Public Authorities by the Numbers

OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

January 2017

Message from the Comptroller

January 2017

New York's public authorities carry out a wide range of essential activities. Drive along the Thruway, ride a subway, bus or commuter train, visit a public hospital, or simply turn on a light in a home or office – a public authority may be part of New Yorkers' daily lives in these ways and many others. Financially, too, State and local authorities in New York have a major impact. In their most recently reported fiscal years, the overall debt of public authorities totaled more than $267 billion, and total annual spending was nearly $67 billion.

Generally governed by boards of directors, public authorities are not subject to a variety of transparency and accountability requirements that apply to State agencies. The reduced oversight and the opaque manner in which they may operate are longstanding matters of concern, along with levels of debt, questions as to their effectiveness in meeting certain programmatic missions, and other issues. The ability of public authorities to function with limited oversight may also have contributed to troubling matters, including criminal charges, which have come to light with regard to some major State economic development initiatives.

The State relies on public authorities to undertake most borrowing on its behalf, and these entities have issued nearly 96 percent of all outstanding State-Funded debt without the voter approval that the Constitution requires for General Obligation debt issued by the State itself. The State also uses public authorities as a backdoor source of revenue.

My Office has advanced a number of reforms to improve accountability, integrity and transparency in the use of public resources. These include proposals to eliminate backdoor borrowing and backdoor spending by authorities on behalf of the State, require greater disclosure of authority activities, including their spending of State resources, and instill new safeguards in authorities' procurement processes.

Statutory reforms of recent years have imposed greater responsibility on authority boards to meet higher standards of transparency, accountability, and effective governance. Yet recurring questions in those areas make clear that further work is needed. Authority leaders, and State government as a whole, must do more to ensure that New York's public authorities operate with integrity, safeguard public resources, and deliver effective results for New Yorkers.

Thomas P. DiNapoli
State Comptroller

Table of Contents

I. Executive Summary

New York's State and local public authorities collectively spent nearly $67 billion in their most recently reported fiscal years. Their total outstanding debt, more than a quarter of a trillion dollars, equated to $13,487 for every New York resident. Employing more than 166,000 people, these authorities had payrolls that totaled nearly $11 billion. The largest, the Metropolitan Transportation Authority (MTA), employed more New York-based workers than any private sector company in the State.

As such numbers indicate, New York's public authorities make up an increasingly large and influential domain of government. Authorities conduct most of the State's borrowing, and fund spending outside the scope of the State's traditional checks and balances, as well as its Financial Plan. They provide revenue to support the State budget. In addition, some authorities receive State funds. Programmatically, State authorities are responsible for critically important functions in transportation, energy, environmental protection, housing, economic development and other areas.

State authorities' finances and operations are often closely intertwined with those of the State itself. This has resulted in heightened concerns, in part because authorities are not subject to certain requirements that apply to State agencies and are intended to provide oversight, accountability and transparency. In some cases, it is unclear how authorities decide how significant amounts of State funding will be allocated.

Such reduced oversight may have been a contributing factor in issues, including charges of criminal activity, that have arisen with respect to the State's economic development initiatives and other matters. Minimizing standards of transparency, accountability and independent oversight increases opportunities for bid rigging and other corrupt activities. The lack of such standards may also weaken the effectiveness of programs that are intended to meet New Yorkers' needs or result in waste or inefficient use of public resources, whether in economic development or other areas.

Since the creation in 1921 of New York's first public authority – the entity now known as the Port Authority of New York and New Jersey – more than 1,000 authorities and subsidiaries have been created at the State and local levels. As of September 2016, there were 324 State-level authorities and subsidiaries and 860 local authorities across New York, and eight established by virtue of interstate or international agreements. Some authorities are operational in nature, while others act primarily as financing vehicles for the State, local governments, and other entities. Some authorities combine significant operational and financing activities.

Key findings in this report include the following:

- State and local authorities reported spending a combined $66.8 billion in the most recent fiscal years for which data are available (generally, authority fiscal years ending in 2015 or 2016), of which State authorities reported $42.9 billion and local authorities reported $23.9 billion. State authorities reported a total of 112,846 employees, and local authorities 53,602, with more than 29,000 (nearly 18 percent) of all employees receiving total compensation of $100,000 or more.

- New York State now relies on public authorities to undertake most borrowing on its behalf, circumventing a Constitutional provision that restricts the issuance of General Obligation debt without voter approval. As of March 31, 2016, approximately 96 percent of all State-Funded debt outstanding had been issued by public authorities. Debt reported in the Public Authorities Reporting Information System (PARIS) as being issued by authorities for State purposes, known as backdoor borrowing, totaled $51.1 billion. Overall authority debt in New York, including both State and local entities, totaled $267 billion.

- State and local public authorities reported more than 44,000 active competitive and noncompetitive contracts, nearly 18 percent of which were awarded noncompetitively. The amounts expended in their most recently reported fiscal years on these procurements totaled nearly $11 billion, approximately 20 percent of which was for noncompetitively bid procurements.

