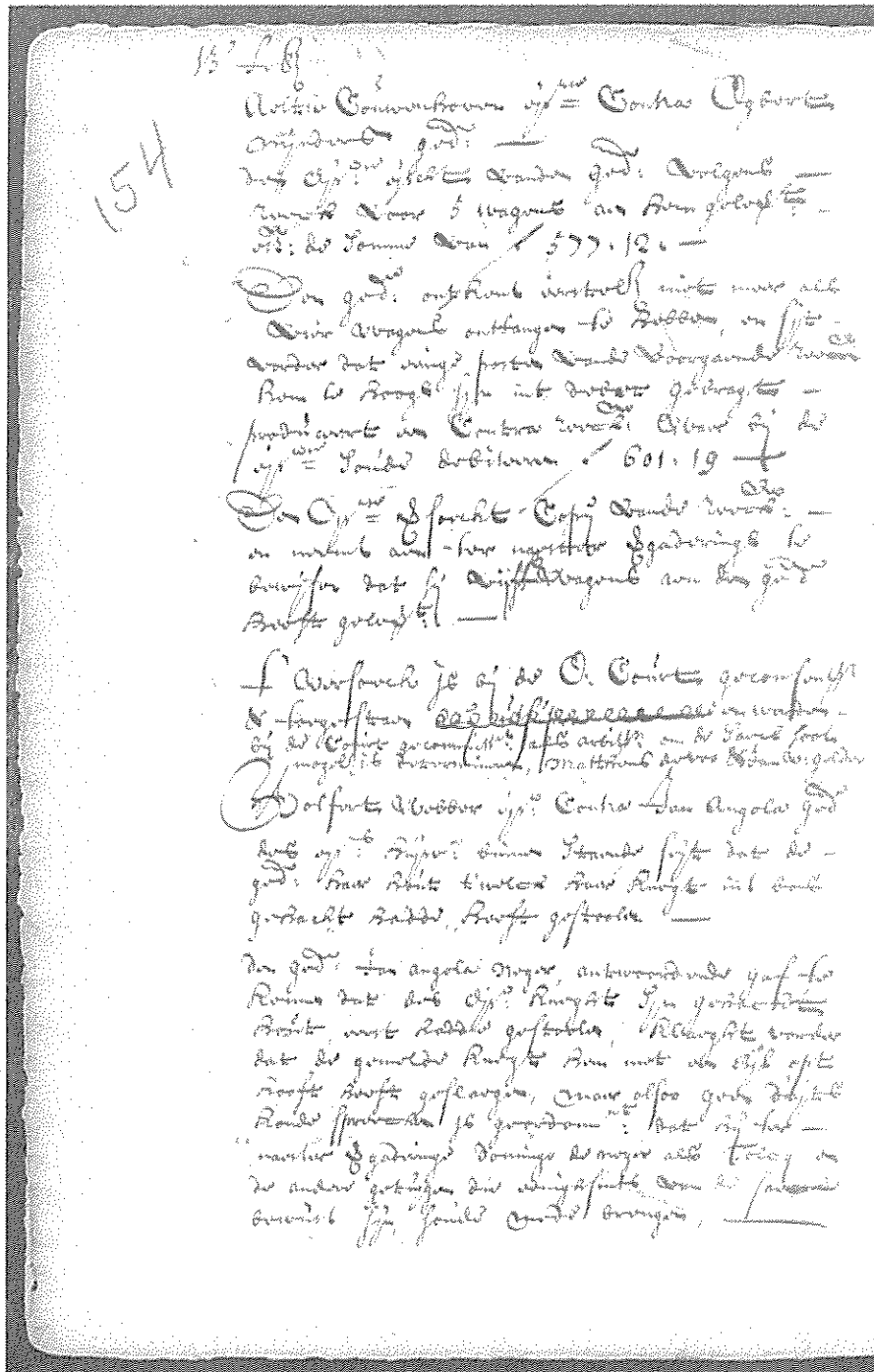
## Board of Elections FY15 - Additional Funding Needed

	Expense	Capital
<b>Personal Services</b>		
Current Staff Payroll	\$15,900,000	
Poll Worker Payroll	\$7,900,000	
Pay Equity Adjustment	\$11,000,000	
New Permanent Staff (81 heads)	\$3,250,000	
<b>Total PS Needed</b>	<b>\$38,050,000</b>	
<b>Other Than Personal Services</b>		
OMB "Program to Eliminate Gap" Reduction	\$8,800,000	
Poll Worker Training Enhancement	\$250,000	
Information Technology Services	\$700,000	\$500,000
Transportation	\$1,350,000	
Public Education	\$300,000	
Election Day Poll Site Monitoring	\$105,000	
ES&S (Voting Assistance)	\$1,986,000	
Dominion (Voting Assistance)	\$230,000	
Poll Site Kiosks (VICKi)		\$6,800,000
Poll Site Kiosk (VICKi) Wireless Service	\$315,000	
Reimbursable Grant Funding	\$2,400,000	
<b>Total OTPS Needed</b>	<b>\$16,436,000</b>	
<b>TOTAL EXPENSE BUDGET SHORTFALL &amp; NEW NEEDS FY15</b>	<b>\$54,486,000</b>	
<b>TOTAL CAPITAL BUDGET NEEDS FY15</b>		<b>\$7,300,000</b>



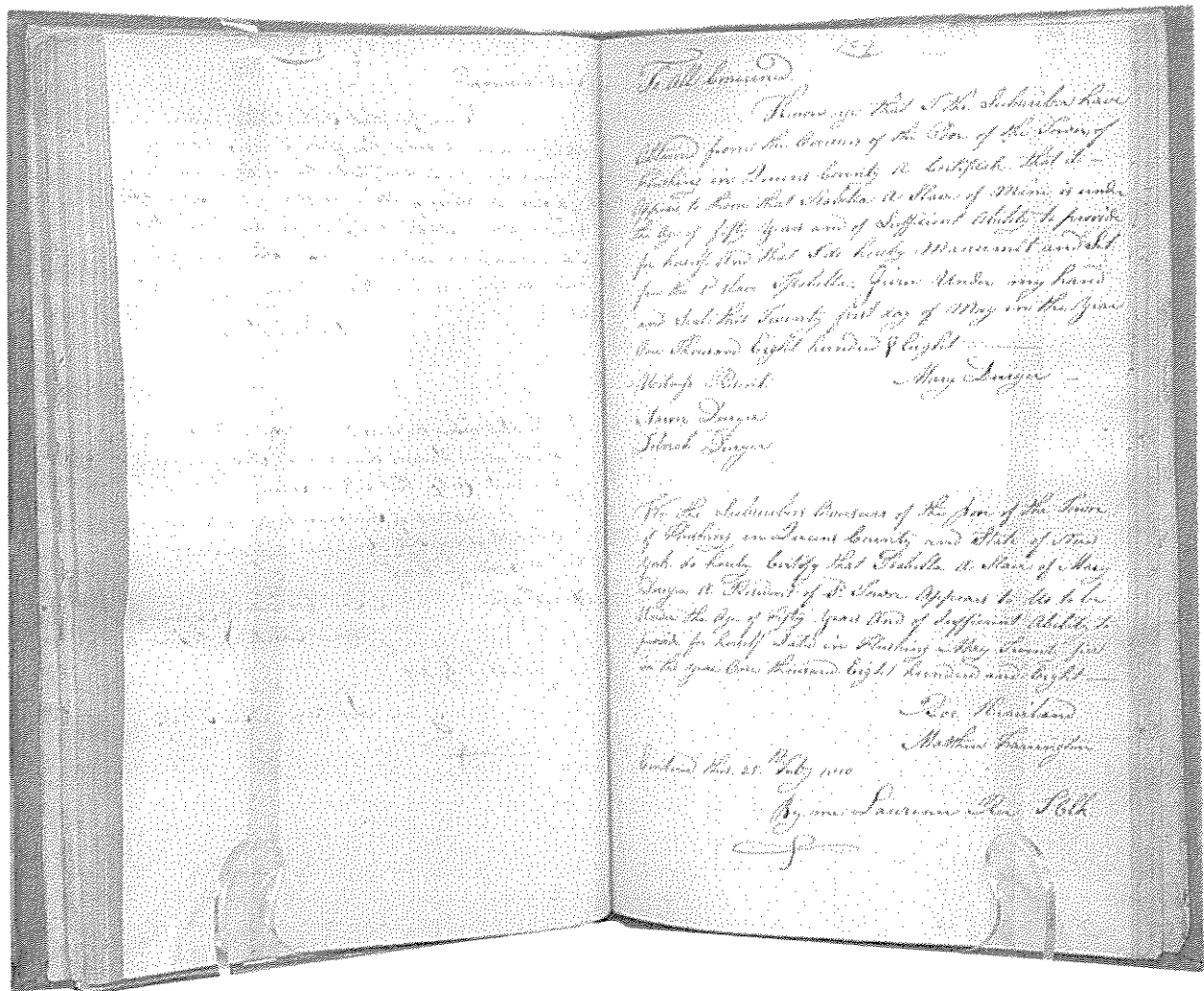
**NYC DEPARTMENT of RECORDS  
2014 BUDGET HEARING**

**SAMPLE IMAGES**



### 1653 Incorporation of New Amsterdam

On February 2, 1653, Peter Stuyvesant, the Director General of New Amsterdam, and his council, proclaimed the establishment of a municipal government. In the above minutes from February 6, 1653, the burgomasters and schepens of New Amsterdam opened their first court session with a prayer. They also gave notice that their regular meetings would be held "in the house hitherto called the City tavern, henceforth the City Hall..."



