NEW YORK STATE
EXECUTIVE CHAMBER

Internal Control Report

August 1, 2019 through October 31, 2019
INDEPENDENT ACCOUNTANTS’ REPORT

To the Honorable Andrew M. Cuomo
Governor
New York State Executive Chamber:

We have examined management’s assertion included in its representation letter dated , 2020 that the New York State Executive Chamber’s internal controls maintained during the period August 1, 2019 through October 31, 2019, are sufficient to meet the criteria for maintaining internal control as established in the “New York State Governmental Accountability, Audit and Internal Control Act.” The New York State Executive Chamber’s management is responsible for maintaining internal controls. Our responsibility is to express an opinion on whether internal control is adequate to meet such criteria based on our examination. The significant objectives and relevant controls supporting management’s assertion are in the accompanying Appendix A.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and Government Auditing Standards, issued by the Comptroller General of the United States and, accordingly, included obtaining an understanding of internal controls over accounting and administrative operations, testing, and examining the design and operating effectiveness of the internal controls, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination did not constitute an audit of any financial statement prepared by the New York State Executive Chamber, nor did it constitute an economy and efficiency or program audit described by Government Auditing Standards.

Because of inherent limitations in any internal control, misstatements due to errors or fraud may occur and not be detected. Also, projections of any evaluation of the internal control over administrative operations to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We understand that the New York State Executive Chamber believes that the controls referred to in the first paragraph of this report meet the criteria for maintaining internal control as established by the “New York State Governmental Accountability, Audit and Internal Control Act.” In our opinion, based on this understanding and on our examination, the New York State Executive Chamber’s internal controls maintained during the period August 1, 2019 through October 31, 2019 are sufficient, in all material respects, to meet the criteria established by the “New York State Governmental Accountability, Audit and Internal Control Act,” based upon such criteria.
This report is intended for the information of the New York State Executive Chamber and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

EFPR Group, CPAs, PLLC

Williamsville, New York
July 9, 2020
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND
RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

OFFICE OF THE SECRETARY
STATE OPERATIONS

SIGNIFICANT OBJECTIVES

Program and State government activities are accurately and timely accumulated and reported to the Executive Chamber.

Ensure that the activities, requests, initiatives, and issues concerning State agencies, public authorities, offices, commissions, boards, task forces etc. are promptly and accurately reported to the Executive Chamber.

Ensure that requests from State agencies, offices, commissions, boards, task forces, public authorities, etc. for assistance from the Executive Chamber are promptly reviewed and acted upon.

RELEVANT CONTROLS

- Significant agencies and authorities submit reports/requests for policy direction or decisions on pending issues to Executive Chamber staff. These reports include general information and updates on various activities and initiatives as well as critical issues requiring more immediate attention.

- Formal agency requests are summarized in a memorandum by program staff, and approved for action by the Secretary to the Governor, the Director of State Operations, and/or the Chief of Staff.

- Executive Chamber staff responsible for assigned agencies or authorities are in frequent communication with the respective agency and authority management and staff.

- Weekly Deputy Secretary staff meetings are held to ensure communication among program staff, including to discuss relevant issues and bring staff up-to-date.

- Program staff are closely monitored by the Deputy Secretaries through daily contact. Significant items are reported to the Secretary to the Governor, the Director of State Operations, and/or the Chief of Staff.

- The Governor is verbally informed of critical issues and activities requiring his attention by the Secretary to the Governor, Director of State Operations, and applicable Executive Chamber staff as reported or communicated by the agencies and authorities.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

OFFICE OF THE SECRETARY
STATE OF THE STATE

SIGNIFICANT OBJECTIVE

The State of the State Message is developed accurately and delivered in a timely manner to the Legislature.

RELEVANT CONTROLS

- A schedule is prepared by the member of senior staff designated as responsible for the State of the State outlining all due dates to ensure timely preparation of the Message.

- Drafts are reviewed and approved by senior staff. Final review and approval is made by the Director of Policy and the Governor.

- The Governor signs two original versions of the Message and two booklets in which the Message has been printed. The booklets are delivered to the Journal Clerks of the Assembly and Senate.

- Invitations are sent to the Leaders of the Assembly and Senate requesting their presence at the delivery of the State of the State Message.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND
RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

OFFICE OF THE SECRETARY
WASHINGTON OFFICE OF THE GOVERNOR

SIGNIFICANT OBJECTIVES

Federal legislation and regulatory activities affecting New York State are monitored timely and accurately.