- The State relies on public authorities as a backdoor source of revenue for the budget. Drawing on non-recurring resources from public authorities allows the State to show a balanced budget in the Financial Plan, and avoid potentially difficult decisions on spending and/or revenue. The State has also shifted responsibility for certain programs and other costs from the State Budget to authorities. This obscures overall State spending levels and diminishes transparency, accountability and oversight, as such spending occurs largely outside the scope of the Financial Plan and the State's accounting system.

- The State Fiscal Year (SFY) 2015-16 and SFY 2016-17 Enacted Budgets anticipated nearly $300 million and $262 million, respectively, in authorized transfers and miscellaneous receipts from public authorities to the State or to other authorities for State purposes, as well as additional revenue from the Bond Issuance Charge and cost recovery. Such transfers and miscellaneous receipts shift costs from the State's general tax base to users of authority services, reduce accountability for authority funds and risk diminishing authorities' ability to provide services at affordable costs.

Historically, the activities of public authorities have been less open to public scrutiny than those undertaken by State agencies. Both the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009 established additional accountability mechanisms for authorities as State policy. However, public authorities generally are not subject to many of the oversight and transparency requirements that apply to other government agencies, and are not subject to the same types of controls over their day-to-day operations. Public authorities' expenditures, however, are subject to post-audit by the Office of the State Comptroller. As summarized in this report, such audits have revealed numerous examples of lax contracting practices, loose expenditure controls and inadequate oversight.

There are ongoing federal and State criminal investigations involving State economic development programs where public funds have flowed through a public authority, the Empire State Development Corporation (ESDC), to a nonprofit organization, the Fort Schuyler Management Corporation (FSMC). ESDC's board has authorized hundreds of millions of dollars in payment of public funds to FSMC for economic development activities. Entities such as FSMC are often even less transparent and accountable than public authorities. While their operations are not examined in detail in this report, their role in governmental functions including the use of public resources requires heightened scrutiny.

The Office of the State Comptroller has questioned, in comments to the State's Public Authorities Control Board (PACB), whether ESDC conducted a thorough and independent analysis of the potential benefits and the long-term viability of certain economic development projects. Other comments by the Office of the State Comptroller to PACB have raised a variety of other questions and concerns regarding projects advanced by ESDC and other authorities.

Throughout the history of New York's public authorities, concerns have been raised regarding issues ranging from a perceived lack of accountability to rising levels of debt and uncertain adherence to established missions. Questions have arisen as to whether authority boards exercise adequate oversight of major financial and managerial decisions, and whether they employ appropriately independent judgment regarding the authority's activities. Legislation enacted in response to such issues in 2005 and 2009 was intended to enhance board members' roles in assuring that authorities are accountable and adhere to their mission and purpose. Despite these efforts, questions of accountability, transparency and effective board governance have continued to arise at authorities including ESDC, the Port Authority, the Thruway Authority, and the Long Island Power Authority.

Fiscal reform legislation proposed by Comptroller DiNapoli would, among other things, ban backdoor spending by public authorities. The proposed law would require that the Legislature appropriate funds for all spending by authorities on behalf of the State, which would be subject to pre-audit review by the Office of the State Comptroller. Authorities' decisions to fund projects with State appropriations would be required to be based on clear, measurable and objective criteria, unless such appropriations provide an allocation either by statutory formula or to a specific recipient. Authorities would be required to publicly report quarterly on the expenditure of such funds, including identifying the amount allocated by project, the selection process and each funded project score, as well as the overall scoring and ranking of projects evaluated. The Comptroller's reforms also seek to promote more responsible debt practices by banning backdoor borrowing on behalf of the State by public authorities.

Comptroller DiNapoli has also proposed a series of reforms intended to enhance independent oversight, integrity, transparency and accountability in the procurement processes of the State and its public authorities. These reforms would require State authorities to adopt procurement guidelines that are consistent with those required for State agencies, unless otherwise permitted by law, and to create new ethics requirements for State public authorities and their contractors. In addition, unless explicitly authorized by the Legislature, State authorities would be prohibited from entering into or extending third party contracts, including those where the primary purpose is for another entity to act as a conduit for State procurement initiatives.

For decades, many of New York's State and local authorities have played essential roles in the financing, development, management and operation of major public infrastructure projects and functions which remain critically important. At the same time, there has been a long history of the State's own finances becoming intertwined with the budgets of some of these authorities – including turning to authorities to provide significant fiscal relief for the State. The State's growing reliance on public authorities for both fiscal and programmatic assistance intensifies the need for greater transparency, increased board accountability, and a keener understanding of authority operations by policy makers and the public. This report is intended to facilitate such understanding.

II. Introduction

New York's State and local public authorities are responsible for a wide range of public functions. Some authorities are operational in nature – including agencies such as the Metropolitan Transportation Authority (MTA) and the Thruway Authority. Others, such as the New York City Transitional Finance Authority (TFA), act primarily as financing vehicles for the State, local governments and other entities. Some authorities combine significant operational and financing activities. For example, the Dormitory Authority of the State of New York (DASNY) provides financing and construction services to a wide variety of public and private entities for a broad scope of purposes.