Overseer of the Poor Slave Records, ca. 1808,  
 Town of Flushing, Queens

New York State enacted legislation for the gradual emancipation of slaves in 1799. This ledger contains the records of the manumissions registered in Flushing in compliance with the Gradual Emancipation Act of 1799.

19 H-1903. 601-01 (S)-100 M  
CITY OF NEW YORK. STATE OF NEW YORK. No. of Certificate. 6145

**CERTIFICATE AND RECORD OF MARRIAGE**

*Franklin Delano Roosevelt* of *Eleanor Roosevelt*

Groom's Residence.	<i>Hyde Park - N.Y.</i>	Bride's Residence.	<i>East 76<sup>th</sup> St.</i>
Age.	<i>Twenty three</i>	Age.	<i>Twenty</i>
Color.	<i>White</i>	Color.	<i>White</i>
Single, Widowed or Divorced.	<i>Single</i>	Single, Widowed or Divorced.	<i>Single</i>
Occupation.	<i>Law Student</i>	Maiden Name, if a Widow.	
Birthplace.	<i>Hyde Park</i>	Birthplace.	<i>New York</i>
Father's Name.	<i>James Roosevelt</i>	Father's Name.	<i>Elliott Roosevelt</i>
Mother's Maiden Name.	<i>Anna Delano</i>	Mother's Maiden Name.	<i>Anna H. Hall</i>
Number of Groom's Marriage.	<i>First</i>	Number of Bride's Marriage.	<i>First</i>

I hereby certify that the above-named groom and bride were joined in Marriage by me, in accordance with the Laws of the State of New York, at *St. Luke's Church, Episcop.* (Street), in the Borough of *Manhattan*, City of New York, this *17<sup>th</sup>* of *March*, 1905.

Signature of person performing the Ceremony. *Theodore Roosevelt*  
Official Station *Clergyman - Grand Master of*  
Witnesses to the Marriage. *Edith Kermit Roosevelt* Residence *Edwin T. Gore, Sr., N.Y. Man.*

WE hereby certify that we are the Groom and Bride named in this Certificate, and that the information given therein is correct, to the best of our knowledge and belief.

*Franklin Delano Roosevelt* Groom.  
*Eleanor Roosevelt* Bride.

Signed in the presence of  
and  
*Sethrop Jones*  
*Charles B. Bradley*

It shall be the duty of the clergymen, magistrates and other persons who perform the marriage ceremony to keep a registry of the marriages celebrated by them. \* \* \* \* \*

Every person authorized by law to perform the marriage ceremony shall register his or her name and address in the office of the Bureau of Records (Sec. 188, Sanitary Code).

It shall be the duty of every person required to make or keep any such registry, of \* \* \* \* \* marriage \* \* \* \* \* to present to the Bureau of Records a copy of such registry signed by such person \* \* \* \* \* within ten days after the \* \* \* \* \* marriage \* \* \* \* \*

which shall thereupon be placed on file in the said Bureau (Sec. 161, Sanitary Code).

N. B.—Sec. 1290, Chap. 460, Laws of 1901, makes the failure to report within ten days, a written copy of the registry of the marriages provided to be registered, a misdemeanor, punishable by fine or imprisonment.

Marriage Certificate between Franklin Delano Roosevelt and Eleanor Roosevelt, witnessed by President Theodore Roosevelt and First Lady Edith Kermit Roosevelt, March 17, 1905.



**LaGuardia throwing first ball of World Series, Yankee Stadium,  
(Yankees vs. New York Giants), October 6, 1937**

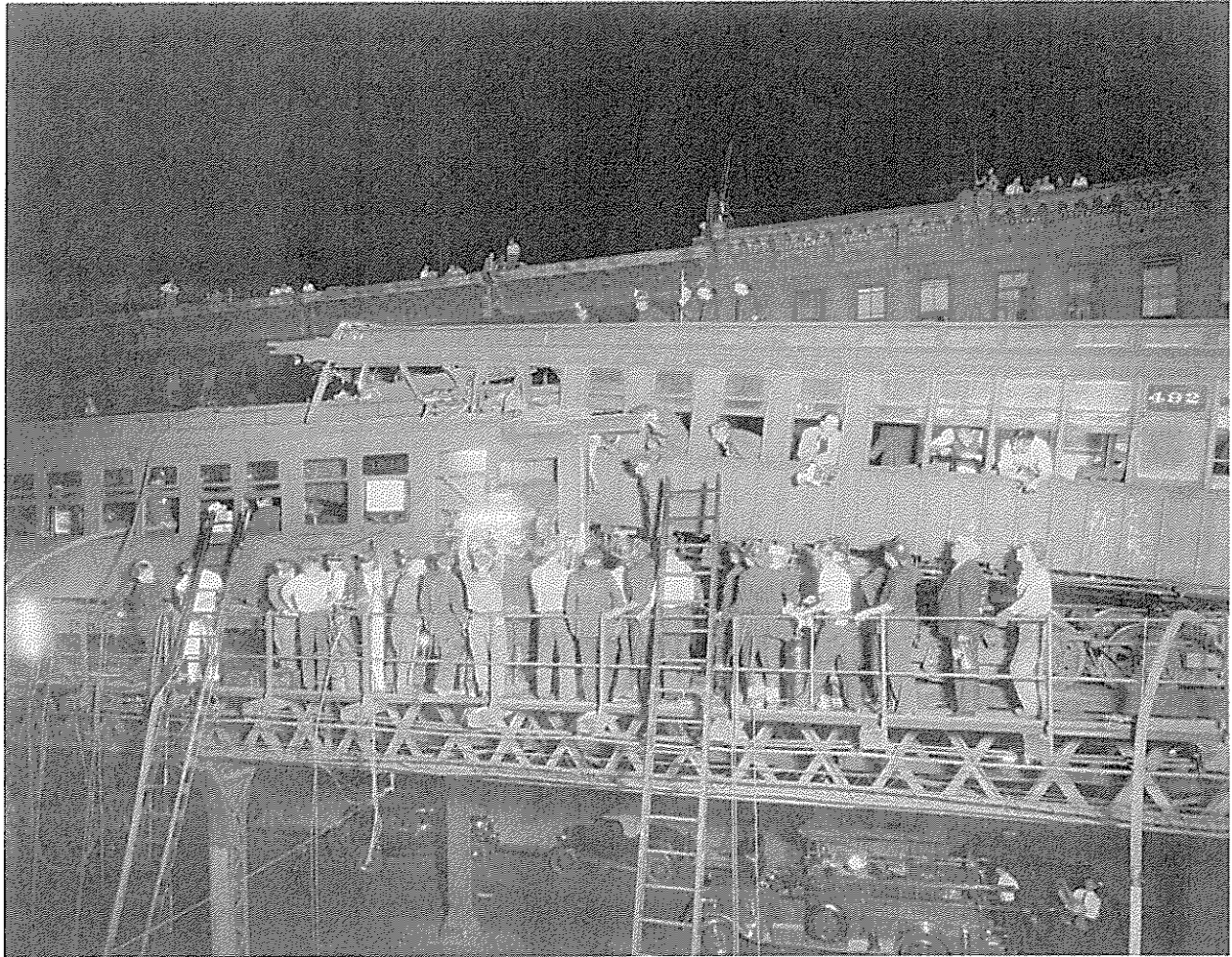




**NYPD #13164: Bridge at 177 St. and Riverside Drive where a man was killed,  
September 21, 1930 [George Washington Bridge under construction]**