The Governor and relevant State personnel are advised of developments at the federal level in a timely and accurate manner.

New York State interests are communicated to the U.S. Congress and Federal Government agencies in a timely and accurate manner; such communications are properly authorized.

Develop, in consultation with senior Executive Chamber and agency staff, the Governor’s federal priorities and agenda in Washington.

RELEVANT CONTROLS

- Policy staff assignments are reviewed and approved by the Director or Deputy Director of the Washington Office of the Governor.

- Written communications with Members of Congress and the Executive Chamber’s office in Albany, prepared by policy staff, are reviewed and approved by the Director or Deputy Director.

- Plans to initiate contact with congressional offices for the purpose of informing Congress of the State’s views and attempting to influence federal legislation on the State’s behalf, are discussed with the Director or Deputy Director.

- All policy staff are closely monitored by the Director or Deputy Director through frequent contact.

- Mail and publications are reviewed by the Director or Deputy Director and assigned to designated staff for response or review.

- Publications, reports, and notices are reviewed by policy staff in order to remain informed on federal legislation and federal agencies’ regulatory and other activities.

- Written communications (memoranda and briefings) to the Governor and Executive Chamber staff are reviewed and approved by the Director or Deputy Director(s).
Assignments received from the Governor and senior Executive Chamber staff are reviewed by the Director or Deputy Director who delegate the items to the appropriate staff.

The Director of State Operations and the Chief of Staff have responsibility for overseeing the work of the Washington Office of the Governor. The Director of State Operations and Chief of State are in frequent and direct communication with the Director, Deputy Director, and staff of the Washington Office of the Governor and involved in the Office’s communications and contact with Congressional and other federal offices.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

COMPUTER SERVICES

SIGNIFICANT OBJECTIVE
Development, acquisition, and changes to programs of significant computer applications are authorized, tested, and approved prior to being placed into production.

RELEVANT CONTROLS

- System source code is secured from users by network security and is restricted to data processing staff only. End users only have access to executable programs (compiled form) copied into authorized network directories by Computer Services staff.

- Unit heads, or their designees, request new systems, major system changes and data access in either writing, e-mail message, or verbally. All written requests are kept on file in Computer Services.

- The Chief Technology Officer and staff initially test the new or developed system with test data (copies of live data for existing systems) in a test directory separate from production.

- Parallel testing is used, when appropriate, for significant new applications.

- The user unit heads and Chief Technology Officer verbally approve acceptance of the new systems and changes for use in production.

- Proper documentation is maintained by Computer Services for each system.

SIGNIFICANT OBJECTIVE
Access to significant computer system data files is appropriately restricted to authorized users and programs.

RELEVANT CONTROLS

- Network software is used to control access to all PC’s within the Executive Chamber.
Appendix A, Cont.

NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

COMPUTER SERVICES, Continued

- Network software limits access by login name and password.
- E-mail and (optionally) Word contain access security (password) controls as part of their systems.
- Computer Services performs a daily backup of the Albany, NYC and Washington D.C. location systems. These backups are stored on a server at a secured offsite location.
- Network passwords are selected and changed by the users and consist of a random selection of characters.
- Users are forced to use confidential and complex passwords that meet specific network requirements.
- Password updates are forced on a periodic basis.
- Passwords are masked on the screen and are not printed on reports.
- An enterprise product is in place which utilizes virus scanning software to detect viruses on the network and workstations.
- User codes and passwords are suspended after a limited number of unsuccessful attempts.
- Only Computer Services staff have the Administrator password to administer the network security codes.
- The Director of Administration and the Chief Technology Officer approve users access on the system.
- Interdepartmental access approvals are made in writing or e-mail and are on file in Computer Services.
- Users are given a packet of security measures notifying them of proper security control procedures.
- The Executive Chamber has written data processing disaster contingency plans for significant computer systems and applications.
- Physical access to the network server is limited to prevent damage or unauthorized use.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

ADMINISTRATION

SIGNIFICANT OBJECTIVES

Goods or services are purchased with proper authorization and in compliance with legal requirements.

Goods or services received and related liabilities are recorded correctly as to fund, account, amount and period.

Employee travel is properly authorized and reconciled.

Cash disbursements for goods and services are authorized and received.

Cash disbursements are recorded correctly as to fund, account, amount and period.

RELEVANT CONTROLS

Purchase Orders

- All requests to purchase goods or services must be approved by the Director of Administrative Services (DAS).

- Current non-personal service balances are checked against the expenditure data in the Office of the State Comptroller (OSC) to assure adequate funds are available.