Authorities engaged in transportation include the Thruway Authority, the MTA, the New York State Bridge Authority, the Thousand Islands Bridge Authority, and several others that operate airports and regional transportation services. Energy-related authorities include the Power Authority of the State of New York (also known as the New York Power Authority or NYPA), the Long Island Power Authority (LIPA), and the New York State Energy Research and Development Authority (NYSERDA). Environmental and economic development projects are undertaken and financed at the State and local level by the Environmental Facilities Corporation (EFC) and the New York State Urban Development Corporation (UDC – doing business as the Empire State Development Corporation – ESDC, hereinafter referred to as either UDC or ESDC), Industrial Development Agencies (IDAs), and Local Development Corporations (LDCs). The State's affordable housing initiatives are largely driven by State and local public authorities such as the Housing Finance Agency (HFA), the Homeless Housing Assistance Corporation (HHAC), and the New York City Housing Authority (NYCHA).

The data on public authorities' expenditures, revenues, capital contributions, debt, employment, and procurement practices used in this report were submitted by the authorities through the Public Authorities Reporting Information System (PARIS). PARIS was established by the Office of the State Comptroller to provide greater accountability and transparency through more timely data collection and analysis. The system was fully implemented in November 2007 and is jointly managed by the Office of the State Comptroller and the Authorities Budget Office.

Public authority data is self-reported and not verified by the Office of the State Comptroller. For each category presented in this report, the data represents the most recently reported fiscal year for those authorities reporting through PARIS and does not reflect a common fiscal year or State fiscal year. Public authorities' fiscal years vary – several match the State fiscal year, which begins on April 1, while others operate on a calendar year basis, among other variations.[1] Competitively and noncompetitively bid contract data presented in this report includes all active contracts, regardless of contract

[1] The PARIS data used for this report was extracted from the system in September 2016 and therefore represents the data as certified by the authorities as of that time. This report provides overall data on State and local public authorities' finances, as well as detailed figures and information on State authorities. Detailed statistics on local authorities in New York appear in separate reports by the Office of the State Comptroller.

award date or contract end date, and is supposed to reflect the total value over the life of the contract. However, due to issues with authority reporting of total contract value in certain instances, some of the data is imprecise, as explained in the Contracts section of this report.

The Appendices in this report provide additional detail on public authorities. Appendix A contains information regarding expenditures, debt and employees, with detail for public authorities with reported annual expenditures of more than $250 million and aggregate information for these categories for all other public authorities. Appendix B provides an overview of selected recent State public authority audits by the Office of the State Comptroller. Appendix C contains a glossary of public authority debt terms as used in PARIS, and Appendix D provides additional information on public authorities with reported annual expenditures of more than $250 million.

III. New York's Public Authorities by the Numbers

Public Authorities in New York State

Since the creation of the Port Authority of New York and New Jersey in 1921 by congressional compact, New York has created or authorized creation of more than 1,000 State and local public authorities either in State law or as subsidiaries of other authorities. As of September 2016, PARIS included 1,192 State, local, and interstate or international authorities as shown in Figure 1.[2]

Figure 1

Public Authorities in New York State
(as of September 2016)

State	324
Local	860
Interstate/International	8
Total	**1,192**

Of the 324 State authorities, 103 were identified as parent-level State authorities and 221 were related subsidiaries.

Among the 860 local authorities, 109 were active Industrial Development Agencies (IDAs), while 256 were classified as active other local authorities and 79 were inactive other local authorities.[3] Also included in the local authorities figure were 318 active and 98 inactive Local Development Corporations (LDCs), most of which were locally created.[4]

Revenues, Capital Contributions and Expenditures

In their most recent filings, generally covering public authority fiscal years ending in 2015 or 2016, the total annual revenues reported by State and local public authorities were $63.7 billion. Total reported capital contributions, which are separate from revenues, were nearly $3.1 billion.

---

[2] For a list of State and local public authorities maintained in accordance with the requirements of the Public Authorities Reform Act of 2009, visit the Authorities Budget Office (ABO) website at www.abo.ny.gov under the category "Public Authorities Directory and Reports." Due to statutory, regulatory and administrative differences between the Office of the State Comptroller and the ABO, the ABO's list does not identify certain entities included in this count, such as subsidiaries (which ABO includes with the parent authority), inactive authorities, and college auxiliary corporations.
[3] For the most recent *Annual Performance Report on New York's Industrial Development Agencies*, released in June 2016, see www.osc.state.ny.us/localgov/pubs/research/ida_reports/2016/idaperformance.pdf. For additional local public authority data, see: www.osc.state.ny.us/localgov/datanstat/findata/index_choice.htm.
See www.osc.state.ny.us/localgov/pubs/research/localauthorities0415.pdf for the April 2015 report, *Local Authorities in New York State – An Overview,* which also contains additional information on local authorities.
[4] For more information on LDCs, see www.osc.state.ny.us/localgov/pubs/research/ldcreport.pdf.