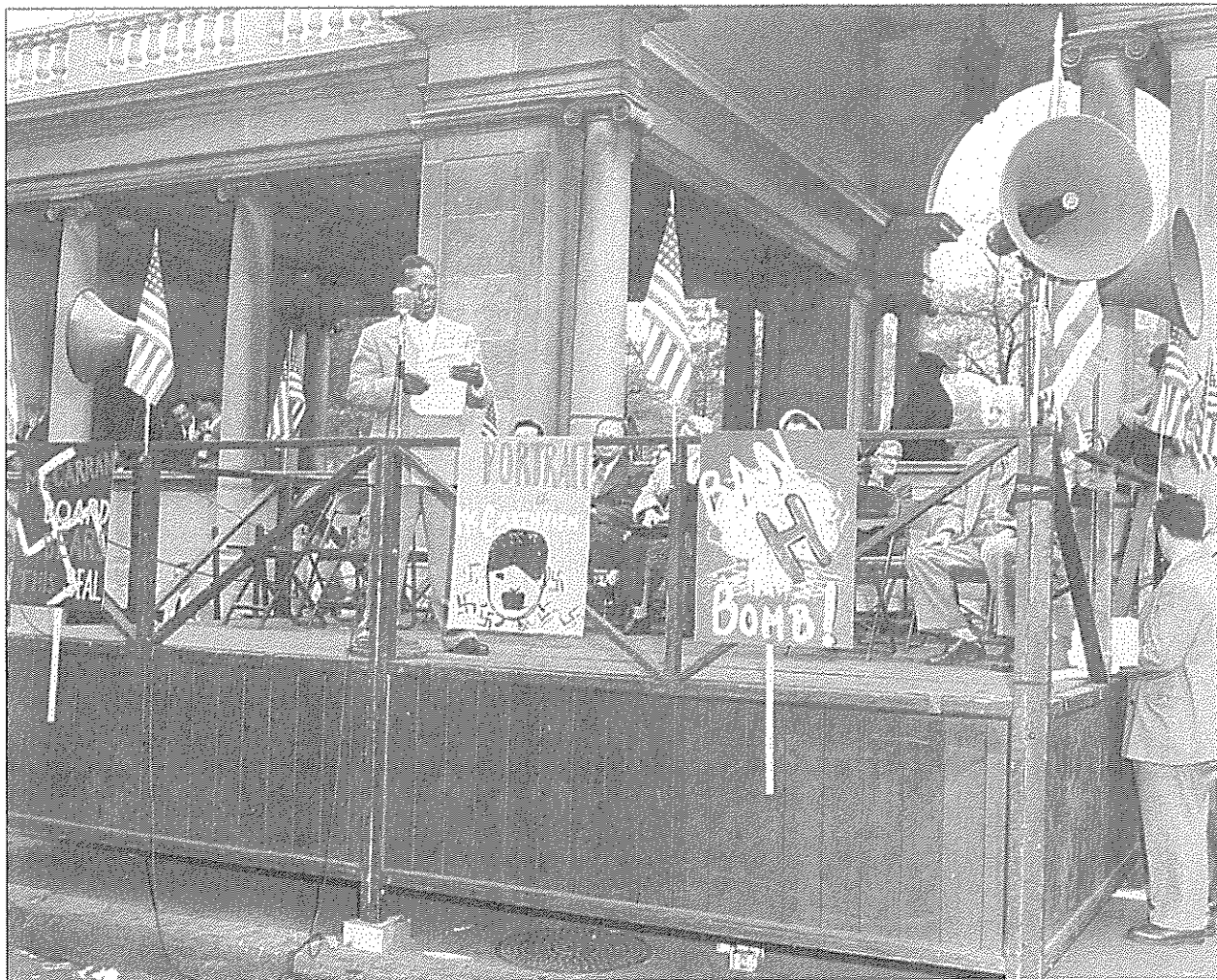


**NYPD #13017: Photos of scene of explosion at 118 Prince Street. Photographs shot between 116 and 120 Prince Street where Erke Marlina (age 19) was killed and 5 persons injured, August 11, 1930**



**NYPD #19394: Railway wreck: 3rd Avenue Railroad, 3rd Ave. and 74th Street,  
August 13, 1936**





**NYPD #30975: [Paul Robeson] May Day rally, Union Square, April 29, 1955,  
one set of prints sent to Justice Department.**



**Mayor Koch with Dolly Parton at Gracie Mansion, August 31, 1987**



FY 2015 PRELIMINARY BUDGET HEARING  
NEW YORK CITY COUNCIL  
COMMITTEE ON FINANCE  
COMMITTEE ON GOVERNMENTAL OPERATIONS

TESTIMONY BY STACEY CUMBERBATCH  
COMMISSIONER, DEPARTMENT OF CITYWIDE ADMINISTRATIVE  
SERVICES  
MARCH 25, 2014

Good afternoon Chair Kallos, and members of the Governmental Operations Committee. I am Stacey Cumberbatch, Commissioner of the Department of Citywide Administrative Services (DCAS.) I am joined by members of my senior staff today, to discuss the planned expenditures and revenues for FY14 and FY15, as well as highlights of the DCAS capital plan. Thank you for the opportunity to appear before you today. I look forward to working with all of you in the days to come.

**OVERVIEW**

DCAS ensures that City agencies have the critical resources and support needed to provide the best possible services to the public in six key areas:

Asset Management: We provide safe, clean, and efficient office space for the City's workforce through our management of 55 public buildings, 15 million square feet of owned space and over 21.5 million square feet of leased space. We also purchase, sell, and lease real property, and locate and secure space for City agencies, with a focus on

more efficient use of office space as an important cost-saving action that also improves delivery of City services. Since 2010, Asset Management has been working to achieve the goal of reducing City office space by 1.2 million square feet by June 2014. With the sales in December 2013 of 346 Broadway and 49-51 Chambers Street, DCAS surpassed this goal 6 months early.

Human Capital: We provide civil service administration for over 200,000 City workers in 40 mayoral agencies and 44 other governmental entities. We annually test over 100,000 candidates through civil service exams, respond to approximately 130,000 calls and emails related to NYCAPS (New York City Automated Personnel System), and train 17,000 City employees through more than 1,350 classes. We are continuing to expand eHire – an applicant tracking system, and a fundamental addition to NYCAPS. There are 47 agencies currently on eHire, with additional mayoral and non-mayoral agencies expected to join later this year. Through eHire, the City's recruitment and hiring processes are uniform, streamlined, and automated, so the City can attract a large and diverse pool of qualified applicants.

Citywide Diversity & EEO (CDEEO): We are responsible for the creation and execution of Diversity and Inclusion strategy for the City, and for guiding mayoral agencies in devising and carrying out their annual Diversity and Equal Opportunity plans. We have

launched a Citywide Diversity Initiative, which rests on three strategic planks: workforce, workplace and community. This launch was accompanied by extensive changes to our charter mandated annual agency EEO plans. These plans, which we have received from all agencies, now have specific strategies with diversity and inclusion commitment statements from Commissioners, actions for targeted recruitment and development of City employees, best practices in selection, and steps taken to provide inclusive services to our diverse New York City communities. Engagement among EEO Officers has greatly increased through the establishment of a Citywide Diversity and EEO best practices group focused on strategy, metrics and professional development.

#### Purchasing:

We purchase, inspect, and distribute supplies and equipment at the lowest net cost, and assist in the disposal of surplus heavy equipment and goods. We purchase approximately \$1.2 billion annually in goods and services for the City, through 1,000 Citywide requirement contracts and one-time purchases. We leverage the City's purchasing power to obtain the most competitive pricing for goods and services by aggregating demand and consolidating contracts. We seek to maximize M/WBE vendor participation by conducting outreach and regularly representing the agency at vendor fairs. We also strive to obtain local sources for goods and services to promote

the local economy. One example of this is the recent implementation of price preferences and extensive outreach to New York State food growers and producers to procure locally sourced food products. These efforts have improved the quality and freshness of the produce purchased by the City, reduced transportation costs and impacts, and increased support of sustainable food production.

Fleet: We monitor City agency fleets and the City's overall compliance with fleet purchasing laws and environmental goals. We help manage nearly 27,000 light-, medium- and heavy-duty vehicles, representing over \$2 billion in assets. The fleet includes 6,070 alternative fuel units. The majority of these fleet assets are operated by ten agencies: NYPD, FDNY, DOC, DSNY, DEP, DOT, DPR, DOHMH, DOE and DCAS. We provide maintenance and repairs, claims, parts, leasing, auction, and information management services to 50 City agencies that operate vehicles. In addition, we manage the City's fueling contracts and infrastructure that encompasses the purchase and use of over 29 million gallons annually. We also lead Citywide fleet initiatives including a number of Vision Zero initiatives and shared servicing.

Energy Management: We pay, monitor, and report on the annual Heat, Light, and Power budget for City agencies and others, which is \$801 million in FY14. To control energy costs, DCAS has engaged in the following: a) we review utility costs for

potential savings; b) we work directly with agencies through incentive programs and energy efficiency projects; and c) we analyze volumes of data to identify the most cost-effective and energy-saving projects. DCAS leads the effort to accomplish the City's goal of reducing energy consumption and greenhouse gas (GHG) emissions from City government operations 30 percent by 2017, as described in the City's long-term sustainability plan, known as PlaNYC. Our primary goals are to reduce and manage energy usage, to invest in projects and operations that reduce costs, and to support City agencies in these efforts.

#### **DCAS EXPENDITURES**

DCAS' expense budget reflects funding of \$1.2 billion in FY14 and \$1.1 billion in FY15. Included in this funding is our budgeted headcount of 1,962 in the current fiscal year and 1,964 in FY15.

The majority of our planned expenditure - \$801 million in both FY14 and in FY15 - is allocated for Citywide energy expenses. DCAS continues to work closely with agencies Citywide to enhance the energy performance of their facilities through a range of programs, which include retrofitting equipment, improving operations and maintenance, and training and outreach to reduce the City's energy costs.

## **DCAS REVENUES**

The total DCAS revenue budget is \$317 million in FY14 and \$60.1 million in FY15. The difference is primarily due to the income in FY14 from the sales of 49-51 Chambers Street and 346 Broadway, which totaled \$214.2 million.

- Our largest source of recurring revenue is from commercial rentals of City-owned property, projected to be \$41.9 million in FY15.
- Another significant revenue source is the sale of surplus vehicles through auto auctions managed by DCAS Fleet. The planned revenue from the auto auctions is \$4.7 million in FY15.
- DCAS Citywide Purchasing oversees the sale of non-vehicle surplus goods at public auctions, internet, and by competitive sealed bids. The FY15 Preliminary Budget assumes \$2.2 million in proceeds from the sale of surplus goods in FY15.
- DCAS also receives revenue from applicant filing fees for civil service examinations. DCAS anticipates collecting \$3.2 million in FY15 from these fees.



## **DCAS NEW NEEDS**

Now, I would like to discuss major Expense Budget Adjustments for DCAS reflected in the FY15 Preliminary Budget. DCAS received expense funding for Citywide initiatives such as Post-Sandy Emergency Planning, Employee Diversity and Inclusion Training for agencies Citywide, and the establishment of an eLearning Program. The FY15 Preliminary Budget also contains funding for Life and Safety Projects as well as other mandated expenses.

