

**RESOLUTION NO. 507 -2014, ADOPTING LOCAL LAW  
NO. 32 -2014, A CHARTER LAW TO CONSOLIDATE  
FINANCIAL MANAGEMENT FUNCTIONS IN THE COUNTY  
DEPARTMENT OF AUDIT AND CONTROL**

**WHEREAS**, there was duly presented and introduced to this County Legislature at a regular meeting held on May 13, 2014 a proposed local law entitled "**A CHARTER LAW TO CONSOLIDATE FINANCIAL MANAGEMENT FUNCTIONS IN THE COUNTY DEPARTMENT OF AUDIT AND CONTROL;**" and said local law in final form is the same as when presented and introduced; now, therefore be it

**RESOLVED**, that said local law be enacted in form as follows:

**LOCAL LAW NO. 32 -2014, SUFFOLK COUNTY, NEW YORK**

**A CHARTER LAW TO CONSOLIDATE FINANCIAL MANAGEMENT  
FUNCTIONS IN THE COUNTY DEPARTMENT OF AUDIT AND CONTROL**

**BE IT ENACTED BY THE COUNTY LEGISLATURE OF THE COUNTY OF  
SUFFOLK**, as follows:

**Section 1. Legislative Intent.**

This Legislature hereby finds that, under the present organization of Suffolk County government, Suffolk County finances are administered by two (2) separate departments headed by two (2) independently elected officials, i.e., the County Comptroller and County Treasurer, which offices interact regularly.

This Legislature further finds and determines that the respective roles of the County Treasurer and County Comptroller in directing the cash management administration for Suffolk County and exercising the auditing, borrowing, and appropriation control functions of the County have been divided in such a manner as to splinter the financial management duties of the County of Suffolk.

This Legislature further finds that structural reforms will implement economies of scale and cut spending. Enactment of this local law will help to reduce costs to the County on a recurring basis by surgically striking spending via the elimination of working unit overlap.

This Legislature further finds that a transfer of the functions and responsibilities of the Department of Finance and Taxation to a unified Department of Audit and Control will result in cash savings to the County and more efficient financial management through consolidation of functions, streamlining of operations, increased and improved application of computerization, more accurate and timely cash-flow analysis and the coordination and cooperation inherent in a unified operation.

This Legislature further determines that the consolidation of fiscal functions in the Department of Audit and Control will help ensure and promote the fiscal integrity of the County while enhancing effective administration and monitoring of financial activities.

Therefore, the purpose of this law is to transfer and consolidate the functions of the Department of Finance and Taxation within the Department of Audit and Control.

**Section 2. Amendments.**

I. Article XV of the SUFFOLK COUNTY CHARTER and Article XV of the SUFFOLK COUNTY ADMINISTRATIVE CODE are hereby repealed in their entirety.

II. Article V of the SUFFOLK COUNTY CHARTER is hereby amended as follows:

**Article V  
Department of Audit and Control**

**§ C5-1. Department established; Comptroller to be Department head.**

A.) There shall be a Department of Audit and Control, the head of which shall be the County Comptroller. The Comptroller shall be elected from the County at large. His or her term of office shall be four years from and including the first day of January next following his election. He or she shall be the chief fiscal officer of the County. The County Comptroller shall appoint a Chief Deputy County Comptroller and a Deputy County Comptroller, both of whom shall possess the powers and perform the duties of the Comptroller, and, within the appropriation therefor, all other officers and employees of the Department as may be necessary. [The County Comptroller may also appoint the County Treasurer to serve, without additional compensation, as a special Deputy County Comptroller and exercise such powers and perform such duties as may have been delegated to the County Comptroller pursuant to the Local Finance Law, including, without limitation, the duty to invest the proceeds, inclusive of premiums, from the sale of County bonds and notes in accordance with the provisions of Subdivision b of § 165.00 of such law.]

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**Section C5-2. Powers and Duties.**

The County Comptroller shall:

A.) Except as otherwise expressly provided in this Charter, have all the powers and perform all the duties conferred or imposed upon a county comptroller or the chief fiscal officer of a county under the County Law, and have charge of the administration of all the financial affairs of the County.

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M.) Receive and have custody of all public funds belonging to or handled by the County.

N.) Collect all taxes, assessments, license fees and other revenues of the County or for whose collection the County is responsible, except those payable by law to the County Clerk or Sheriff.