In their most recent filings, State public authorities reported $42.1 billion in revenues, or 66 percent of total State and local public authority revenue. This is equivalent to approximately 27 percent of the State's All Governmental Funds receipts ($153.3 billion in SFY 2015-16). Operating revenues for State authorities totaled $27.4 billion and included categories of revenue such as charges for services and rental and financing income. Non-operating revenues for State authorities totaled $14.7 billion and included categories of revenue such as investment earnings and subsidies. Local authorities reported $21.6 billion in revenues, or 34 percent of the total, for the most recently reported fiscal year.

Capital contributions are defined in PARIS as grants or outside contributions of resources restricted to capital acquisition or construction, and may include federal, State or other sources. State public authorities reported nearly $2.7 billion in capital contributions, or 87 percent of the $3.1 billion State and local total. The capital contributions reported by the MTA and the Thruway Authority comprise nearly 84 percent of the reported total. Local authorities reported $406 million in capital contributions, or 13 percent of the total.

Figure 2

Public Authority Revenues, Capital Contributions and Expenditures

(in millions)

		State		Local		Total
Operating Revenues	$	27,417	$	18,384	$	45,802
Non-Operating Revenues		14,668		3,188		17,857
Capital Contributions		2,671		406		3,077
Total Revenues and Capital Contributions	**$**	**44,756**	**$**	**21,979**	**$**	**66,736**
Operating Expenditures	$	33,525	$	17,236	$	50,761
Non-Operating Expenditures		9,394		6,635		16,028
Total Expenditures	**$**	**42,918**	**$**	**23,871**	**$**	**66,790**

Totals may not add due to rounding.

Expenditures by self-reporting State and local public authorities for the most recently reported fiscal year amounted to $66.8 billion. Authorities reporting more than $250 million in expenditures comprise 94.6 percent of this total (see Appendix A for additional detail). Although State authorities represent just 27 percent of the total number of public authorities, they reported $42.9 billion of these expenditures, or 64 percent of the total.

State authorities reported annual operating expenditures totaling $33.5 billion, in categories such as salaries and wages, employee benefits, professional services, and supplies and materials. Non-operating expenditures for State authorities totaled $9.4 billion, in categories such as interest and financing charges, grants and donations. For purposes of comparison, if State authorities' spending was included in the State budget, it would equal approximately 28 percent of All Governmental Funds spending ($150.7

billion in SFY 2015-16). Local public authorities reported expenditures of $23.9 billion, or 36 percent of the total expenditures.

Debt

State and local public authority debt outstanding,[5] including conduit debt,[6] totaled more than $267 billion in the most recently reported fiscal year. This equates to $13,487 in total public authority debt for every New York resident.[7]

Figure 3

State and Local Public Authority Debt
(in millions)

	State	Local	Total
State - Issued for State purposes	$ 51,118	$ 7,453 *	$ 58,571
Authority - Issued for authority purposes	66,653	74,008	140,660
Conduit - Issued on behalf of other entities	40,886	27,472	68,358
Total	**$ 158,657**	**$ 108,933**	**$ 267,590**

* Local public authority debt issued for State purposes primarily comprises certain New York City Transitional Finance Authority debt, which is categorized as Other State-Funded Debt.
Note: See the Debt Glossary (Appendix C) for components of public authority debt.
Totals may not add due to rounding.

State public authority debt reported in PARIS totaled $158.7 billion, representing 59 percent of total public authority debt. Public authority debt reported in PARIS as issued for State purposes totaled $58.6 billion, representing 22 percent of total public authority debt.