### **DCAS Citywide Initiatives:**

- DCAS played a vital role during Super Storm Sandy by assisting with emergency procurement needs, providing emergency fueling sites and the towing of disabled/abandoned vehicles from the City's streets. The FY15 Preliminary Budget contains \$475,000 for the hiring of six Post-Sandy emergency staffing positions, including four procurement staff who will be responsible for developing Citywide procurement contracts to be used by City agencies in an emergency - including ambulette services, temporary shelter services, emergency equipment rental and security services.

The remaining two positions are allocated for Citywide Fleet. These positions will work with the Office of Emergency Management in the development of protocols for emergency operations such as fuel operations, debris management, transport and towing of disabled vehicles.

- Citywide EEO received \$100,000 in the current fiscal year and \$75,000 in FY15 to provide City employees with mandated diversity and inclusion training (Everybody Matters).
- Human Capital is preparing a blended learning platform which allows students and instructors to interact in the classroom, or remotely through a computer or other mobile technology. This platform will enable employees to participate in training classes from their work sites. Programming will include mandated compliance training (*e.g.*, annual Department of Investigations Corruption Prevention Awareness) as well as professional development. The FY15 Preliminary Budget contains \$163,000 and two positions dedicated to the rollout of this Citywide Initiative.

**Life and Safety:**

DCAS received \$440,000 in FY 2014 for Life and Safety needs such as purchasing of pest management equipment and the rental of sidewalk sheds and scaffolding at various locations.

**Mandates:**

In compliance with the United States Department of Justice (DOJ) court-mandated order for the creation of the new Fire Department (FDNY) Examination, a consultant was retained for development of a test that was administered in spring 2012 and from which new classes of firefighters are being selected. This consultant will still be required for services such as the administration of make-up exams and to provide expert testimony in case of any legal challenges. DCAS received \$310,000 in baseline funding for these anticipated expenses.

**DCAS CAPITAL**

I will now turn to the DCAS capital plan, which totals \$1.1 billion together for FY14 and FY15. DCAS is undertaking a number of major construction, equipment, and energy conservation initiatives. Highlights of our program include:

### **DCAS City-Owned Capital Construction**

DCAS' capital construction program for city-owned buildings in FY14 and FY15 totals \$464 million. Major projects include:

- An electrical upgrade at the Brooklyn Municipal Building at 210 Joralemon Street.
- A rehabilitation of elevators at 253 Broadway.
- A new community court at 444 Boyland Street in Brownsville, Brooklyn.
- New elevators at the Queens Supreme Court at 88-11 Sutphin Boulevard in Jamaica.

### **Construction to Support the Civic Center Program**

DCAS has allocated \$106 million for ongoing work to renovate office space for tenants relocating from 346 Broadway and 49-51 Chambers Street. Sites include:

- \$42 million for work at 1 Centre Street
- \$27 million for work in leased facilities
- \$15 million for work at 100 Gold Street

### Leased Space Construction Projects

DCAS capital program for the construction and outfitting of leased space in FY14 and FY15 totals \$108 million. Projects include:

- \$35 million for a back-up center for FISA
- Relocations from 40 Rector Street to 100 Church Street for:
  - the Civilian Complaint Review Board;
  - the Office of Administrative Trials and Hearings;
  - the Campaign Finance Board;
  - the Department of Environmental Protection.
- Relocation of the Taxi and Limousine Commission and the Office of Administrative Trials and Hearings from 32-02 Queens Boulevard to 31-00 47 Avenue in Long Island City.
- Improvements to office space and the licensing customer service area for the Department of Consumer Affairs in lower Manhattan.

### Energy Conservation Projects

There is \$362 million in capital funding allocated for Citywide energy conservation projects managed in FY14 and FY15. Projects include lighting upgrades, occupancy sensor installations, high efficiency motor installations for mechanical and plumbing systems, building envelope upgrades, building controls, cool roof coatings, and clean

energy installations. The new ACE program has launched another round this year and has expanded funding potential for Agency-identified projects to conserve energy and reduce costs.

#### Sandy Equipment Citywide Purchase

DCAS received \$26 million for 330 units of additional emergency and storm related equipment for use of City agencies. Two hundred (200) light towers were received by agencies including NYPD. DCAS has placed orders for 35 fuel trucks and is completing contracts for generators, forklifts, and water pumps.

#### Vision Zero Fleet Projects

DCAS is implementing a capital project for \$6.75 million to complete a Citywide rollout of the EJ Ward fuel tracking system. This rollout includes CANceiver units for each vehicle that will download vehicle engine information including speed, idling, braking, seatbelt operation, acceleration and location information. This system will greatly enhance our understanding of driver habits and the ability to analyze and prevent collisions.

In 2013, DCAS completed rollout of a new fleet management and maintenance tracking system, called NYC Fleet Focus. This effort is part of a two-year \$5.4 million capital

project with AssetWorks. In 2014, DCAS has begun phase two of this project, which includes the City's first Citywide Collision management system, called CRASH. All City fleet collisions will be tracked in CRASH, enabling the City to analyze collisions in improved ways, and assist the efforts of the Law Department to address claims and litigations.

## **CONCLUSION**

Thank you for this opportunity to testify about the Department of Citywide Administrative Services' planned expenditures and revenues for FY14 and FY15 as well as our capital commitment plan. I would be pleased to take any questions at this time.

**Statement by Corporation Counsel Zachary W. Carter to the City Council  
in Connection with the Preliminary Budget for Fiscal Year 2015**

**March 25, 2014**

Good afternoon Chair Kallos and distinguished Members of the Government Operations Committee. It is a pleasure to come before you to discuss the Law Department's fiscal year 2015 Preliminary Budget.

The Corporation Counsel is the attorney for the City and its agencies and has responsibility for all litigation and other legal matters involving the City. The Department employs approximately 730 attorneys and 630 support staff. Let me add that of our 730 attorneys approximately 21% are members of minority groups and 56% are women.

The Law Department consists of seventeen legal and three support divisions. We handle an extraordinary array of cases and non-litigation matters: from tort to tax, from environmental and administrative issues to economic development and municipal financing. We also represent the City as plaintiff in a wide variety of affirmative matters.

The Law Department spends the overwhelming majority of its time and budget in three particular activities: defending cases where money damages or lower property taxes are being sought against the City, bringing cases seeking damages or restitution, and prosecuting juveniles. The first two activities are directly related to protecting and enhancing the public fisc. The third is directly related to public safety. An additional major area of focus is bringing and defending cases involving major public policy and environmental challenges. Following are descriptions of recent major case developments and a major funded initiative:

**Stop-and-Frisk Litigation**

At the end of January, the Law Department reached an agreement with the plaintiffs in *Floyd v. City of New York*, a long-standing dispute regarding the Police Department's stop-and-frisk policy. Plaintiffs had alleged that police officers had violated their constitutional rights by stopping them without a legal basis and doing so because of their race.

Under the terms of the agreement, a court-appointed monitor will oversee the Police Department's reform of its stop-and-frisk policy for three years. The monitor is empowered to report to federal court on the NYPD's progress in meeting its obligations under the agreement. The City will also involve community stakeholders to ensure that people affected by stop-and-frisk have an active role in shaping its reform.

**FDNY Testing Litigation**

Last week, the Law Department reached a settlement with the plaintiffs in *U.S.A. and Vulcan Society v. City of New York*, another years-long dispute. In this lawsuit, the United States Department of Justice and the Vulcan Society, an organization of current and former African-American firefighters, claimed that the Fire Department's written civil service examinations in



1999 and 2002 violated Title VII of the Civil Rights Act. The Department of Justice alleged that the tests resulted in a disparate impact on African-American and Hispanic applicants, and the Vulcan Society also alleged that the examinations were intentionally discriminatory.

Under the terms of the settlement, the City will pay approximately \$98 million in backpay, fringe benefits, and interest to applicants who took the two tests but did not get hired, as well as FDNY members who may have been hired late due to the tests' disparate impact. In addition, the City agreed to undertake a number of steps to help increase the diversity of the FDNY, including the hiring of a high-ranking Chief Diversity and Inclusion Officer and engaging with the Department of Education and local colleges to create educational opportunities that will enhance the ability of minorities and women to pursue careers as firefighters.

The settlement compensates those affected by the FDNY's exams in 1999 and 2002 and ensures that the FDNY has the capacity, support, and structures in place to build a stronger and more diverse department in the years to come.

### **Challenges to Local Laws**

Mayor de Blasio asked the Law Department to take a fresh look at a variety of challenges brought by the previous administration to local laws and to align the City's position in litigation with the policy positions of his administration. The Law Department has done so.

- **Local Law 71 of 2013: Prohibits Bias-Based Profiling in Law Enforcement**

The Law Department ended a lawsuit that challenged the validity of Local Law 71, which bans bias-based profiling in law enforcement.

More specifically, the law prohibits law enforcement officers from relying on actual or perceived race, national origin, color, creed, age, alienage or citizenship status, gender, sexual orientation, disability or housing status as the determinative factor in initiating law enforcement action against individuals. The law also gives individuals the right to bring lawsuits to stop bias-based profiling by law enforcement entities or personnel, with the objective of achieving corrective action.

The NYPD has provided guidance to police officers to ensure compliance with Local Law 71. The Law Department will represent police officers in lawsuits brought pursuant to Local Law 71 if the officers have acted in the scope of their employment and in conformity with NYPD's standards.

