

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 FY 2022 Executive Budget recommends \$374.7 million in All Funds appropriation for OSC, a decrease of \$10.1 million from the previous fiscal year reflecting the reappropriation of prior year capital appropriation. The agency's workforce totals 2,710 FTEs, no change from the previous fiscal year.

The FY 2022 Executive Budget includes \$12.1 million in capital reappropriation related to IT equipment upgrades, enhancements, and system modernizations. Ongoing modernization efforts include the upgrade of the State's payroll system (PayServ), Office of Unclaimed Funds (OUF) System Modernization Project and HR 20/20 project.

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 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

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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 2021	Appropriations Recommended FY 2022	Change From FY 2021	Reappropriations Recommended FY 2022
State Operations	342,662,000	342,662,000	0	0
Aid To Localities	32,025,000	32,025,000	0	0
Capital Projects	10,100,000	0	(10,100,000)	12,129,000
Total	384,787,000	374,687,000	(10,100,000)	12,129,000

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

Program	FY 2021 Estimated FTEs 03/31/21	FY 2022 Estimated FTEs 03/31/22	FTE Change
Administration			
General Fund	1,411	1,411	0
Chief Information Office			
Internal Service Funds	121	121	0
Executive Direction			
Internal Service Funds	16	16	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	977	977	0
State and Local Accountability			
Internal Service Funds	14	14	0
State Operations			
Special Revenue Funds - Other	138	138	0
Total	2,710	2,710	0

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

Fund Type	Available FY 2021	Recommended FY 2022	Change
Fiduciary	141,564,000	141,564,000	0
General Fund	141,263,000	141,263,000	0
Internal Service Funds	36,994,000	36,994,000	0
Special Revenue Funds - Other	22,841,000	22,841,000	0
Total	342,662,000	342,662,000	0

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

Program	Available FY 2021	Recommended FY 2022	Change
Audit and Control			
General Fund	141,263,000	141,263,000	0
Special Revenue Funds - Other	119,000	119,000	0
Chief Information Office			
Internal Service Funds	28,890,000	28,890,000	0
College Choice Tuition Savings			
Special Revenue Funds - Other	372,000	372,000	0
Executive Direction			
Internal Service Funds	2,948,000	2,948,000	0
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	141,564,000	141,564,000	0
State Operations			
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			
Internal Service Funds	2,266,000	2,266,000	0
Total	342,662,000	342,662,000	0

STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2022 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Audit and Control	111,882,000	0	110,805,000	0
Total	111,882,000	0	110,805,000	0

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Audit and Control	922,000	0	155,000	0
Total	922,000	0	155,000	0

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2022 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Audit and Control	29,381,000	0	2,091,000	0
Total	29,381,000	0	2,091,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Audit and Control	2,845,000	0	22,922,000	0
Total	2,845,000	0	22,922,000	0

Program	Equipment	
	Amount	Change
Audit and Control	1,523,000	0
Total	1,523,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2022 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit and Control	119,000	0	0	0
Chief Information Office	28,890,000	0	3,600,000	0
College Choice Tuition Savings	372,000	0	224,000	0
Executive Direction	2,948,000	0	1,656,000	0
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	0	76,014,000	0
State Operations	19,217,000	0	12,237,000	0
State and Local Accountability	2,266,000	0	1,352,000	0

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Total	201,399,000	0	98,627,000	0
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Program	Amount	Nonpersonal Service	Change
Audit and Control	119,000		0
Chief Information Office	25,290,000		0
College Choice Tuition Savings	148,000		0
Executive Direction	1,292,000		0
New York Environmental Protection and Spill Compensation	508,000		0
Office of the State Deputy Comptroller for New York City	1,971,000		0
Retirement Services Program	65,550,000		0
State Operations	6,980,000		0
State and Local Accountability	914,000		0
Total	102,772,000		0

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

Fund Type	Available FY 2021	Recommended FY 2022	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 2021	Recommended FY 2022	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 2021	Recommended FY 2022	Change	Reappropriations FY 2022
IT Initiative Program				
Capital Projects Fund - Authority Bonds	10,100,000	0	(10,100,000)	12,129,000
Total	10,100,000	0	(10,100,000)	12,129,000

Note: Most recent estimates as of 01/19/2021