O.) Deposit all funds coming into his hands in such depositories as may be designated by resolution of the County Legislature or, if no such resolution is adopted, then as

designated by the County Executive, subject to the requirements of law as to depositories and depositories' undertakings.

P.) Have the custody, investment and management of any sinking funds provided for the payment or redemption of County debts.

Q.) Submit to the County Legislature annually, as required by law, a complete financial statement containing a general balance sheet for the County, and at such other times as may be required by the County Legislature.

R.) Perform such other duties pertaining to the financial affairs of the County as may be directed by the County Legislature, by the County Executive, by any law or by any fiscal officers of the state authorized to do by law.

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III. Article V of the SUFFOLK COUNTY ADMINISTRATIVE CODE is hereby amended as follows:

**ARTICLE V  
Department of Audit and Control**

**Section A5-1. Audit and payment of claims.**

A.) No claims against the County, except for debt service, payrolls and judgments or other amounts required to be paid by the County pursuant to court orders or from the liability and casualty reserve fund, shall be paid except upon a voucher verified by the oath of the claimant or accompanied by a certificate made by the claimant to the same effect and certified by the head of the appropriate department, institution, office or agency of the County government and, in the case of purchases for a store account, by the Director of Purchasing, and by means of [a warrant on the County Treasurer] an order of payment signed by the County Comptroller. No [warrant] order of payment shall be issued for the purpose of meeting any payroll or item thereof until such payroll has been certified as correct by the Civil Service Commission.

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**Section A5-2. [Warrants] Orders of payments and accounts.**

Accounts shall be kept for each specific item of appropriation made by the County Legislature, and every [warrant on the treasury] order of payment shall state specifically against which of said appropriations the [warrant] order of payment is drawn. Each such account shall show in detail the appropriation made by the County Legislature, any transfer to or from such appropriation, the amount drawn thereon, unpaid obligations charged against it and the unencumbered balance to the credit thereof.

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**Section A5-7. Deductions from wages or salaries for banks and financial institutions other than credit unions authorized.**

- A.) Deductions from wages or salaries of County employees for the following purposes for banks and financial institutions other than credit unions are hereby authorized.
- B.) The County Comptroller is hereby authorized and directed to deduct from the wages or salary of an employee of the County any amount that such employee may specify in writing filed with the County Comptroller for deposit with the bank or other financial institution and to transmit the sum so deducted to said bank or other financial institution. Any such written authorization may be withdrawn by such employee at any time by filing written notice of such withdrawal with the County Comptroller.
- C.) Deductions and withdrawals made pursuant to this section are subject to such rules and regulations as the County Comptroller may provide.

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**Section A5-[7]8. Contractors and vendors required to submit full disclosure statement.**

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**Section A5-[8]9. Vendors in tax arrears.**

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- B.) Said moneys so withheld shall be kept in a separate account for [periodic distribution to the County Treasurer as] payment of said real property tax arrears only or for payment to the vendor or consultant where it is demonstrated that tax arrears have been cleared up, said payments to be credited to the pertinent tax parcel.

**Section A5-10. Funds to be deposited in interest-bearing accounts.**

The County Comptroller is required to place all funds on deposit or in his hands into interest-bearing accounts. The County Comptroller shall file with the Clerk of the Legislature every quarter a report concerning the status of all funds on deposit.

**Section A5-11. Service charge for handling certain securities.**

Whenever the County Comptroller is obliged to accept a deposit of securities in lieu of retaining a percentage of the amount due from time to time on a contract, he shall impose and collect from the contractor a charge of 1/4 of 1% of the value of the securities deposited, as such value is determined by the County Comptroller, for his services in determining whether the securities are of the class that can be accepted for deposit, their value, for clipping and transmitting coupons and otherwise processing and servicing the account until it is terminated. Payment of such charges shall be made before release of any retained payments.

**Section A5-12. Authority to create petty cash funds.**

- A.) Notwithstanding the provisions of § 371 of the County Law, there is hereby delegated to the County Comptroller the authority to approve the creation or modification of petty cash funds for any administrative unit, up to a maximum amount of \$1,500 per administrative unit, subject to the approval of the Chairman of the Budget and Finance Committee of the County Legislature and a certification by the Budget Director as to the

availability of funds for such petty cash funds, except that the County Comptroller shall create or modify a petty cash account for the Department of Social Services in the amount of \$20,000.00.