The Law Department will support the City Council in a second suit, brought by police unions, challenging the law's validity.

- **Local Law 37 and Local 27 of 2012: Living Wage and Prevailing Wage Laws**

Consistent with Mayor de Blasio's State of the City address, the Law Department also ended a challenge to Local Law 37 of 2012, also known as the Living Wage Law. The Living

Wage law requires that a living wage of \$10 per hour plus \$1.50 in health benefits (or a cash equivalent) be paid to retail and other employees who work at sites developed with more than \$1 million in City assistance.

The Law Department has committed to work with the City Council to restore the Prevailing Wage Law (Local Law 27 of 2012), which a trial-level court held to be preempted by state law in August 2013. The Prevailing Wage law will require prevailing wages for building service workers in buildings (1) developed with significant City financial assistance; or (2) where the City is a major tenant.

- **Local Law 38 of 2012: Responsible Banking Act**

The Law Department has aligned the City with the Council in defending the validity of Local Law 38 of 2012, the Responsible Banking Act, in a challenge filed by the New York Bankers Association. The law creates a Community Investment Advisory Board ("CIAB") to amass and evaluate lending data and other information concerning banking services and activities affecting City neighborhoods; assess community banking needs and set benchmarks and best practices; and issue annual reports evaluating the banks that are used to deposit City funds in relation to the City's community banking needs. Last week, the Law Department, on behalf of the City, notified the parties and the court that the City would now be supporting the law.

### **Tort Division**

The Tort Division is the office's largest, comprising 220 lawyers and an equal number of support staff. The division defends the City against 7,000 new personal injury and property damage cases annually through its offices in all five boroughs and there are 18,500 actions pending.

In addition to its five borough offices, the division also includes several specialized units, including: the Risk Management Unit, which works with agencies to enhance accident prevention and streamline document production; the Special Litigation Unit, which handles the division's highest exposure cases; the Toxic and Mass Tort Unit, which defends against cases alleging damages from exposure to toxic substances; and the Early Intervention Unit, which responds to pleadings, processes dispositions, and conducts settlement negotiations.

The Bronx Police Unit is the division's newest addition. It was created in 2013 to address a surge of cases filed in State court against the City and its police officers. Between fiscal years 2009 and 2013, such actions commenced increased 120%, largely in the Bronx. Thanks to additional funding, the Law Department has hired new lawyers and staff to address these cases properly. I am happy to report that in the first half of fiscal year 2014, new actions against the City and its police officers in the Bronx have declined 28% compared to the same period in fiscal year 2013. We attribute this decline, at least in part, to an increased awareness that the City has the resources and ability to defend cases through motion practice or trial, when appropriate.

### **Budget**

Our total proposed appropriation (PS and OTPS) for fiscal year 2015 is \$158,512,743. Our proposed fiscal year 2015 headcount is 1,353.

### **Conclusion**

I thank you for your support of the Law Department and look forward to our continued cooperation. I would be happy to answer any questions you may have.

Testimony of Glenn Newman before the City Council

Committee on Government Operations

March 25, 2014

The Office of Administrative Tax Appeals established by Local Law 57 of 2007 brought together the City's two agencies that hear tax appeals, the Tax Appeals Tribunal and Tax Commission.

The Tax Appeals Tribunal hears appeals of Finance Department determinations relating to the City's business taxes (general corporation tax, bank tax, unincorporated business tax, commercial rent tax, real property transfer tax, etc.). The Tribunal itself consists of three commissioners appointed by the Mayor to hear appeals from the Administrative Law Judge ("ALJ") unit where the trials of the tax matters take place. After a determination by one of the three ALJs either the taxpayer or the Department of Finance (represented by the Corporation Counsel) may appeal to the Tribunal. Only the taxpayer may appeal the Tribunal's decision and that appeal goes directly to the Appellate Division of the New York Supreme Court for review. These cases can involve many issues including whether a taxpayer has nexus to the City sufficient to be subject to tax, what income is taxable and what deductions are proper and apportionment of income to the City. There are about 70 cases pending and the cases proceed for months or years as trials and briefing of complicated issues are presented.

The Tax Commission is the City of New York's independent forum for administrative review of real property tax assessments. Pursuant to the New York City Charter and Administrative Code, the Tax Commission's mission is to ensure determinations of real property tax assessment protests are fair and efficient in order to provide effective administrative review of property tax assessments within the City of New York.

Annual assessments are the basis for the real property tax levy, the City's largest source of revenue. An "assessment" encompasses a tax lot's tax class, market value, and eligibility for full or partial exemption. The amount of a tax lot's assessment, or its "assessed value" (for tax lots where assessment increases are not limited by law), is based upon the property's market value to which the assessment ratio for the tax class is applied. The tax imposed on the tax lot for a fiscal year is the product of its taxable assessed value and the overall tax rate applicable to its designated tax class as adopted by the City Council.

Each January the Department of Finance publishes tentative assessments for the more than 1.1 million tax lots in the City. The Finance Department sends a notice of value to the owner (or designee) of each tax lot in connection with the property taxes to be levied for the City's next fiscal year (July 1 through June 30). In addition the Finance Department publishes assessment ratios for the four property tax classes. Each year the Department of Finance calculates individual assessments and the assessment ratio for each of the four tax classes considering fluctuations in the real estate market, physical alterations and/or changes in taxable status issuing a final assessment roll on May 25<sup>th</sup>.

State and local laws provide the right and the means for taxpayers to obtain administrative review of individual real property tax assessments. Tax rates are *not* subject to property-specific challenge. The claims in an application for correction of assessment that the Tax Commission may review are: 1) misclassification (that is, the property is assessed in the wrong tax class for its type and use, under the four-class system); 2) excessiveness (principally, the property fails to receive all or a portion of a partial tax exemption); 3) inequality (that is, the property's assessed value is set at a higher proportion of market value than that applied to all other properties in the same tax class); and 4) unlawfulness (principally, the property fails to receive a complete tax exemption).

The accepted methodologies for valuing real estate use sales of comparable properties, income generated by the property or the cost of reproducing the structure. Disputes over individual assessments are an inevitable feature of ad valorem property taxation.

The Tax Commission is an accessible forum that expeditiously resolves assessment disputes, and orders remedial action where appropriate, in accordance with applicable law and appraisal concepts. The existence, mission and authority of the Tax Commission—as an administrative agency of the City of New York—are required pursuant to the New York State Real Property Tax Law and the New York City Charter and Administrative Code. The fair and effective operation of the Tax Commission in discharging its functions is an integral part of tax administration in the City.

A fair and efficient review process is essential to reducing costly litigation of assessment disputes. Appropriate action by the Tax Commission brings closure to many claims that might be further contested costing additional time and resources for taxpayers and the City. Moreover, taxpayers may be inclined to moderate their demands when met with the genuine prospect of timely relief from the Tax Commission—in lieu of overpaying taxes for a number of years, while pursuing relief in an Article 7 proceeding defended by the Law Department subject to the approval of the Comptroller or expensive, risk-laden trial and related proceedings in court.

Another feature of the Tax Commission's operations—the longstanding practice of employing a standard “acceptance agreement” which requires the discontinuance of all pending judicial proceedings with respect to prior years when accepting an offer of reduction by the Tax Commission—benefits the City by eliminating thousands of pending Article 7 proceedings.

In sum, though it is a small agency in the context of staffing and expense

budget allotments, the Tax Commission is an integral component of the New York City's tax administration system.

Pursuant to the New York City Charter, the Tax Commission proper consists of a President and six Commissioners appointed by the Mayor, with advice and consent of the Council, to staggered six-year terms. The President, as the head of the agency, serves full-time, while the six Commissioners serve part-time. Each member of the Commission must have at least three years of business experience in real estate or real estate law. Additionally, the Commission must include at least one resident of each borough.

The Tax Commission strives to meet the challenge to provide fair and efficient hearing on protests of property tax assessments and maintain the essential features of the agency's operations. In 2013/14 tax year, the fifth full budget year integrating the Tax Commission and the Tax Appeals Tribunal within the Office of Administrative Tax Appeals ("OATA"), OATA had a staff of 39 full-time employees plus 5 part-time Commissioners and an operating budget of \$4,272,758. The Tax Commission's core function of ruling on annual applications for correction of assessment is a great responsibility and an integral part of the City's tax system. Application forms—along with associated instructions and informational summaries—issued by the Tax Commission for use in administering the formal administrative review process are revised annually. The number and variety of applications filed each year require a multitude of functions to be performed. These functions include: outreach to the public and information sessions on the application process, intake and stratified sorting of forms and documents; creating and maintaining case files and records; calendaring; allocating internal assignments; scheduling, preparing for and conducting hearings; performing legal, appraisal and factual research and analyses; rendering determinations; generating and mailing disposition notices; processing remedial

relief, and communications with the Department of Finance and the Law Department; auditing; compiling and analyzing performance statistics; computer programming; clerical tasks; and responding to customer inquiries and requests under the Freedom of Information Law.

In 2013, the Department of Finance issued the tentative assessment roll in January and many properties that had been affected by Hurricane Sandy did not have their assessments reflect the storm damage. Finance undertook a review of the neighborhoods where the storm had major impact and revised assessments through the issuance of the final assessment roll on May 25<sup>th</sup>. After consulting with the Law Department, the Tax Commission accepted applications from property owners who had received a Revised Notice of Value if the application was filed within 20 days after the revision. More than 300 property owners filed applications after the revisions were made.

