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# NEW YORK STATE SENATE

ALBANY, NEW YORK 12247



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May 4, 2009

Hon. David Paterson, Governor of New York  
State Capitol  
Albany, NY 12224

Re: Adoption of an Executive Order to address oversight and accountability of stimulus investments in New York State

Dear Governor Paterson:

We thank you for your tireless work navigating New York State through difficult economic times, and we applaud your successful efforts to make our state a focal point of the federal stimulus package. As such, we urge you to ensure that funds made available to the state under the American Recovery and Reinvestment Act of 2009 (ARRA) are allotted and disbursed to New York's communities in a transparent, equitable and accountable manner.

President Barack Obama has repeatedly stated that these funds must be used to invest in the country's economic recovery and that federal overseers plan to tightly scrutinize how investment decisions are prioritized at the state and local levels. New York's leadership must take pro-active measures to ensure all stimulus-related funds are invested wisely. With that in mind, we ask that you issue an Executive Order addressing three primary issues, which we have outlined below and are supported by the members of the New York State Stimulus Oversight Working Group, a diverse coalition of advocacy and non-profit organizations.

1) Independent stimulus monitor: On April 3, California Governor Arnold Schwarzenegger issued Executive Order Number 5-04-09, thereby creating an independent Inspector General to conduct reviews and audits to ensure state and local government compliance with the federal requirements of ARRA and applicable state law and to bring maximum public transparency into the oversight of these funds. Among its responsibilities, the independent Inspector General will:

- Protect the integrity and accountability of stimulus funds by preventing and detecting fraud, waste, and misconduct;
- Conduct periodic reviews and audits to ensure state and local government compliance with the federal requirements of ARRA and applicable state law;
- Provide independent and objective reports to the Governor, the Legislature, U.S. General Accountability Office, and the Recovery Accountability and Transparency Board on the activities

and findings of the reviews and audits, including any identified program and management problems, as it relates to use of stimulus funds, and recommendations to correct them. These reports shall be posted on the Internet to provide additional accountability and transparency to the public; and

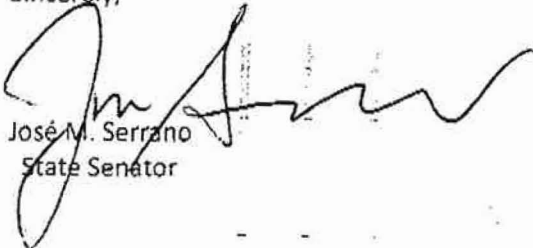
- Coordinate with the Bureau of State Audits, the State Controller, the Department of Finance, and local auditors and comptrollers to identify and deploy resources in a manner to ensure the highest level of review and accountability.

2) Transparent decision-making: We urge New York State to improve the application and decision-making process. Opportunities to apply for stimulus-related funding are not being circulated widely enough to all New Yorkers. As a result, the most up-to-date information is too often limited to entities that have received state money in the past and are already "at the table" in Albany. Many of the organizations in our respective districts report not understanding the categories of stimulus funding nor the criteria by which the State will decide which projects should receive support. We ask that you clarify both the categories and the criteria in a comprehensive and publicly accessible fashion.

3) Online Transparency: The website created by your Economic Recovery and Reinvestment Cabinet is a powerful tool, but we believe a great deal of work remains to be done. The sheer volume of unfiltered information – a spreadsheet listing thousands of project submissions – does not necessarily translate to transparency, or foster public participation, and has in fact generated much confusion. We urge you to expand online efforts, including an accessible inquiry form, as well as the integration of a uniform and efficient tracking procedure to follow the expenditure of funds. Moreover, we believe the state should actively engage with information technology experts, especially those who are developing online infrastructure at the federal level with the Recovery.gov site. The state might also build upon an effort here in New York City, the Stimulus Tracker, which has made advances in mapping already approved projects. Comprehensive tracking should also include mandates for periodic reporting, with detailed updates on job creation and retention, scheduled completion, economic impact, and environmental protection that "drills down" to provide reporting from each recipient of stimulus funds. This would include: the name of the entity and amount distributed (plus subcontractors); number of jobs created; goals achieved; and wages paid. It would allow New Yorkers to help hold these projects accountable by following stimulus investment funds all the way from the U.S. Treasury to, for example, the pothole that gets filled on their street corner.

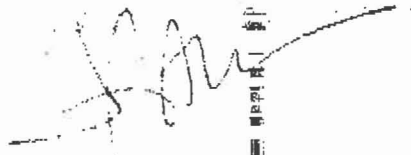
New York is very much the birthplace of proactive and responsive state governance, dating back to leaders like Al Smith and Franklin D. Roosevelt. In the event additional federal stimulus funds become available, New York State must have in place a system that proves we have invested taxpayer money wisely. At a time when the country once again faces economic hardship, seeking leadership and dynamism from the public sector, we believe New York is uniquely poised to become a national model for accountable, vibrant and speedy revitalization. We thank you for your consideration, and offer our support and assistance in the implementation of the items we have listed.

Sincerely,

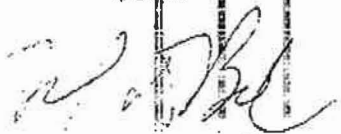
  
José M. Serrano  
State Senator



Eric Adams  
Senator



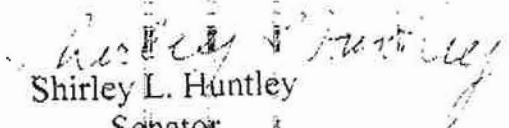
Joseph P. Addabbo  
Senator



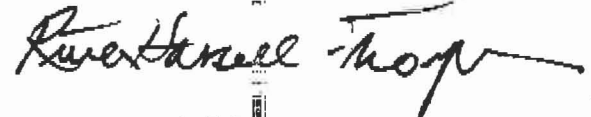
Neil D. Breslin  
Senator



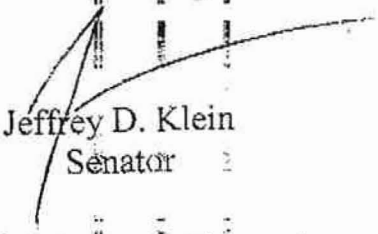
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Senator



Shirley L. Huntley  
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Craig M. Johnson  
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Jeffrey D. Klein  
Senator



Liz Krueger  
Senator



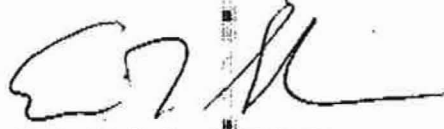
Velmanette Montgomery  
Senator



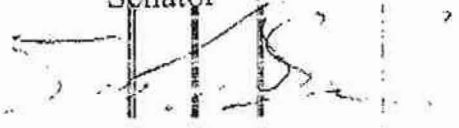
George Onorato  
Senator



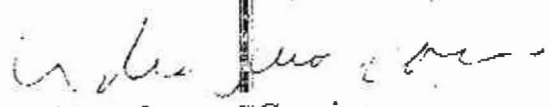
Bill Perkins  
Senator



Eric T. Schneiderman  
Senator



Daniel L. Squadron  
Senator



Andrea Stewart-Cousins  
Senator



Toby Ann Stavisky  
Senator