- B.) The County Comptroller is hereby authorized, empowered and directed to increase and replenish the petty cash fund for the Department of Social Services within forty-eight (48) hours if the amount in the petty cash fund falls below \$8,500.00.

**Section A5-13. Application of Real Property Tax Law to County.**

The provisions of Chapter 417 of the Laws of 1971 are applicable to Suffolk County.

**Section A5-14. Authority to file notice of intention to claim regarding insurance; issuance of certificates.**

The collecting officer for the Suffolk County Tax District, the County Comptroller, is authorized to file notices of intention to claim with the State Superintendent of Insurance. The County Comptroller is further authorized to render to any insurer a certificate indicating the amount of all liens of the district against the real property as required and as prescribed by the New York State Insurance Law § 331.

**Section A5-15. Release of fire insurance claims.**

- A.) Chapters 738 and 739 of the Laws of 1977 (see General Municipal Law § 22 and Insurance Law §§ 331 and 3410) have authorized tax districts to file claims on fire insurance policies issued on certain real property located within the tax district. In accordance with the statutory requirements, it is hereby provided that, upon compliance with the procedures set forth herein, any amounts which it would otherwise be entitled to claim will be returned or released to the insured owner of the real property upon which a claim against fire insurance policy proceeds has been filed.
- B.) The insured owner must deliver to the County a written agreement, subject to the approval of the County Attorney, whereby the owner agrees to restore the affected premises to the same or improved condition that it was in prior to being damaged by fire, within a specified time.
- C.) The insured owner must post a bond insuring performance within the specified time in the amount of the proceeds to be released.

**Section A5-16. Deposit of Department Proceeds.**

- A.) The head of each department or agency of the County of Suffolk, or his or her designee, shall deposit into depository interest-bearing savings or checking accounts accruing interest at current market rates all proceeds received by such departments, except as otherwise required by law, and except the special services (budget sub-object 477) account of the District Attorney's office and the County Police Department, in a Countywide system of interest-bearing depository accounts to be established in the name of the County Department of Audit and Control, or any successor department thereto, said deposit to be made either on the day of receipt of such proceeds or no later

than 24 hours after receipt of such proceeds. Said deposits shall be remitted to the County Department of Audit and Control, or any successor department thereto, no later than 30 days after receipt of same by any such department or agency. The unified Countywide system of interest-bearing depository accounts (super account with subcomponents) shall be established and fully implemented no later than July 1, 1997.

- B.) All petty cash checking accounts, except the petty cash (budget sub-object 350) account in the District Attorney's office, shall be maintained in such interest-bearing accounts.
- C.) The T-106 account and departmental bank account for all refunds and recoveries of the Suffolk County Department of Social Services are exempt from the provisions of this section.
- D.) The County Executive and County Department of Audit and Control, or any successor department thereto, are hereby authorized, empowered and directed to issue quarterly reports to the Suffolk County Legislature apprising the Legislature of the status of such interest-bearing accounts.
- E.) The County Department of Audit and Control, or any successor department thereto, shall adopt internal rules and regulations designed to achieve the following:
  - 1.) To establish cash control coupled with the provision of a written audit trail for each such transaction.
  - 2.) A segregation of duties of employees so as to ensure the integrity of such cash-control and audit-control provisions.
- F.) The County Department of Audit and Control, or any successor department thereto, shall immediately contact all County departments which regularly maintain depository balances in excess of \$100,000 and inform them that:
  - 1.) Any deposits in excess of said amount are required to be secured by a pledge of collateral, letter of credit or surety bond; and
  - 2.) They are now required to have written security agreements and custodial agreements with the bank or trust company pledging such collateral.
- G.) The County Department of Audit and Control, or any successor department thereto, shall execute written security agreements and custodial agreements, pursuant to § 10 of the New York General Municipal Law, with the banks holding collateral to secure deposits of the County Department of Audit and Control, or any successor department thereto.
- H.) Responsible County officials and employees shall monitor the collateral by implementing procedures which would periodically verify the existence, sufficiency and segregation of pledged collateral.
- I.) Any willful or intentional violation of Subsection A, B, C or G of this section shall form the basis for a suspension, removal or disciplinary proceeding against the individual alleged to be responsible for such willful or intentional violation pursuant to § 75 of the New York Civil Service Law carried out in accordance with the procedural and substantive due process requirements required by law.

