

Audit and Control, Department of

Mission

The Department of Audit and Control (OSC) was created in 1926 and is headed by the State Comptroller, who is elected by the citizens of New York State. The Department is responsible for paying the State's bills and payrolls; verifying all financial transactions of the State; reviewing the financial and management practices of State agencies; supervising the fiscal affairs of local governments; investing State funds and issuing bonds and notes; and administering the retirement program for State and most local government employees.

Organization and Staffing

OSC's operations are organized into 11 programs, with its main office in Albany and regional offices in New York City, Buffalo, Rochester, Syracuse, Binghamton, Glens Falls, Newburgh and Hauppauge. These regional offices function primarily as decentralized audit centers, providing financial review of the accounting of revenues collected and expenses incurred by counties, cities, towns and villages, school and fire districts and quasi-governmental entities.

Budget Highlights

The Executive Budget recommends \$384.8 million in All Funds appropriation for OSC, an increase of \$18 million from the previous fiscal year. This increase reflects a two percent increase to State Operations. OSC maintains a workforce of 2,663 FTEs; no change from the previous fiscal year.

The Executive Budget includes \$10.1 million in new capital appropriation for the support of IT equipment and systems upgrades. In addition, \$4.8 million in capital reappropriation will remain available for OSC's ongoing Payroll System Redesign project, an effort to update an aging system that is critical to State operations.

The Executive Budget consolidates OSC General Fund appropriations into one program, Audit and Control. This adjustment will limit the need to adjust resources throughout the year to cover operational expenses. This adjustment is financial plan neutral.

Program Highlights

The **Executive Direction, Legal Services, Administration and the Chief Information Office** are responsible for the public information, internal audit, fiscal research, IT operations, financial administration, legal, office services, management analysis and human resource functions of the Department.

The **Office of Operations** supports the core financial functions of state government – payroll, accounting, and financial management. The Office protects the public's money by ensuring contracts are fair, competitive, appropriate and in the best interest of the State, by reviewing and approving all State expenditures prior to payment. The program is central to ensuring the efficiency and effectiveness of government operations.

The **Office of State and Local Government Accountability Program** provides oversight through audits of all State and local government agencies, authorities and special purpose entities. These audits are intended to enhance public accountability and improve the efficiency and effectiveness of State and local government operations, it collects and reviews local government financial data, provides training programs and support services for local financial officials, and publishes research and analysis on a variety of local government policy issues. The Office is comprised of the Divisions of State Government Accountability as well as Local Government and School Accountability.

The **Office of the State Deputy Comptroller for the City of New York** assists the New York State Financial Control Board in carrying out and exercising the responsibilities assigned, and powers granted, to the Board by the Financial Emergency Act for the City of New York. The Retirement Services program administers the State Retirement Systems, consisting of the Employees' Retirement System, the Police and Fire Retirement System and the Public Employees' Group Life Insurance Plan.

The **Pension Investment and Public Finance** program is comprised of the State Common Retirement Fund (CRF), the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS) and the Public Employees Group Life Insurance Plan (GLIP). As fiduciary of the CRF, the Comptroller oversees a diverse investment portfolio designed to maximize returns within the structure of prudent policies.

The **Office of Budget and Policy Analysis** reports on matters including proposed and enacted State budgets, other fiscal issues affecting the State and a range of other major policy issues. The Office also manages the Public Authority Reporting Information System (PARIS) and performs a variety of functions related to debt issuance, debt administration and payment of debt for New York State General Obligation and New York Local

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Government Assistance Corporation (NYLGAC) bonds. The Office also manages daily operations of NYLGAC.

The **Division of Investigations** spearheads the Comptroller's ant-fraud/anti-corruption initiative and coordinates all fraud examinations conducted by the Office of the State Comptroller.