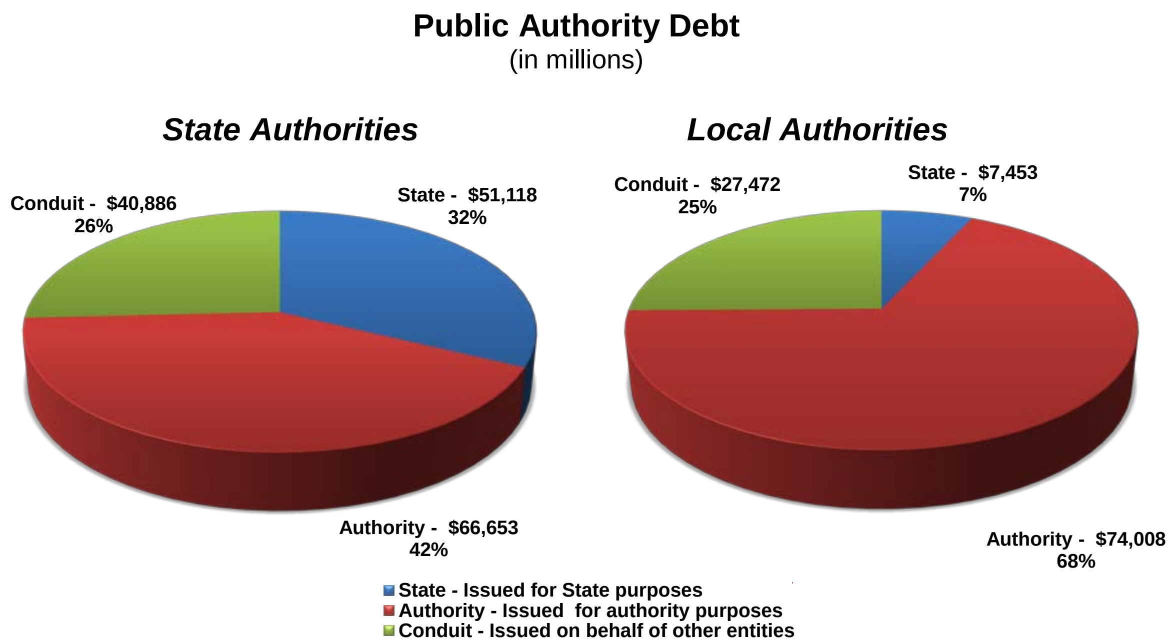
State Public Authority Debt

Public authorities issue debt for their own purposes (e.g., Thruway road and bridge projects, purchases of MTA subway cars), and for capital projects of other entities, such as colleges, universities, hospitals, and not-for-profit organizations. In addition, authorities are used to provide the State with access to financing, and sometimes spending, of billions of dollars for capital projects, while often serving as a vehicle to circumvent voter approval of General Obligation bonds. “Backdoor borrowing” refers to the issuance by public authorities of debt for which the State is expected to provide the funds for repayment. Backdoor borrowing eliminates the opportunity for voters to have input on

[5] For purposes of this report, debt issued by public authorities for State purposes means any debt that is reported within the category of State Debt in PARIS. See Appendix C for a glossary of the terms used to characterize public authority debt reported in PARIS. The debt definitions provided in the appendix reflect those provided in PARIS to facilitate reporting compliance by providing interpretive information with respect to PARIS data fields, are not necessarily applicable in other contexts, and do not reflect approval of particular policies or practices by the Office of the State Comptroller.
[6] Conduit debt is debt issued by an authority on behalf of a third party, such as a hospital, university or cultural institution, for which the issuer has no obligation to repay the debt beyond the resources provided by the third party.
[7] Population data used in this calculation are from IHS Global Insight.

major borrowing decisions that affect them financially, transferring control to public authority boards and thus further limiting accountability and transparency.

Figure 4



Public authority debt issued on behalf of the State has virtually supplanted voter-approved General Obligation debt as the primary means of financing the State's capital program. As of March 31, 2016, approximately 96 percent of all State-Funded debt outstanding was issued by public authorities, bypassing voter approval.[8]

For SFY 2015-16, State-Funded public authority debt per capita topped $3,000. While this reflects a slight decrease from SFY 2011-12, based on the SFY 2016-17 Mid-Year Update, New York City's Capital Program, current projections for debt issued by DASNY for SUNY dormitories, and population projections, this per capita debt burden is expected to rise 12 percent to more than $3,400 over the next five years.[9]

In SFY 2009-10, the Legislature authorized UDC and DASNY to issue Personal Income Tax (PIT) Revenue Bonds on behalf of the State to finance capital spending for any State-Supported purpose,[10] except General Obligation bond purposes.[11] The SFY 2015-16

[8] For more information on State debt generally, see the Office of the State Comptroller's report, *Debt Impact Study,* released in January 2013, available at http://osc.state.ny.us/reports/debt/debtimpact2013.pdf.

[9] Calculations for State-Funded public authority debt per capita for SFY 2015-16 are derived primarily from the Comptroller's Annual Report to the Legislature on State Funds Cash Basis of Accounting for Fiscal Year Ended March 31, 2016 and include State-Supported authority debt and other State-Funded authority debt, while excluding General Obligation debt. Population projections are from IHS Global Insight.

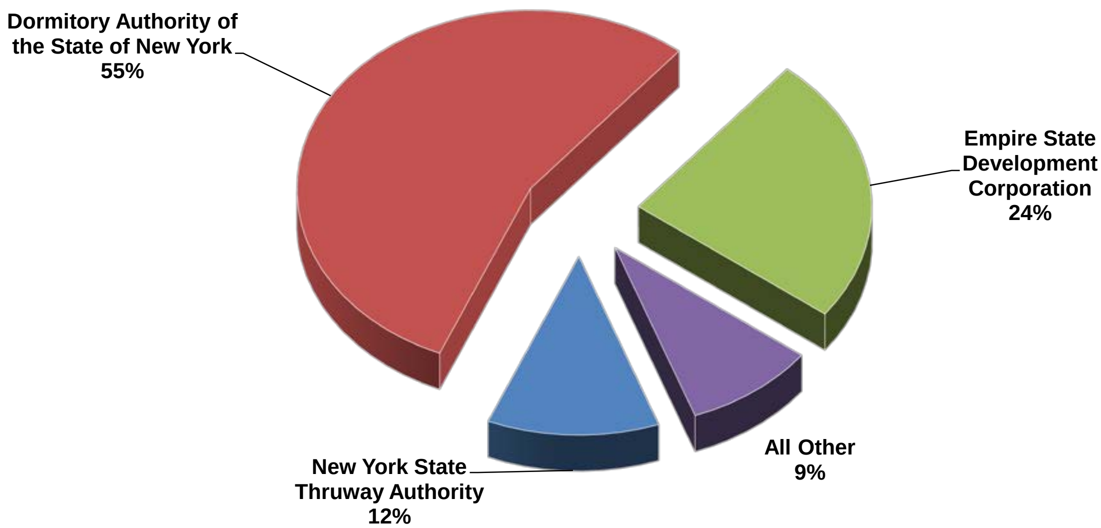
[10] State-Supported debt under Section 67(a) of the State Finance Law is defined as any bonds or notes, including bonds or notes issued to fund reserve funds and costs of issuance, issued by the State or a State public corporation for which the State is constitutionally obligated to pay debt service or is contractually obligated to pay debt service subject to an appropriation, except where the State has a contingent contractual obligation.