**Section A5-17. Bank Account Reform.**

- A.) Any bank account opened by any department, agency or entity of the County of Suffolk shall be opened in a depository designated by the County Legislature under § 212 of the New York County Law.
- B.) Any such account shall be opened only with the written consent of the County Department of Audit and Control, or any successor department thereto, and shall provide that the monthly bank statements generated by each such account shall be forwarded directly to the Office of the County Department of Audit and Control, or any successor department thereto, together with a bank statement reconciliation from the pertinent County department, office or agency, to ensure a verification and review of returned checks.
- C.) All moneys received by the County of Suffolk shall be deposited in a bank or depository designated by the County of Suffolk under § 212 of the New York County Law.
- D.) Any departmental account shall be opened only with the written consent of the County Department of Audit and Control, or any successor department thereto, and only in a bank or depository designated by the County of Suffolk pursuant to § 212 of the New York County Law.
- E.) Any willful or intentional violation of this section shall form the basis for a suspension, removal or disciplinary proceeding against the individual alleged to be responsible for such willful or intentional violation pursuant to § 75 of the New York Civil Service Law carried out in accordance with the procedural and substantive due process requirements required by law.

**Section A5-18. Contract award.**

- A.) In the course of determining the award of a bank deposit contract, the County of Suffolk shall assign a credit of two (0.02%) basis points to the proposed interest rate submitted by a depository responding to the bid process for awarding any bank-deposit contracts by Suffolk County for each of the following consumer protection standards with which the responding depository is in written compliance:
  - 1.) Not charge a fee for using a live teller;
  - 2.) Not impose minimum deposit requirements in excess of \$2,000 to open an interest-bearing account;
  - 3.) Not charge a monthly service fee for the first 15 checks in each checking account;
  - 4.) Not charge a fee to a customer who submits a check written by another party with insufficient funds to cover the check;
  - 5.) Limit the cost for the preparation of a money order to no more than \$5; and

- 6.) Not charge a fee to a customer for receiving copies of checks written for the previous month.
  
- B.) In the event that a depository demonstrates compliance with the requirements of the provisions of Subsection A of this section, then such compliance shall continue and endure throughout the course of any agreement with a depository once such agreement has been entered into.

**Section A5-19. Disclosure.**

Prior to entering into a contract with the County of Suffolk, or prior to the designation of a depository by the County of Suffolk, and at the initiation of the bid process for awarding any bank-deposit contracts, a depository shall make a written representation to the County of Suffolk as to whether and to what degree it abides by the consumer protection requirements as listed in § A5-18(A) above, and that it will immediately notify the County if it experiences a change of control or ownership whereby it will no longer abide by such requirements. Such representation shall be made a part of each contract, together with a representation that an official with authority to bind the depository entering into the contract with the County has read and is familiar with the provisions of this law.

**Section A5-20. Enforcement.**

- A.) Any contract in violation of § A15-18 of this article shall be null and void ab initio and any depository entering into such an agreement shall not be entitled to any compensation pursuant to said agreement.
  
- B.) The representations required by § A15-19 of this article shall be incorporated into all contracts entered into by the County of Suffolk with any depository and any violation of such condition shall constitute a material breach of the contract sufficient to cause termination of the contract by the County of Suffolk.

**Section A5-21. Exemption.**

Sections A5-18, A5-19, and A5-20 of this article shall not apply to any depository entering into an agreement with the County of Suffolk pursuant to a request or command of the United States Government or the State of New York for federal or state grant purposes or programmatic purposes requiring the use of a particular depository as a condition precedent or a condition subsequent to the receipt of such federal or state aid or the implementation of such federal or state program. In order to qualify for such an exemption, a depository shall submit to Suffolk County written documentation of such request or command issued by an appropriate official of the United States Government or the State of New York.

**Section 3. Transition and Implementation Provisions.**

- A.) If this law is approved by a majority of qualified Suffolk County voters as set forth in § 4 of this law, and after its effective date, it shall be implemented as follows:
  - 1.) The County Department of Finance and Taxation, the elected Office and position of County Treasurer, the positions of Chief Deputy County Treasurer, Deputy County Treasurer, and consistent with Civil Service Law §§ 41 and 42, shall all be abolished as of

midnight, December 31, 2017. The elected Office and position of County Treasurer shall not be filled in the election of 2017 and in any subsequently held election. The functions of the Department of Finance and Taxation shall merge and be incorporated with the Department of Audit and Control January 1, 2018.