Contracts

- DAS receives direction on commencing a contract for services from the Secretary to the Governor, Director of State Operations, Chief of Staff, Counsel to the Governor and/or the First Assistant Counsel.

- The DAS will approve the appropriateness and budgetary aspects of the contract.

- All contracts over $50,000 (or $200,000 for those with M/WBE or SBE firms) must be stamped with the Attorney General and OSC’s approval.

- For contracts greater than $50,000 (or $200,000 for those with M/WBE or SBE firms), either a Request for Proposal (RFP) or single/sole source justification of a selected contractor will be prepared and submitted to OSC for approval of contract award. Purchases of goods or services expected to meet or exceed $50,000 are published in the NYS Contract Reporter.
Vouchers

- Invoice, purchase order and receiver are matched in the Statewide Financial System (SFS).

- Expenditures are reviewed and approved by the DAS. Vouchers are prepared in SFS. They are approved in SFS by the DAS and the Business Services Center (BSC) after being checked for proper coding and supporting documentation.

- The Payee Listing Report generated in SFS, which lists each voucher paid, is agreed to each voucher. The payment date is written on each voucher.

General Ledger Journal

- General Ledger Journals processed in SFS, for the purpose of authorizing the transfer of expenses or to correct coding errors, are prepared by the Finance Office and are approved in SFS by authorized staff.

Travel

- Travel is approved by the traveler’s supervisor.

- The DAS approves the expense report in SFS after reviewing proper completion of the expense report, appropriate reason for travel, supervisor’s signature and correct coding.
SIGNIFICANT OBJECTIVE

Press releases and responses to press inquiries are accurate and properly authorized.

RELEVANT CONTROLS

- Draft press releases are reviewed and/or approved by the:
  - Communications Director, Deputy Communications Director or other supervisory personnel
  - Program staff (if draft pertains to program issue)
  - Counsel’s Office or assistant counsel with relevant portfolio
  - Appointments Office or senior staff (if draft pertains to an appointments announcement)
  - Division of the Budget (if draft pertains to a Budget Bill)

- The Director of Communications and the Press Secretary closely monitor Press Officers responding to press inquiries.
SIGNIFICANT OBJECTIVES

Invitations received by the Governor are tabulated, reviewed and replied to timely.

Governor events are timely scheduled and properly prepared for.

RELEVANT CONTROLS

- The Assistant Director of Scheduling reviews each invitation and documents a recommendation on the Invitation Cover Sheet.

- Regret letters, regret with representative letters, etc., are pre-approved form letters signed by the Director of Scheduling.

- Invitations which the Assistant Director of Scheduling cannot conclude on are sent to the appropriate staff as an Opinion Request. The staff makes the appropriate recommendation and documents it using electronic forms.

- The Opinion Request forms are monitored by the Assistant Director of Scheduling and the Invitations Unit Confidential Aide. The Confidential Aide reviews the open tickler file and pulls all due forms. If a response has not been received, the person whose opinion is being sought is contacted via reminder emails.

- Invitations entered into the scheduling process, and which have received all appropriate opinions, are reviewed and regretted or forwarded to the Director of Scheduling for further review.

- After final review by the Director of Scheduling, invitations that are not added to the Governor’s schedule are returned to Governor’s Correspondence Office for appropriate responses - regret letters, regret with surrogate, etc.

Scheduling/Briefing

- The Director of Scheduling, in consultation with the Governor and Chief of Staff approves all schedule commitments for the Governor.

- A schedule is prepared and circulated on a daily basis by the Scheduling Office, who makes changes throughout the day to the schedule.
• The Director of Scheduling communicates daily with the Governor and his senior staff by memoranda, phone, electronically, or meeting to advise him of his upcoming events.

• After an event is placed on the long-term schedule, a briefing and/or talking points is assigned to the person(s) in the Executive Chamber most familiar with the subject matter of the event and the speechwriting team. On Fridays, an email is sent out assigning responsibility for policy speech or events.

• The Special Assistant for Briefings prepares and coordinates briefings from the Governor’s Regional Directors, with support from the Deputy Secretaries, on local issues for the region where the event is being held.

• The event briefing informs the Governor of all logistical and substantive matters relating to the event and is delivered to the Governor by the Special Assistant for Briefings.

• The talking points are prepared relative to the needs of each individual event, i.e. length, focus, etc., and are delivered to the Governor by his speechwriting team in coordination with the Chief of Staff.