[11] As per Section 68-b of State Finance Law, as amended by Section 44 of Chapter 57 of the Laws of 2013.

Enacted Budget added the Thruway Authority as an entity eligible to issue PIT bonds for any purpose, with such issuances contingent on approval by the Public Authorities Control Board. These new authorizations reflect a further expansion of these authorities' missions from their original functional focus to a broader role as general-purpose financing vehicles for the State. The SFY 2013-14 Enacted Budget created a new borrowing program backed with sales tax revenues, similar to the PIT Revenue Bond Program. The program authorized ESDC, the Thruway Authority and DASNY to issue the revenue bonds, reflecting the State's continued effort to consolidate the debt issuances on behalf of the State from several State public authorities to these three issuers.

Figure 5

State Public Authority Debt Outstanding Issued for State Purposes[12]



As of the last reported fiscal year, 91 percent of State public authority debt outstanding that was reported as being issued for State purposes had been issued by DASNY, ESDC or the Thruway Authority.

Contracts

The Public Authorities Law and regulations established by the Office of the State Comptroller require authorities to report essential financial information to promote high standards of transparency and accountability. Competitive and noncompetitive procurement data is supposed to include all active contracts, regardless of contract award date or end date, and reflect the total contract amount over the life of the contract. The data reported in PARIS for competitive and noncompetitive procurements in the latest reported fiscal year does not fully reflect the total contract amounts in all instances, with some of the active contracts reported with a contract amount of zero, indicating a potential

[12] The data in this chart represents the most recently reported fiscal year for each authority.

deficiency in authority reporting. The Office of the State Comptroller noted this potential reporting deficiency in 2014, and while there has been some improvement in the reporting of the data, deficiencies remain.[13]

In their latest filings, State and local public authorities reported 44,451 active competitive and noncompetitive procurement contracts with a total reported contract amount in excess of $80 billion. However, of those active procurements, authorities reported 478 contracts with a contract amount of zero, despite the fact that nearly $145 million was reported as expended on these contracts in the latest reported fiscal year. More than three-quarters of that amount was attributable to contracts reported by ESDC.

Public authorities reported that 36,458 (or 82 percent) of their active procurement contracts had been entered into through a competitive bidding process, with a total amount expended on competitive contracts for the latest fiscal year of nearly $9 billion out of $12 billion in total active procurements.

Figure 6

State and Local Public Authority Procurement
(Amounts Expended are shown in millions)

Award Process	Number of Procurements	Amount Expended (for latest fiscal year)	Amount Expended (life to date)
Competitive Bid Contracts	36,458	$ 8,735	$ 33,726
Noncompetitive Bid Contracts	7,993	2,251	7,014
Non-Contract Procurements	7,509	685	-
Purchased Under State Contract	2,346	337	-
Total	**54,306**	**$ 12,008**	**$ 40,740**

Totals may not add due to rounding.

Of that total, State public authorities reported expenditures on competitive contracts of over $6 billion, with local authorities reporting competitive contract expenditures totaling over $2 billion.

Authority procurements made through a noncompetitive bidding process totaled 7,993 contracts with a total amount expended of over $2.2 billion. Of that total, State public authorities reported expenditures totaling over $1.4 billion and local authorities reported over $781 million in such procurement expenditures.

For the over 7,500 non-contract procurements, State public authorities reported $511 million and local authorities reported $174 million in expenditures. For the 2,346 procurements entered into under State contract, State authorities reported $153 million and local authorities reported more than $184 million in expenditures.

State and local public authorities reported that Commodities and Supplies procurements represented 29 percent of the total amount of overall procurement expenditures, while

[13] See the Office of the State Comptroller's December 2014 report, *Public Authorities by the Numbers,* at: www.osc.state.ny.us/reports/pubauth/PA_by_the_numbers_12_2014.pdf.

procurement expenditures for Design, Construction and Maintenance represented 20 percent. Procurements categorized as "Other" represented 17 percent. Authorities reported 13 percent as procurement expenditures for Consulting Services and 11 percent as expenditures for Other Professional Services.