- 2.) Except as otherwise set forth in this section, any positions of employment within the Suffolk County Department of Finance and Taxation shall be abolished and/or transferred, as the case may be, via appropriate resolution amending the Suffolk County Salary and Classification plan, as of January 1, 2018, to the Department of Audit and Control. Any positions of employment that have not been abolished shall be transferred so as to retain the incumbent individual in said position of employment as the individual so employed in that position by the new office or department to which such position is transferred.
- 3.) The County Executive, County Treasurer and the County Comptroller are hereby authorized, empowered, and directed to take such actions as shall be necessary to transfer, integrate, and consolidate the functions of the Department of Finance and Taxation into the Suffolk County Department of Audit and Control, including, but not limited to, cost reductions consistent with the consolidation of the two departments.
- 4.) Any reference in any provision of any resolution, ordinance, Charter law, or local law of the County of Suffolk, the Suffolk County Tax Act, any other general or special law of the State of New York and any federal law, rule or regulation to the County Treasurer subsequent to December 31, 2017 shall be construed as a reference to the County Comptroller. Any such resolution, ordinance, Charter law, or local law of the County of Suffolk is hereby so amended.
- 5.) Any reference in any provision of any resolution, ordinance, Charter law, or local law of the County of Suffolk, the Suffolk County Tax Act, any other general or special law of the State of New York and any federal law, rule or regulation to the County Department of Finance and Taxation subsequent to December 31, 2017 shall be construed as a reference to the Department of Audit and Control. Any such resolution, ordinance, Charter law, or local law of the County of Suffolk is hereby so amended.
- 6.) The Department of Finance and Taxation shall transfer all files and records to the Suffolk County Department of Audit and Control no later than December 31, 2017.
- 7.) All County departments shall cooperate fully in implementing the provisions of this law.

**Section 4. Form of Proposition.**

The proposition to be submitted at the next general election, pursuant to § 9 of this law, shall be in the following form:

**Resolution No. -2014 A Charter Law to Consolidate Financial Management Functions in the County Department of Audit and Control**

“Resolution No. -2014, is a Charter Law that proposes to transfer and consolidate the functions of the Department of Finance and Taxation into the Department of Audit and Control, headed by a County Comptroller elected from the general population. If approved, this Resolution will eliminate the existing office of County Treasurer and consolidate all powers and duties of the Treasurer in the office of the County Comptroller, effective January 1, 2018.

Shall Resolution No. -2014 be approved?”

**Section 5. Applicability.**

- A.) The County Department of Finance and Taxation, the elected Office and position of County Treasurer, the positions of Chief Deputy County Treasurer and Deputy County Treasurer shall remain in existence through December 31, 2017. The elected Office and position of County Treasurer shall not be filled in the election of 2017 and in any subsequently held election.
- B.) This local law shall apply to all actions occurring on or after the effective date of this law.

**Section 6. Limitations on Term of Office.**

This law, if approved by the voters of Suffolk County, shall not be construed as amending, limiting or abridging the limitations on terms of office set forth in § C5-1(B) and Local Law No. 27-1993.

**Section 7. Severability.**

If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

**Section 8. SEQRA Determination.**

This Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20) and (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

**Section 9. Effective Date.**

This law shall not take effect until it has been approved by the affirmative vote of a majority of the qualified electors of the County of Suffolk voting upon a proposition for its approval in conformity with the provisions of Section 34 of the NEW YORK MUNICIPAL HOME RULE LAW and has been filed in the office of the Secretary of State, and the repeal of Article XV of the Suffolk County Charter and Article XV of the Suffolk County Administrative Code shall not take effect until January 1, 2018. It shall be implemented on the dates set forth in section 3 hereinabove.

**Section 10. Conflicting Referenda.**

In the event that there are other referenda on the ballot, pertaining to or addressing substantially the same issues as are contained in this law, then the provisions of the measure approved by the electorate receiving the greatest number of affirmative votes, shall prevail, and the alternative measure, or measures, as the case may be, shall be deemed null and void.

[ ] Brackets denote deletion of existing language  
\_\_\_ Underlining denotes addition of new language

DATED: June 17, 2014

APPROVED BY:

/s/ Steven Bellone  
County Executive of Suffolk County

Date: July 17, 2014

After a public hearing duly held on June 30, 2014  
Filed with the Secretary of State on December 10, 2014