



# New York City Campaign Finance Board

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## **Testimony of Amy Loprest, Executive Director New York City Campaign Finance Board**

**City Council Committee on Governmental Operations  
City Council Committee on Finance  
May 20, 2008**

Good morning, Chairman Felder, Chairman Weprin and Committee members. I am Amy Loprest, Executive Director of the New York City Campaign Finance Board (CFB). With me are Deputy Executive Director Shauna Tarshis Denkensohn and General Counsel Sue Ellen Dodell.

### **FY2009 Budget**

Pursuant to the New York City Charter, Section 1052(c), the CFB submitted its estimated budget for Fiscal Year 2009 to the Mayor on March 10. The Charter requires that the Mayor include the CFB's estimate in his Executive Budget, which was submitted to you on May 1. The budget request is attached to this testimony.

### **Post-Election Audits**

Local Law No. 34, enacted in July 2007, resulted in several significant new mandates for the Board, including new deadlines to complete Board audits. Starting with the 2009 election cycle, final audits for Council and borough president candidates must be completed within 14 months and for citywide candidates within 16 months. We have initiated a review of our audit procedures, and—with the appropriate resources—we are confident we can meet these unprecedented deadlines without compromising the quality

the public expects from the Board's rigorous oversight of taxpayer funds paid to campaigns.

### **Upcoming Innovations**

One of the ways the Board can help expedite the audit process is through increased use of technology to improve the way Board interacts with campaigns and the public. Recently, we introduced a new, updated version of our Candidate Software for Managing and Reporting Transactions (C-SMART), making it even easier for candidates to organize their financial information and comply with the law. The new version of C-SMART includes features based on input we sought from campaigns after the 2005 election, and refined thanks to feedback from the campaigns which participated in our pilot program earlier this year. More than two-thirds of the campaigns that filed their disclosure statements for the most recent deadline in January did so electronically.

The Board is preparing to introduce a web-based gateway, called C-ACCESS, which will provide a personalized connection between campaigns and the CFB, offering instant and secure access for campaigns to an array of information and services online. Among other features, C-ACCESS will allow campaigns to manage and review all its communications with the CFB over the internet. Also, the CFB is preparing to implement an Electronic Content Management (ECM) system to streamline our operations. ECM will cut down on duplication and waste, and improve communication among units within the CFB.

### **Enhanced Training**

Local Law No. 34 also requires mandatory attendance for all participating candidates at CFB compliance and software training seminars. Since the law took effect in January of this year, the CFB has certified 71 campaigns as having completed the two-part training course for the 2009 election. The CFB's Candidate Services Unit continues to

hold training sessions to help candidates comply with the law, and will increase its training schedule as the election grows nearer.

## **Doing Business**

Local Law No. 34 places new restrictions on contributions from those doing business with city government, giving New York City the most comprehensive limits on “pay-to-play” of any jurisdiction in the country. The Board is taking steps to implement this important reform. Phase 1 of the Doing Business Database was introduced earlier this year, and Phase 2 is on schedule to be introduced July 1<sup>st</sup>. The Board will continue working with the Mayor’s Office of Contract Services and the Department of Information Technology and Telecommunications to complete Phases 2 and 3 according to the mandated schedule.

## **Personnel**

To meet the new mandates, the Board is in the process of increasing its staff by 30 percent, adding 22 full time positions and six seasonal employees. Among the new hires will be 12 auditors, four Candidate Services liaisons, two lawyers, and two staff members who will focus exclusively on “doing business” administration. It is important we bring these new staffers on board during the 2009 fiscal year so we can ensure they are properly trained to do their jobs during the key months leading up to the 2009 elections. The submitted budget also reflects an increase in the salaries of the audit staff.

Even with the staffing increases, we were able to achieve some savings by cutting our non-personnel costs by \$185,000, a figure that does not include money budgeted for the Campaign Finance Fund.

We understand the financial constraints the city faces for the approaching fiscal year, and we are pleased to reiterate that our anticipated budget increase is considerably

lower than our initial estimate. Even after taking the directives of the new law into account, our overall increase from the FY2008 budget is only 19 percent.

### **Campaign Finance Fund and Voter Guide**

For FY2009, the Board has appropriated \$1.5 million for the Campaign Finance Fund in preparation for potential special elections. Should these anticipated elections fail to transpire, the Board will return these monies to the General Fund, as in previous years. For FY2008, the Board returned \$800,000 in unallocated public matching funds; in FY2007, the Board returned \$3 million allocated for an anticipated city-wide Voter Guide that was not required.

The Board has also allocated \$425,000 for FY2009 to print and distribute a Voter Guide for the fall elections in council district 30.

### **Special Election in Council District 30**

Though it takes place in the current fiscal year, I'll conclude with an update on the special election called in District 30. Four of the five candidates in that election have joined the Campaign Finance Program. The first public funds payment is tentatively scheduled for May 21, depending on the final determinations of candidate ballot status by the Board of Elections. Additional payments are scheduled for May 28 and 30. We are analyzing matching claims submitted by eligible candidates in their May 2 disclosure filings to determine the amount of these payments.

### **Conclusion**

As always, the CFB looks forward to continuing to work with the Council to make the Program more effective and efficient. Thank you for your time, and we look forward to answering any questions you may have.