

NEW YORK STATE
LEGISLATIVE BILL DRAFTING COMMISSION
INTERNAL CONTROL REPORT
JANUARY 1, 2017 THROUGH JUNE 30, 2017



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INDEPENDENT ACCOUNTANTS' REPORT

To the Commissioners of the New York State
Legislative Bill Drafting Commission:

We have examined management's assertion included in its representation letter dated August 15, 2017 that the New York State Legislative Bill Drafting Commission's (the Commission) internal controls maintained during the period January 1, 2017 through June 30, 2017, to adequately achieve the Commission's internal control objectives as described in the accompanying Appendix and 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 Legislative Bill Drafting Commission'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.

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 control 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 Commission, nor did it constitute an economy and efficiency or program audit described by the *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 Legislative Bill Drafting Commission considers the controls referred to in the first paragraph of this report adequate to 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 Commission's internal controls maintained during the period January 1, 2017 through June 30, 2017, are adequate, in all material respects to meet the objectives described in the accompanying Appendix, and to meet 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 Legislative Bill Drafting Commission 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
August 16, 2017

APPENDIX

NEW YORK STATE LEGISLATIVE BILL DRAFTING COMMISSION

INTERNAL CONTROL OBJECTIVES

CONTROL ENVIRONMENT, RISK ASSESSMENT, CONTROL ACTIVITIES, INFORMATION AND COMMUNICATION AND MONITORING OBJECTIVES

A. Services

1. Budgets, including amendments, are prepared in accordance with legal requirements.
2. Budgetary compliance is monitored and noncompliance is prevented or detected and properly corrected.
3. The authorized budget is the total, to the appropriate degree of accuracy, of anticipated appropriations.
4. Financial reports are provided to management, upon request, with sufficient and accurate information and analysis to monitor performance.
5. Salaries, wages, and benefits are incurred only for assignments authorized and performed.
6. Salaries, wages, and benefits are calculated at the proper rate.
7. Salaries, wages, benefits and related liabilities are recorded correctly as to fund, account, amount, and period.
8. Goods (including capital items) or services are purchased with proper authorization, based on available budget, established purchase price, terms and in compliance with legal requirements.
9. Encumbrances are properly recorded and eliminated.
10. Travel taken and travel advances received by employees are properly authorized and for valid Commission business.
11. Good (including capital items) or services received and related liabilities are recorded correctly as to fund, account, amount, and period.
12. Property and equipment are purchased only with proper authorization, based on available budget and are recorded correctly as to account, amount and period.
13. Commitments and contingences are identified, monitored, and if appropriate, recorded and disclosed.

APPENDIX

NEW YORK STATE LEGISLATIVE BILL DRAFTING COMMISSION

INTERNAL CONTROL OBJECTIVES

(CONTIUNED)

CONTROL ENVIRONMENT, RISK ASSESSMENT, CONTROL ACTIVITIES, INFORMATION AND COMMUNICATION AND MONITORING OBJECTIVES

B. Services

1. Goods and services provided and properly priced and recorded at the proper amount, in the proper accounts and in the correct time period.
2. Receivables are collected within a reasonable time period.
3. Orders for services are accepted if they meet management's authorized criteria.
4. Services provided have been authorized.

C. Finance

1. Cash receipts are recorded correctly as to fund, account, amount, and period and are promptly deposited.
2. Cash disbursements are for goods and services authorized and received.
3. Cash disbursements are recorded correctly as to fund, account, amount, and period.

D. Personnel

1. Proper employee information (personnel records) are obtained, on file, and safeguarded.
2. Employees are properly informed of the benefit programs they are eligible to participate in and the employees have made the appropriate elections.
3. Benefit program participation is monitored to ensure employees are accredited/participating in the elected or required programs.
4. Employees are adequately trained.
5. Employees are hired in compliance with applicable federal and state law.

APPENDIX

NEW YORK STATE LEGISLATIVE BILL DRAFTING COMMISSION

INTERNAL CONTROL OBJECTIVES

(CONTINUED)

**CONTROL ENVIRONMENT, RISK ASSESSMENT, CONTROL
ACTIVITIES, INFORMATION AND COMMUNICATION AND
MONITORING OBJECTIVES**

E. Property and Equipment

1. Property and equipment are stored in a secured place until moved to their destination.
2. Property and equipment are recorded on the inventory tracking system in a timely manner.
3. The location of property and equipment are known and reconciled periodically.
4. Physical loss of property and equipment is prevented.
5. The location of supplies is known and reconciled periodically.
6. The physical loss of supplies is prevented.