

INDEPENDENT ACCOUNTANTS' REPORT

October 10, 2011

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

We have examined management's assertion that the New York State Legislative Bill Drafting Commission's (the Commission) maintained effective internal control over internal accounting and administration for the period from April 1, 2011 to June 30, 2011 to adequately achieve the Commission's internal control objectives as described in the accompanying Appendix and to meet the criteria established by the "New York State Governmental Accountability, Audit and Internal Control Act of 1999" (the Act). The Commission's management is responsible for the assertion. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting management's assertion and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

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

In our opinion, management's assertion referred to above is fairly stated, in all material respects, for the period from April 1, 2011 to June 30, 2011 to adequately achieve the Commission's internal control objectives, as described in the accompanying Appendix, and to meet the criteria established by the Act.

This report is intended solely for the information and use of the Commissioners, Office of the State Comptroller, and management of the Commission, and is not intended to be and should not be used by anyone other than these specified parties.

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ATTACHMENT #7

APPENDIX

NEW YORK STATE LEGISLATIVE BILL DRAFTING COMMISSION

INTERNAL CONTROL OBJECTIVES

April 1, 2011

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

A. Services

1. Budgets, including amendments, are prepared and approved 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 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 and members are properly authorized and for valid Commission business.
11. Goods (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

April 1, 2011

(CONTINUED)

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

A. Services (Continued)

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

B. 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.

C. 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

April 1, 2011

(CONTINUED)

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

D. 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. Physical loss of property and equipment is prevented.
4. The location of supplies is known and reconciled periodically.
5. The physical loss of supplies is prevented.