• Briefings are compiled and distributed daily by the Special Assistant for Briefings and relevant event staff, both electronically and in print form.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

CORRESPONDENCE/SCHEDULING

CORRESPONDENCE

SIGNIFICANT OBJECTIVES

Constituent and policy or program correspondence received by the Governor’s Office is read, reviewed, and properly sorted.

Responses made to constituent and policy or program correspondence are properly authorized and issued in a timely manner by the correspondence staff.

Executive Chamber files are properly organized and secured.

Executive Chamber files are disposed of only with proper authorization.

RELEVANT CONTROLS

- Due to security concerns, the mail is opened offsite in a secured area, then transported to the Governor’s Correspondence Office (GCO) where it is date-stamped by GCO staff. Mail is then routed to and read by the individuals or agencies responsible for VIP and constituent mail.

- VIP and routine correspondence is logged through the InterTrac Correspondence Tracking System where computer records are maintained, tracking whether correspondence has been answered or whether an action has been completed on correspondence.

- Computer generated follow-up notices are sent weekly to the individual responsible for reviewing and determining the best course of action for correspondence routed to them.

- Draft responses from the Governor must be approved through the concurrence process. Responses machine signed by the Governor must be approved by the Director of Governor’s Offices.

- Files are indexed by correspondence tracking numbers.

- The Correspondence Unit is secured each night.

- The GCO and responsible units follow procedures established and authorized by the State Education Department in disposing of subject files.
SIGNIFICANT OBJECTIVES

Program bills, included in the Governor’s legislative program, are timely drafted and are properly authorized.

Departmental bills and budget bills introduced to the Legislature are properly authorized.

Departmental bills and budget bills are timely reviewed.

RELEVANT CONTROLS

- Program bills are initiated, reviewed and approved by the Governor, the Secretary to the Governor (or the relevant Deputy Secretary on his or her behalf), Special Counsel to the Governor, and the Director of the Division of the Budget (or the relevant budget examiner on his or her behalf), for bills with fiscal implications.

- Sign-off sheets are secured to the final form of the bill and are initialed by the Assistant Counsel, Deputy Special Counsel, and Special Counsel documenting their review and approval.

- The date which the bill was delivered by the Legislative Secretary to each House is maintained in a log.

Departmental Bills

- The Special Counsel and Deputy Special Counsel meet regularly with the Assistant Counsels regarding the progress of bills.

- Sign-off sheets are secured to the final form of the bill and are initialed by the Assistant Counsel, the Deputy Special Counsel and the Special Counsel documenting their review and approval.

- The date which the bill was delivered by the Legislative Secretary to each House is maintained in a log by the Legislative Secretary.

Budget Bills

- Sign-off sheets are secured to the final form of the bill and initialed by the Deputy Special Counsel and the Special Counsel documenting their review and approval.

- The date which the bill was delivered by the Legislative Secretary to each house is maintained in a log.
SIGNIFICANT OBJECTIVES

Requests received for Messages of Necessity are timely reviewed.

Messages of Necessity sent by the Governor are timely, accurate and properly authorized.

RELEVANT CONTROLS

- If requested by a house, the Counsel’s Office secretary receives such requests for a Message of Necessity and notes the time of the receipt on the request.

- A draft message is prepared by an Assistant Counsel and is reviewed and approved by the Deputy Special Counsel and Special Counsel.

SIGNIFICANT OBJECTIVES

Bills passed by the Legislature are reviewed and analyzed timely, accurately, and are properly authorized.

Responses to bills passed by the Legislature are timely, accurate, and properly authorized.

RELEVANT CONTROLS

- The Legislative Secretary affixes the final due date on the bill jacket so that all parties are aware of the due date.

- A short memorandum outlining the bill is prepared for the Special Counsel preliminary review.

- Internal notification, indicating the caption of the bill and the final date on which action must be taken, are used by the Legislative Secretary to keep track of the time limitation (set by law) on each bill.

- Solicitation sheets, completed by the Assistant Counsel, are sent to all parties that would be affected by the bill to enable the Counsel’s Office to accumulate, analyze and review all reactions to the Bill. Legislative vote tallies are summarized on the bill jacket.

- Memoranda, prepared by the Assistant Counsel, setting forth the purpose of the bill, summary of issues related to the bill and recommendations to the Governor (approval or disapproval), are reviewed by the Deputy Special Counsel and Special Counsel to the Governor.
The Governor approves a bill by signing his name at the end of the official copy of the bill.

Disapproval of the bill by the Governor is signified with a “veto” stamp on the face of the bill jacket. The vetoed bill is returned to the house of origin, along with a veto message, by midnight the day it is due.