Unlike State agency contracts, few of the financial transactions undertaken by public authorities are subject to prior review and approval by the Office of the State Comptroller. However, the Public Authorities Reform Act of 2009 provides the Comptroller with discretion to review contracts in excess of $1.0 million that were either awarded noncompetitively or were paid in whole or in part from State-appropriated funds, with exceptions, including certain health- and energy-related contracts.[14]

State authorities must annually report, and periodically update as required, all anticipated eligible contracts and amendments before initiating a procurement, and to obtain the Comptroller's approval of contracts and amendments that are called for review. All contracts and amendments that are eligible for review are required to be filed with the Office of the State Comptroller within 60 days of execution.

Employment and Compensation

State and local public authorities identified 166,448 employees for the last reported fiscal year. Total compensation for all these employees totaled over $10.9 billion. Public authorities reported over 29,000 employees with total compensation of $100,000 or more – or nearly 18 percent of the total. By comparison, 9.6 percent of State employees and 15.4 percent of New York residents earned as much.[15]

Figure 7

State and Local Public Authority Employees and Compensation

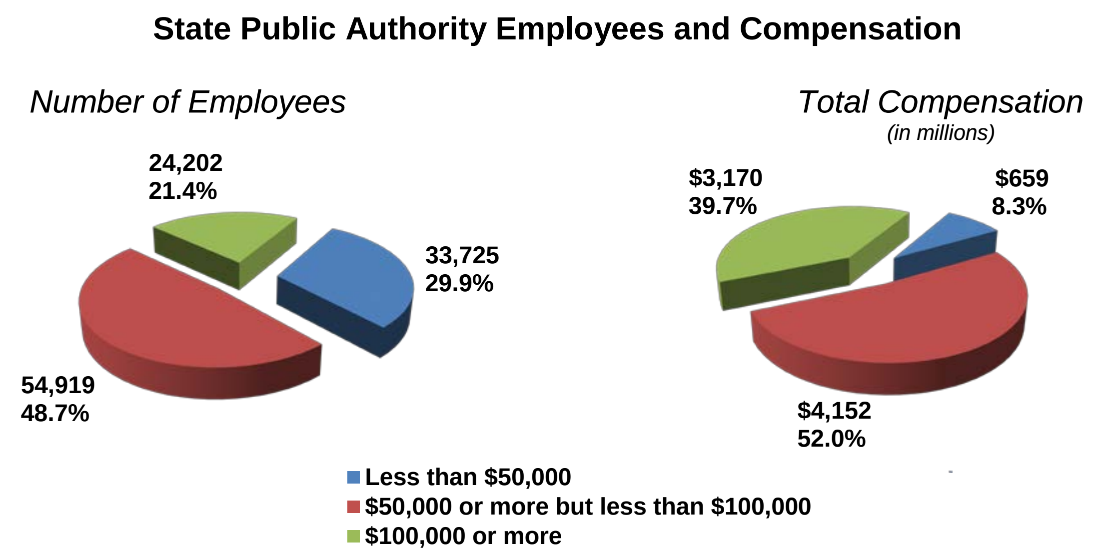
Total Number of Employees	State	112,846
	Local	53,602
	Total	**166,448**
Number of Employees with Total Compensation of $100,000 or More		29,394
Total Compensation *(in millions)*		$10,933

State public authorities reported nearly 113,000 full-time and part-time employees with total compensation of nearly $8.0 billion in the most recently reported fiscal year for those

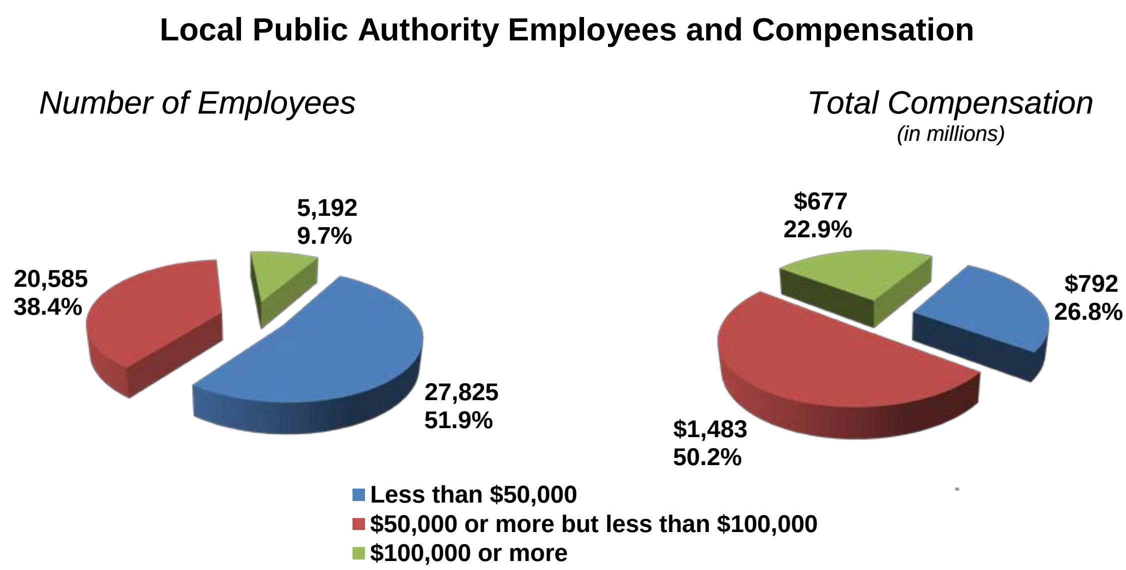
[14] For more information, see www.osc.state.ny.us/pubauth/contracts.htm.
[15] U.S. Census Bureau, 2011-2013 American Community Survey Three-Year Estimates, Table S2001. Earnings in the Past 12 Months (in 2013 Inflation-Adjusted Dollars), Office of the State Comptroller, data as of June 2016.