The Tax Commission staff, together with Finance staff, held outreach sessions in the communities affected by the storm. We held sessions during the day and in the evening in Staten Island, Howard Beach and the Rockaways at which several hundred homeowners were able to get information on their property tax assessments and help in filing protests.

After the borough hearings were held in June (they were scheduled before all of the Revised Notices of Value were issued), the Tax Commission provided in-person hearings to those whose properties were affected by Hurricane Sandy in the fall of 2013. Offers of reduction were made to reflect the damage to the properties.

As in 2012, in 2013 the Department of Finance sent renewal of property tax exemptions to not-for-profit organizations requiring them to provide updated information to establish their exemption from property tax. This resulted in 185 such applications protesting the denial or reduction of their exemption as compared to 189 in 2012. These matters required additional outreach to those claiming



exemption, in-person hearings and extensive documentation of the exempt status of the organizations and use of the premises. Many of these organizations did not have professional staff and so the Tax Commission spent a considerable amount of time explaining the requirements for exemption and how to present the facts needed to prove their claim.

In 2013, the Tax Commission received 52,989 applications, covering 192,187 separately assessed tax lots, encompassing \$166.757 billion in assessed value.

The Tax Commission conducted 23,618 substantive hearings in 2013. In exercising its two-year jurisdiction, the Tax Commission took remedial actions in 2013 that, in the aggregate, granted \$6.5 billion in assessment reductions, yielding \$572,932,181 in tax relief to aggrieved taxpayers. In conjunction with its disposition of applications protesting 2013 assessments, the Tax Commission also brought closure to 15,297 pending judicial review proceedings claiming errors in assessments for prior years totaling \$70.8 billion. In the same year, the Law Department disposed of approximately 684 judicial proceedings claiming errors in assessment totaling \$2.8 billion (presumably the more intractable matters) by settlement. In recent years, the Courts, after trial, have issued judgments disposing of few proceedings; in 2013, there were 54 Article 7 petitions taken to trial and decided by the Courts (resolving \$3,041,173 in claimed errors). The Tax Commission's administrative review has been and continues to be the most effective means of resolving the pending judicial proceedings contesting hundreds of billions of dollars in assessments.

# FINANCIAL INFORMATION SERVICES AGENCY

Committee on Governmental Operations

March 25, 2014

Testimony presented by Rose-Ellen Myers, First Deputy Executive Director, Financial Information Services Agency (FISA). FISA's Executive Director position is currently vacant so Ms. Myers is handling the responsibilities of the day to day operations of the agency.

The portion of the Mayor's Preliminary Budget that pertains to FISA will allow it to maintain its current levels of service. The budget provides FISA with the resources it needs to support the citywide financial, payroll, human resources and timekeeping applications which it maintains for City officials who utilize them to carry out their charter mandated activities related to budgeting, financial planning, accounting, procurement, payroll, pension and personnel functions. FISA provides services to various entities through the operation and maintenance of major information systems such as the Payroll Management System (PMS), the Financial Management System (FMS), the Pension Payroll Management System (PPMS), the New York City Automated Personnel System (NYCAPS) and CityTime.

FISA provides technical expertise and support primarily to the Office of Management and Budget (OMB), the Office of the Comptroller, the Office of Payroll Administration (OPA), the Office of Labor Relations and the Department of Citywide Administrative Services (DCAS). FISA ensures citywide system access and provides technical assistance to all agencies processing transactions in FMS, PMS, PPMS, NYCAPS and CityTime.

Today, the systems that FISA supports are all implemented and utilized by tens of thousands of users in the performance of their duties on behalf of the people of our City.

## **Financial Management System (FMS)**

The Financial Management System (FMS) supports the base functions required of a citywide budget and accounting system. FMS processes data for inclusion in the City's Financial Plans, Budget, Comptroller's Annual Statements and all required tax reports. In Calendar Year 2013 FMS generated approximately 709,000 disbursements valued at approximately \$45 billion dollars.

FISA would like to report a positive trend toward greater usage of Electronic Funds Transfer (EFT) by vendors and other payees receiving payments from the City. In calendar year 2010 approximately 41% of the City's total disbursements were made using EFT. By the end of 2011 that percentage had reached 57%, and during 2013 the EFT percentage grew higher still, to 69%. This trend toward greater use of EFT is due to a number of complementary initiatives such as City legislation which makes EFT the preferred method of payment by agencies, a nominal paper check fee that has raised over \$1,000,000 to date for the City since the end of Fiscal Year 2011, and aggressive vendor enrollment activities.

## FINANCIAL INFORMATION SERVICES AGENCY

FISA, working with the Mayor's Office of Contract Services and DCAS, completed a set of procurement improvement initiatives. The initiatives underway include the deployment of an automated and standardized procurement process, self-service vendor commodity enrollment and electronic order processing for selected contracts.

FISA, working with the Office of the Comptroller, completed initiatives to improve financial and tax reporting capabilities. The initiatives include the deployment of 1042-S tax reporting and the automated generation of additional components of the City's annual financial report.

### **Debt Management System (DMS)**

The Debt Management System (DMS) is a custom built application for the City of New York that is used by investment banks, bond counsel and City employees. The application is the official repository of data pertaining to debt issued by New York City and certain other debt issuing authorities. The DMS application includes over 100 years of historical data. FISA completed the initial implementation and continues to maintain the application and apply enhancements as prioritized by DMS stakeholders. Enhancements currently underway include: the creation of new reports and upgrades to the client software.

### **Payroll Management System (PMS)**

The Payroll Management System (PMS) is the computerized payroll system used for producing the City's payroll. PMS processes over nine million payments annually by running over 300 pay cycles per year that produce payrolls valued at approximately \$28 billion dollars. FISA is currently working on several initiatives to move non-payroll functionality out of the Payroll Management System as part of the project to replace it.

### **Pension Payroll Management System (PPMS)**

The Pension Payroll Management System (PPMS) is used for producing payments to New York City retirees. For Calendar Year 2013, PPMS produced over 3.7 million payments by running over 180 pay cycles for a payroll valued at approximately \$13 billion dollars. FISA manages the distribution of retiree checks, 1099 forms and EFT quarterly statements to pensioners.

### **New York City Automated Personnel System (NYCAPS)**

NYCAPS is a citywide human resources and benefits system which processes transactions for City employees. In the past year, the NYCAPS application was expanded in several areas:

#### **E-hire Expansion Initiative**

The E-Hire functionality was enhanced in conjunction with NYC.Gov to present an easier to use interface to allow applicants to find job opportunities within New York City government.

# FINANCIAL INFORMATION SERVICES AGENCY

## **DOE HR Initiative**

Working with the Department of Education (DOE), the remaining Department populations continue to be rolled into NYCAPS. Since last year, the Para professional/School Based Hourly Support Employees were converted into NYCAPS. The Per Diem teachers will be converted in May and the Per Session Teachers and Custodians in the fall. This will complete DOE's integration into NYCAPS.

## **Retiree Initiative**

FISA and the Office of Labor Relations continue to work on the other systems which support the processing of retiree benefits and plan on converting them into NYCAPS.

## **CityTime**

The CityTime system is a unified and automated timekeeping system which interfaces with the City's Payroll Management System to support accurate time and attendance records and payroll calculations. At this time approximately 161,000 City employees across 66 agencies and 127 collective bargaining units have been deployed on CityTime.

FISA is on target to meet the objectives set forth in the FISA Board Resolution of June 2011. That resolution called for replacing 20 consultant positions with City employees per year. FISA's goal is to reduce CityTime consultant headcount to around five by July 2014.

## **Open Data/My Money**

FISA is working to provide the Department of Information Technology and Telecommunications (DoITT) with data on job postings for the Open Data website.

FISA also provided the New York City Comptroller's Office with payroll, contract and payment data for the Comptroller's Checkbook 2.0 web site. We continue to support their efforts as they design additional components of their Checkbook site.

## **Agency Budget Information**

FISA's staffing for Fiscal Year 2014 and Fiscal Year 2015 is an authorized 436 and 456 employees, respectively. FISA's total January Plan budget allocation for FY 2015 is \$99 million: \$45 million for Personal Services (PS) and \$54 million for Other Than Personal Services (OTPS).

**TESTIMONY FROM THE DEPARTMENT OF RECORDS AND INFORMATION SERVICES**

**BEFORE THE NEW YORK CITY COUNCIL**

**MARCH 25, 2014**

Good afternoon, Chairperson Kallos and members of the City Council Committee on Governmental Operations and Finance.

I am Pauline Toole, Commissioner of the Department of Records & Information Services, also known as DORIS. Thank you for the opportunity to testify today. I am joined by key DORIS staff.

Deputy Commissioner, Eileen Flannelly  
Assistant Commissioner, Kenneth Cobb  
Director of Personnel, Naomi Pacheco  
Director of Budget, Joseph Mathis  
Director of Records Management, Pearl Boatswain

The Department was originally established by local law as a Charter agency, in 1977. The agency has three primary functions: Retaining and Evaluating Records, Archiving historically significant records, and Making materials available to elected officials and the public. Let me briefly describe our work.

The **Municipal Archives** preserves and makes accessible a collection consisting of 221,000 cubic feet of historical records including official correspondence, maps, drawings and films as well as more than 2 million photographs. The division serves more than 50,000 customers annually and operates a search and copy service for vital records. The Department teamed up with [ancestry.com](http://ancestry.com) to provide links to our index of over 10 million vital records. This partnership has driven traffic to our site and preliminary results show an increase in revenue over the same period in 2013.