The **New York State Environmental Protection and Oil Spill Compensation Fund** is administered by the Comptroller under Chapter 845 of the Laws of 1977. Costs associated with cleaning up oil spills are paid from the fund upon certification of the Commissioner of Environmental Conservation. Moneys in this fund consist of receipts from a fee levied on each barrel of petroleum shipped into the State.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available FY 2020	Appropriations Recommended FY 2021	Change From FY 2020	Reappropriations Recommended FY 2021
State Operations	334,703,000	342,662,000	7,959,000	0
Aid To Localities	32,025,000	32,025,000	0	0
Capital Projects	0	10,100,000	10,100,000	4,831,000
Total	366,728,000	384,787,000	18,059,000	4,831,000

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	FY 2020 Estimated FTEs 03/31/20	FY 2021 Estimated FTEs 03/31/21	FTE Change
Administration			
General Fund	109	109	0
Chief Information Office			
General Fund	186	186	0
Internal Service Funds	131	131	0
Executive Direction			
General Fund	99	99	0
Internal Service Funds	16	16	0
Investigation			
General Fund	19	19	0
Legal Services			
General Fund	38	38	0
New York Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	10	10	0
Office of the State Deputy Comptroller for New York City			
Special Revenue Funds - Other	23	23	0
Retirement Services Program			
Fiduciary	978	978	0
State and Local Accountability			
General Fund	535	535	0
Internal Service Funds	14	14	0
State Operations			
General Fund	350	350	0
Special Revenue Funds - Other	155	155	0
Total	2,663	2,663	0

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STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
 (dollars)

Fund Type	Available FY 2020	Recommended FY 2021	Change
Fiduciary	137,451,000	141,564,000	4,113,000
General Fund	137,417,000	141,263,000	3,846,000
Internal Service Funds	36,994,000	36,994,000	0
Special Revenue Funds - Other	22,841,000	22,841,000	0
Total	334,703,000	342,662,000	7,959,000

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STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2020	Recommended FY 2021	Change
Achieving a Better Life Experience			
General Fund	394,000	0	(394,000)
Administration			
General Fund	15,348,000	0	(15,348,000)
Audit and Control			
General Fund	0	141,263,000	141,263,000
Special Revenue Funds - Other	0	119,000	119,000
Chief Information Office			
General Fund	24,856,000	0	(24,856,000)
Internal Service Funds	29,300,000	28,890,000	(410,000)
College Choice Tuition Savings			
Special Revenue Funds - Other	0	372,000	372,000
Executive Direction			
General Fund	10,703,000	0	(10,703,000)
Internal Service Funds	2,753,000	2,948,000	195,000
Investigation			
General Fund	2,233,000	0	(2,233,000)
Legal Services			
General Fund	4,080,000	0	(4,080,000)
New York Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	1,175,000	1,175,000	0
Office of the State Deputy Comptroller for New York City			
Special Revenue Funds - Other	4,848,000	4,848,000	0
Retirement Services Program			
Fiduciary	137,451,000	141,564,000	4,113,000
State Operations			
General Fund	31,068,000	0	(31,068,000)
Internal Service Funds	2,890,000	2,890,000	0
Special Revenue Funds - Other	16,327,000	16,327,000	0
State and Local Accountability			
General Fund	48,735,000	0	(48,735,000)
Internal Service Funds	2,051,000	2,266,000	215,000
Special Revenue Funds - Other	491,000	0	(491,000)
Total	334,703,000	342,662,000	7,959,000

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STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Achieving a Better Life Experience	0	(259,000)	0	(259,000)
Administration	0	(6,607,000)	0	(6,342,000)
Audit and Control	111,882,000	111,882,000	110,805,000	110,805,000
Chief Information Office	0	(15,522,000)	0	(15,376,000)
Executive Direction	0	(9,718,000)	0	(9,588,000)
Investigation	0	(1,991,000)	0	(1,954,000)
Legal Services	0	(3,918,000)	0	(3,911,000)
State Operations	0	(27,262,000)	0	(26,913,000)
State and Local Accountability	0	(44,200,000)	0	(44,145,000)
Total	111,882,000	2,405,000	110,805,000	2,317,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	(246,000)	0	(19,000)
Audit and Control	922,000	922,000	155,000	155,000
Chief Information Office	0	(106,000)	0	(40,000)
Executive Direction	0	(118,000)	0	(12,000)
Investigation	0	(37,000)	0	0
Legal Services	0	0	0	(7,000)
State Operations	0	(308,000)	0	(41,000)
State and Local Accountability	0	(36,000)	0	(19,000)
Total	922,000	71,000	155,000	17,000