SIGNIFICANT OBJECTIVE

Proclamations for extraordinary sessions of the Legislature are prepared timely, accurately and are properly authorized.

RELEVANT CONTROLS

• Proclamations are prepared, edited and reviewed by the Counsel’s Office. The Governor submits the Proclamation to the Legislatures which lists the legislation to be submitted by the Governor for consideration at the extraordinary session. Proclamations are signed by the Governor and Secretary to the Governor.

SIGNIFICANT OBJECTIVES

Applications for rendition or extradition are reviewed for legal sufficiency and are properly supported and authorized.

Fugitives are returned timely to or sent from New York to face criminal proceedings.

RELEVANT CONTROLS

• The extradition/rendition applications are received from requesting states and local governments by the Department of Corrections and Community Supervision (DOCCS). DOCCS staff record on a control card the last date on which the extradition/rendition application can be completed.

• DOCCS staff monitor timely completion of extraditions/renditions process for completion by the date recorded on the control card.

• A DOCCS Extradition Specialist, in consultation with a DOCCS Extradition Secretary, reviews the extradition/rendition applications and supporting items for completeness and legal sufficiency, and submits the packet to the Executive Chamber Counsel designee.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS
COUNSEL, Continued

- The Executive Chamber Counsel designee reviews the packet for legal sufficiency and recommends to either approve or disapprove the application.

- Executive Chamber Counsel authorizes the affixing of the Governor’s machine signature for approved applications.

- After the official rendition or extradition applications are acted on, the Extradition Secretary at DOCCS receives notice of disposition of the matter and closes the case. The extradition cases are filed with the Department of State and the rendition cases are filed at DOCCS.

SIGNIFICANT OBJECTIVES

Applications for clemency are reviewed in compliance with the Governor’s clemency guidelines.

Recommendations for clemency are properly supported and authorized.

RELEVANT CONTROLS

Initial Review of All Applications

- Governor’s Office Assistant Counsels and the Director of the Clemency Bureau review pending clemency applications.

- A memorandum prepared by the Director of the Clemency Bureau summarizing each case is included in each clemency case file, with supporting DOCCS records.

Second Level Review

- The Assistant Counsels in charge of clemencies review each case and make a recommendation to the Executive Chamber Counsel for cases warranting further review.

- The recommendation (disapproval or process further) is reviewed by the Counsel who approves or disapproves each case for further review.
Final Review

- The Assistant Counsels summarize and present the information in each case to Counsel and Executive Chamber leadership selected by the Counsel and a vote is taken (approval or disapproval).

- The Governor, based on discussions with the Counsel, decides whether or not to grant the clemency.

- Successful applicants receive a certificate which is signed by the Governor and affixed with the Great Seal of the State of New York by the Secretary of State.

SIGNIFICANT OBJECTIVE

Executive orders are prepared accurately and with proper authorization.

RELEVANT CONTROLS

- All Executive Orders are approved by the Governor and Secretary to the Governor.

- A draft Executive Order is prepared and is reviewed by Assistant Counsels and a final draft is reviewed for approval by the Counsel to the Governor and Secretary to the Governor.

- The Governor and Secretary to the Governor sign the Executive Order, the Secretary of State date-stamps the Executive Order, and the Counsel’s Office files the Executive Order by numerical sequence.

SIGNIFICANT OBJECTIVES

Candidates for appointment to State and Judicial office positions are evaluated and interviewed and appointment decisions are properly approved.

The documentation of appointments is properly secured.
NEW YORK STATE EXECUTIVE CHAMBER SIGNIFICANT OBJECTIVES AND RELEVANT INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS

COUNSEL, Continued

RELEVANT CONTROLS

- BCI (Bureau of Criminal Investigation) investigations are required for candidates for all major positions, including (1) appointments to boards, commissions, and other government entities which are made or approved by the Governor (Governor Direct); (2) nominations for appointments to boards, commissions, and other government entities which require confirmation by the Senate; (3) nominations and designations for judicial office; (4) all Executive Chamber employees; and (5) staff positions in agencies, and other executive branch entities on a case-by-case basis.

- Files which contain resumes, financial disclosure forms and BCI investigations are filed in secured filing cabinets in the Counsel’s Office, with access limited to certain designated Counsel’s office staff.

- Binders and memoranda concerning judicial nominations or designations are filed in secured filing cabinets in the Counsel’s Office with access limited to certain Counsel’s office staff.