In addition, the City archivists survey and appraise agency records to determine their archival value. Those designated as archival are catalogued and housed, and sometimes restored, following preservation standards. We manage a public research room, a conservation lab, and both microfilm and digital studios.

The **City Hall Library** is the official repository for City reports and provides public access to an extensive collection of government publications as well as online access to an ever-expanding collection of City agency publications. The 360,000 publications in the Library

provide the public both contemporary and historical information about our City government, dating back to the 1600's. We are converting selected holdings to digitized formats, in order to improve public access AND BETTER PRESERVE THE RECORDS.

Finally, our **Records Management Division** operates two storage facilities with the combined capacity of 869,000 cubic feet. We provide records management services to 50 City agencies, ten courts, and the five district attorneys. Services include scheduling, disposal and retrieval, and overall guidance on management of records.

DORIS also administers approximately \$1 million annually, in grant funds from New York State for record programs run by other City agencies.

We also received \$301,872.00 in direct grants for FY 2014 broken down as follows:  
Local Government Records Management Improvement Fund (LGRMIF) Grant \$74,872 for Archives to continue re-housing the NYC Police Department's crime scene photographs.  
Local Government Records Management Improvement Fund (LGRMIF) Grant \$200,000 for the Grants Administration Unit.  
National Endowment for the Humanities Grant \$27,000, to index and re-house NY County District Attorney closed case files from 1916- 1925.

The Preliminary Budget provides a total allotment of \$5,073,506 which includes Personal Service Funding of \$2,042,095 to maintain our full-time equivalent headcount of 37. The proposed OTPS funding is \$3,031,411, which is largely for storage costs.

The agency is mindful of our mission to make City records available to the public and we are intent on finding ways to inform the public, and City officials, of available information. One giant leap in attaining that goal was the creation of a Visitor Center located in the City Hall Library, 31 Chambers Street, New York City in May, 2012. Open to the public, the Center has mounted 16 exhibits on topics such as *"How'm I Doin' A look back at the Mayoralty of Ed Koch,"* and the current exhibit, *"African American Women and the Military: World War II and Beyond"*.

We also are exploring opportunities for expanded community engagement. The archives contain records that show the evolution of every City neighborhood. Working with schools and libraries, we will be able to put together mini-exhibits that can form the basis for oral histories, along the line popularized by Story Corps.

We have been very successful with our digitized photo collection. DORIS offers the largest on-line collection of New York City pictures—over 870,000 images. Our photo director posts interesting shots on Tumblr each day, growing public interest.

These exhibits can help New Yorkers explore links to the past that may have impacts today. But, we are fully aware that most New Yorkers who want to delve into agency records or reports will go online. To that end, the agency is focused on improving online access.

The City Council passed Local Law 11 in 2003 which, in part, mandated agencies to provide electronic copies of reports to DORIS for online publication within days of issuance. The law also required consultants' reports to be made available in this same manner.

DORIS posts all reports provided to us within the ten-day timeframe established by law and most within three days. We have received and posted 7,287 reports and are undertaking a review of agency compliance with this local law and will provide the results of that review. The Administration takes this responsibility very seriously and we will be working with our colleagues to ensure compliance.

We also plan to work with the Law Department and City agencies to evaluate the current record retention policy and processes. With today's technology, it should be possible to digitize routine records at the point of issuance, index them appropriately, store them in "the cloud" and make them readily available.

Finally, the passage of another landmark piece of Council legislation in 2012, the Open Data Law, requires the City to make available relevant data online in ways that can be utilized. The data sharing and application development is creating numerous opportunities to link information from different agencies in new ways. Eventually--maybe even now--the applications that are developed, like many other electronic records, should be indexed and archived so that they can be reviewed in fifty years, or an application can be tweaked for new purposes in three years. Given the volume of data and number of resulting applications, determining and following best practices to index this material makes sense. DORIS is the ideal agency for this task and we look forward to working with our colleagues at the Mayor's Office, Department of Information Technology and Telecommunications, Department of Citywide Administrative Services, and the Office of Operations on this endeavor.

In closing, I welcome all Council Members to our offices at 31 Chambers St and we look forward to answering any questions you may have at this time.

## **THE OFFICE OF PAYROLL ADMINISTRATION**

### **Committee on Governmental Operations**

**March 25, 2014**

Testimony of Alexandra Fisher, First Deputy Executive Director of the Office of Payroll Administration (OPA).

The portion of the Mayor's Preliminary Budget that pertains to OPA will allow OPA to maintain its current levels of service. The budget provides OPA with the necessary resources to support employee and retiree payrolls including the management and reconciliation of the city's payroll bank accounts. In furtherance of its mission, OPA maintains and enforces uniform payroll policies and procedures; coordinates payroll matters among central agencies including the Comptroller's Office, DCAS, OLR, OMB, Finance, and Law; ensures the continued security, integrity, and effectiveness of the City's payroll systems as well as compliance with requirements of Federal, State and City taxing authorities; while using technology to the greatest possible advantage in support of its operations.

The following operational divisions carry out much of the activity related to the core mission of OPA:

#### **OPA Payroll Operations**

OPA manages the payroll check and direct deposit distribution to City agencies. In calendar year 2013, over 9 million payments were made to active City employees. Over 7 million of these were direct deposit payments and over 1 million were paper checks. This reflects a direct deposit participation rate of 80.47%. OPA also manages the movement of funds for 18 payroll accounts.

In addition, OPA manages the retiree payroll distribution for the pension systems. In calendar year 2013, over 3.6 million payments were made to City retirees. Just over 3 million of these were direct deposit payments and over 625,000 were paper checks. This reflects a direct deposit participation rate of 84%.

Use of direct deposit is promoted by OPA. Toward that end, the agency partners with seven financial institutions in the "Free Checking with Direct Deposit" initiative.



Paper check stop-payment notices and check replacements are processed by OPA. In calendar year 2013, 5,733 paper checks were replaced.

As a fiduciary, OPA is responsible for reporting wages, pension distributions, and withholding tax information to federal and state taxing authorities for the City's employer entities. These entities include the City, NYC Housing Authority (NYCHA), and the NYC Municipal Water Finance Authority. These entities also include the NYC Retirement System Pension Trust (Pension Periodic) and NYC Retirement System Trust (Pension Non-Periodic).

OPA ensures the City complies with ordered deductions that have been served upon City employees. Some of these ordered deductions include child support, Internal Revenue Service (IRS) tax levies/repayment agreements, creditor garnishment orders, higher education loan orders, and national medical support notices.

OPA is responsible for collecting and remitting City employees' voluntary payroll deductions and data including union dues, life insurance premiums and political dues to internal and external entities.

The City's Commuter Benefits program is administered by OPA. The expanded transit benefit program offers eligible employees the opportunity to use pre-tax and post-tax earnings to cover certain public transportation costs throughout the New York Tri-State area. As of the end of February 2014, more than 54,000 City employees were participating. During 2014, the Program will be adding the Premium MetroCard to the existing transit benefit options. The Premium MetroCard is an annual unlimited ride MetroCard that is accepted wherever the 30-Day Unlimited Ride MetroCard is accepted.

### **OPA Citywide Systems Support Services**

This division's mission is to maintain and provide citywide agency support and training for use of OPA citywide systems, as well as support for use of internal OPA systems used by OPA's Payroll Operations Division. OPA is responsible for the business addressed by eight (8) major citywide systems covering payroll, pension, and timekeeping functions. These systems

include: Payroll Management System (PMS), Pension Payroll Management System (PPMS), Workers' Compensation System (WCS), CityTime, City Human Resources Management System (CHRMS); Replacement and Correction System for W2's (RACS), Welfare Benefit Annuity System (WBAS), and EFORMS/ESTUBS. In addition to maintaining and ensuring that these systems meet business needs, OPA also provides support and help desk functions. This unit addresses agency questions and issues, and disseminates information pertaining to OPA citywide systems.

OPA's responsibilities cover a broad range of activities including business analysis requirements gathering, validating payroll results, data assurance for tax filings, and troubleshooting system business issues. OPA assesses and makes system update recommendations based on changes to over 180 union agreements as well as legislative or other required business changes.

An important function of OPA's support services division is its proactive agency outreach. This approach focuses on assisting agencies with correcting transactions, recommending business process changes and communicating system updates to the user community. OPA also engages agencies to participate in software testing to ensure software usability meets business needs.

### **Agency Budget Information<sup>1</sup>**

OPA has authorized full-time staffing levels of 203 for Fiscal Year 2014, and 203 for Fiscal Year 2015. OPA's total January Plan budget allocation for FY 2014 is \$28.2 million: \$16.8 million for Personal Services (PS) and \$11.4 million for Other Than Personal Services (OTPS). For FY 2015 the January Plan budget allocation is \$27.7 million: \$16.2 million for Personal Services (PS) and \$11.5 million for Other Than Personal Services (OTPS).

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<sup>1</sup> Agency payrolls are funded through their respective budgets; OPA's budget includes only OPA staff.