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STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Achieving a Better Life Experience	0	(135,000)	0	0
Administration	0	(8,741,000)	0	(1,206,000)
Audit and Control	29,381,000	29,381,000	2,091,000	2,091,000
Chief Information Office	0	(9,334,000)	0	(553,000)
Executive Direction	0	(985,000)	0	(120,000)
Investigation	0	(242,000)	0	(19,000)
Legal Services	0	(162,000)	0	(56,000)
State Operations	0	(3,806,000)	0	(89,000)
State and Local Accountability	0	(4,535,000)	0	(115,000)
Total	29,381,000	1,441,000	2,091,000	(67,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Achieving a Better Life Experience	0	(5,000)	0	(130,000)
Administration	0	(84,000)	0	(4,447,000)
Audit and Control	2,845,000	2,845,000	22,922,000	22,922,000
Chief Information Office	0	(77,000)	0	(7,700,000)
Executive Direction	0	(262,000)	0	(580,000)
Investigation	0	(19,000)	0	(203,000)
Legal Services	0	(14,000)	0	(92,000)
State Operations	0	(94,000)	0	(3,606,000)
State and Local Accountability	0	(2,242,000)	0	(2,145,000)
Total	2,845,000	48,000	22,922,000	4,019,000

Program	Equipment	
	Amount	Change
Administration	0	(300,000)
Audit and Control	1,523,000	1,523,000
Chief Information Office	0	(1,004,000)
Executive Direction	0	(23,000)
Investigation	0	(1,000)
State Operations	0	(17,000)
State and Local Accountability	0	(33,000)
Total	1,523,000	145,000

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Program	Maintenance Undistributed	
	Amount	Change
Administration	0	(2,704,000)
Total	0	(2,704,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit and Control	119,000	119,000	0	0
Chief Information Office	28,890,000	(410,000)	3,600,000	(2,592,000)
College Choice Tuition Savings	372,000	372,000	224,000	224,000
Executive Direction	2,948,000	195,000	1,656,000	115,000
New York Environmental Protection and Spill Compensation	1,175,000	0	667,000	0
Office of the State Deputy Comptroller for New York City	4,848,000	0	2,877,000	0
Retirement Services Program	141,564,000	4,113,000	76,014,000	2,185,000
State Operations	19,217,000	0	12,237,000	2,240,000
State and Local Accountability	2,266,000	(276,000)	1,352,000	(143,000)
Total	201,399,000	4,113,000	98,627,000	2,029,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Audit and Control	119,000	119,000	0	0
Chief Information Office	25,290,000	2,907,000	0	(725,000)
College Choice Tuition Savings	148,000	148,000	0	0
Executive Direction	1,292,000	80,000	0	0
New York Environmental Protection and Spill Compensation	508,000	0	0	0
Office of the State Deputy Comptroller for New York City	1,971,000	0	0	0
Retirement Services Program	65,550,000	1,928,000	0	0
State Operations	6,980,000	(1,779,000)	0	(461,000)
State and Local Accountability	914,000	(133,000)	0	0
Total	102,772,000	3,270,000	0	(1,186,000)

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AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2020	Recommended FY 2021	Change
General Fund	32,025,000	32,025,000	0
Total	32,025,000	32,025,000	0

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2020	Recommended FY 2021	Change
State Operations			
General Fund	32,025,000	32,025,000	0
Total	32,025,000	32,025,000	0

CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Comprehensive Construction Program	Available FY 2020	Recommended FY 2021	Change	Reappropriations FY 2021
IT Initiative Program				
Capital Projects Fund - Authority Bonds	0	10,100,000	10,100,000	4,831,000
Total	0	10,100,000	10,100,000	4,831,000

Note: Most recent estimates as of 01/29/2020