## COMMUNITY BOARD NO. 1

435 GRAHAM AVENUE – BROOKLYN, NY 11211

PHONE: (718) 389-0009

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Email: [bk01@cb.nyc.gov](mailto:bk01@cb.nyc.gov)

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HON. ERIC ADAMS  
BROOKLYN BOROUGH PRESIDENT



RABBI JOSEPH WEBER  
FIRST VICE-CHAIRMAN

DEL TEAGUE  
SECOND VICE-CHAIRMAN

STEPHEN J. WEIDBERG  
THIRD VICE-CHAIRMAN

DEALICE FULLER  
FINANCIAL SECRETARY

ISRAEL ROSARIO  
RECORDING SECRETARY

PHILIP A. CAPONEGRO  
MEMBER-AT-LARGE

CHRISTOPHER H. OLECHOWSKI  
CHAIRMAN

GERALD A. ESPOSITO  
DISTRICT MANAGER

HON. STEPHEN T. LEVIN  
COUNCILMEMBER, 33<sup>rd</sup> CD

HON. ANTONIO REYNOSO  
COUNCILMEMBER, 34<sup>th</sup> CD

### TESTIMONY

**NEW YORK CITY COUNCIL  
COMMITTEE ON GOVERNMENTAL OPERATIONS  
FISCAL YEAR 2015 PRELIMINARY BUDGET  
MARCH 25, 2014  
COMMITTEE ROOM - CITY HALL**

**COMMENTS ON THE  
COMMUNITY BOARD BUDGETS  
MAYOR'S PRELIMINARY BUDGET**

Good afternoon Chairman Ben Kallos, and greetings to the other esteemed members of the Committee on Governmental Operations. Brooklyn Community Board No. 1 submits the following comments regarding the Mayor's Preliminary Budget for Fiscal Year 2015.

The Community Board No. 1's district comprises Brooklyn's two most northern communities: Greenpoint and Williamsburg. The 2010 census reported a diverse population of over 179,000 persons. This figure is an undercount, as our Board continues to see more and more people moving into the district.

### COMMUNITY BOARD BUDGET

Community boards provide a vital function for the districts they are designated to serve and consequently stand as valuable assets to the City as well. There is need for increased allocation as funds were lost in previous budget crunches (also lost were the Board's assigned youth coordinators and promised planners to aide with development never materialized).

Our internal budget is not sufficient enough to meet the ever escalating costs of necessary office operations and staffing. The rapid changes in communications, media and computers, plus the costly upgrading of various programs and equipment hinder our Board's meager budget, which covers a small staffing (two full-time persons & one part-time person) and miniscule operating (OTPS) budget.

Over the years our members have repeatedly expressed vehement opposition to any plans to cut our Board's budget. In the past the Office of Management and Budget advised us of cuts to take place in FY 2013 & FY 2014. We pointed out that although cuts like this may have little effect on larger agencies, these cuts have a tremendous negative impact for community boards across the City. Any cuts to our budget would

further erode our personnel service dollars resulting in staff reductions. As previously noted, our board has a small staff of two full-time persons & one part-time person. In several past years the Office of Management and Budget (OMB) related that it would implement cuts to our budget. After the community board budgets were restored in 2012, the Office of Management and Budget announced that Community Board No. 1 would be cut in FY 2013 by 5.4% (\$11,172) and 8% (\$15,658) for FY 2014. These kinds of cuts would have forced our office to reduce its already diminished staff! Fortunately, with action by the City Council, our budgets were held safe for FY 2013 and FY 2014.

Our board respectfully asks your assistance again in ensuring that Community Board No. 1 is fully funded and that moneys allotted to our agency are duly appropriated and distributed timely. As you are aware, the community boards exist with a "fossilized" bare-bones budget that has not been increased in over 20 years. Postage, supplies, equipment and other expenses are ever increasing and we have never received the corresponding cost of living adjustments (OTPS Inflation) to compensate since 1991.

Every dollar is truly needed and vital to our operations. We seek your continued help in securing our budget for Fiscal Year 2015 .

This year our board submitted testimony regarding a requirement measure being introduced by the City Council (Intr. 28). CB #1 feels that this proposal should be abandoned because it is simply not feasible and lacks any solid hindsight or forethought.

As previously noted -- we have consistently advocated for increased budgets for community boards, Community Board No. 1 -- however our board continues to lack adequate funding. The meager budget provided for our board does not keep pace with inflation and any increased operating costs. The cost for acquiring much needed newer technology, computer software, upgraded hardware as well as internet/web access capabilities is expensive and way beyond our fiscal capability. Web casting is a high tech area of deployment requiring cameras, software, various hardware, a streaming server, a database server, a web/content management server, a directory management server and a series of "apps"; least of all, staff to operate the camera.

There are also serious costs included in setting up an infrastructure to carry out webcasting. All of this is something that we cannot both fiscally and physically accomplish "in house". Most of us make do with the limited resources of DoITT (there is one tech person assigned for all of the 59 community boards). Additionally, since community boards lack their own meeting venues (relying on rented or donated space) any recording set ups must be portable.

Community Boards are always facing yet another round of budget cuts in the budget process. We are pleased that the City Council supported the Boards and voted to restore our respective budgets this fiscal year, but the boards' budgets were not made whole. We remain guarded about projected cuts for upcoming fiscal years. Community Boards have not seen an increase in our budget in over 20 years!

Instead of (for the sole purpose of being "transparent") proposing another layer of responsibility that would prove too costly for community boards, we propose an alternative:

The NYC Charter's language regarding community boards must be strongly re-written to ensure that community boards are first and foremost fiscally protected and legislatively sound. If the City endeavors to pursue increasing "transparency" by promulgating this proposal (Int. No. 28) it must first consider developing and fully funding an independent dedicated IT team to conduct this digital video recording. This team would then make itself available to document each of the 59 community boards' monthly meetings, provide/maintain

a web outlet to display the documentation as well as create an appropriate archive for their recordings. In its present form, this Intro. No. 28 is a nonstarter.

**We need your help to keep our budgets safe!**

We ask for your aid in ensuring that there are no cuts for the 59 community board budgets and to immediately hold our board's budget harmless from any future proposals to reduce funding.

We thank you for seeking additional funds that will allow Community Board #1 to continue our work developing strategies and making recommendations in regards to matters that have an effect on the health, welfare and life of all our residents.

Thank you again for providing the community boards with the valuable opportunity to relate their individual budget concerns for the next year.

Respectfully submitted,



Christopher H. Olechowski  
Chairman



Gerald A. Esposito  
District Manager

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: BOB GORMLEY

Address: bgormley@ch.nyc.gov

I represent: COMMUNITY BOARD 2 (MANHATTAN)

Address: 3 WASHINGTON SQ. VILLAGE

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Kenneth Cobb

Address: 31 Chambers St

I represent: Dept of Records

Address: 31 Chambers St

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/2014

(PLEASE PRINT)

Name: Pauline Toole

Address: 31 Chambers St

I represent: Dept of Records & Info Service

Address: 31 Chambers St

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)  
Name: Glenn Newman TAX Commissioner  
Address: One Centre Street Rm 2400 NY NY 10007

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)  
Name: Mst H Beck DCA  
Address: Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)  
Name: Russel Ann Nock 1 DCA  
Address: \_\_\_\_\_

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Glenn Pimental DCAS

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Robert Glenn DCAS

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Marie Di Paola DCAS

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms



**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Richard Badillo DCA

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Joey Kere DCA

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Kelly Kerna DCA

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Stacy Cumborough (DCAS Chairperson)

Address: 1 Centre

I represent: DCAS

Address: 1 Centre

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Mitch Gipsen DCAS

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Kristin Babela DCAS

Address: 1 Centre

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Joffrey P. Frallander

Address: 100 Church St

I represent: NYC Law Department

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Muriel Goode-Trufant

Address: 100 Church Street, NY NY

I represent: Law Department

Address: 100 Church St. NY NY

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: G. Foster Mills

Address: 100 Church St. NY NY

I represent: NYC Law Dept

Address: 100 Church St.

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**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Lawrence Kahn

Address: 100 Church St

I represent: Law Dept

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Georgia Pestano

Address: ~~100~~ 100 Church Street, NY NY

I represent: NYC Law Dept

Address: 100 Church Street

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Zachary W. Carter

Address: 100 Church St, New York NY

I represent: Corporation Counsel

Address: 100 Church St.

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**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Dawn Sanders

Address: \_\_\_\_\_

I represent: NYC BOE

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Michael Ryan

Address: \_\_\_\_\_

I represent: NYC BOE

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Rose-Allen Myers

Address: \_\_\_\_\_

I represent: Federal Information Service Agency

Address: 150 West 33rd St NY, NY

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**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Peter Reddy

Address: 450 West 33<sup>rd</sup> St 10001

I represent: FISA

Address: 450 West 33<sup>rd</sup> St 10001

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: March 25, 2014

(PLEASE PRINT)

Name: NEIL MATTHEW

Address: 1 CENTRE STREET Room 200 North NY NY 10007

I represent: NYC OFFICE OF Payroll Administration

Address: 1 CENTRE STREET Room 200 North NY NY 10007

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☒ in favor ☐ in opposition

Date: 03/25/14

(PLEASE PRINT)

Name: MOHAMED H. HAFEEZ

Address: 1 CENTRE STREET, N.Y., N.Y. 10007

I represent: OFFICE OF PAYROLL ADMINISTRATION

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3/25/14

(PLEASE PRINT)

Name: Alexandra Fisher

Address: 1 Centre St. NYC NY 10007

I represent: Office of Payroll Administration

Address: 1 Centre St. (OP/A)

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 3-25-14

(PLEASE PRINT)

Name: Arri Stapanian

Address: 36 Woody Lane

I represent: Office of Payroll Admin

Address: 1 Centre Street

◆ Please complete this card and return to the Sergeant-at-Arms ◆