authorities reporting through PARIS.[16] By way of comparison, New York State averaged about 251,000 full- and part-time employees in 2015, with a total earned payroll of $15.7 billion. The MTA alone employs more New York-based workers than any private sector company in the State.[17]

Figure 8



Totals may not add due to rounding.



Totals may not add due to rounding.

---

[16] See the Office of the State Comptroller's report, *Public Authority Employees by the Numbers*, released in December 2013, available at www.osc.state.ny.us/reports/pubauth/PA_employees_by_the_numbers_12_2013.pdf, for additional information on this topic.

[17] For private sector information, see us2.campaign-archive2.com/?u=cb570257aeaab27632be63d2f&id=8e1e7ce401.

Local authorities reported more than 53,000 full-time and part-time employees with total compensation of more than $2.9 billion.

Subsidiaries

As of September 2016, PARIS had an inventory of 227 subsidiaries, 169 or 74 percent of which are affiliated with UDC. Provisions enacted in the Public Authorities Reform Act of 2009 restrict the formation of subsidiaries without legislative approval; however, subsidiary formation is permitted for a number of purposes. Subsidiaries formed for the purpose of a project or projects authorized pursuant to an authority's corporate purpose or those formed to limit the potential liability impact of a project to the authority are permitted. Subsidiaries formed because federal or State law requires that the purpose of the subsidiary be undertaken through a specific corporate structure are also permitted.

The Public Authorities Reform Act also added reporting requirements for subsidiaries, specifying that they provide the same reporting and disclosures as State authorities, unless the subsidiary's operations and financial information are consolidated with the parent authority. In addition, subsidiary reporting to the State Legislature is now required and must include disclosure of the legal name, address, contact information, and organizational structure, as well as a complete report of the purpose, operations, mission and projects of the subsidiary.

IV. Use of Public Authorities in the State Budget

In addition to using public authorities to provide support and assistance for various State and local programs, projects and purposes, the State routinely relies on public authorities to provide direct fiscal relief to the State's General Fund, and to help close projected deficits. The SFY 2015-16 and SFY 2016-17 Enacted Budgets anticipated nearly $300 million and $262 million, respectively, in authorized transfers and miscellaneous receipts from public authorities, as well as revenue from the Bond Issuance Charge and cost recovery, discussed below.

The State's use of public authorities as a backdoor source of revenue helps the State to present a balanced budget picture and avoid potentially difficult decisions needed to balance recurring spending with recurring revenue. As discussed below, the State has also shifted responsibility for certain programs and other costs from the State Budget to authorities. This tactic obscures the State's overall spending levels and spending growth, and diminishes transparency, accountability and oversight, as such spending occurs largely outside the scope of the Financial Plan and beyond the checks and balances designed to govern spending that flows through the State's accounting system.

Transfers and Miscellaneous Receipts

Public authority-funded budget relief anticipated in the SFY 2015-16 Enacted Budget involved the transfer of more than $299 million. This total included authorizations for $64.9 million in transfers from certain public authorities to the General Fund, a portion of which was from a NYSERDA transfer of $41 million from the proceeds of auctions of carbon dioxide emission allowances under the Regional Greenhouse Gas Initiative (RGGI). Also included was a $20 million transfer from the MTA's Metropolitan Mass Transportation Operating Assistance (MMTOA) fund to the General Debt Service Fund to pay debt service typically paid from the State's General Fund. The SFY 2015-16 Enacted Budget also included the transfer of "excess" SONYMA Mortgage Insurance Fund (MIF) reserves totaling $125 million to the Housing Trust Fund Corporation (HTFC), HHAC or HFA to fund various housing programs.

The Enacted Budget also authorized and directed NYPA, as deemed feasible and advisable by its trustees, to make a contribution in SFY 2015-16 in an amount of up to $90 million to the General Fund, "or as otherwise directed in writing by the director of the budget."[18] The funds were to be used to support energy-related initiatives and for certain economic development purposes including, but not limited to, the Open for Business effort, advertising and promotion for START-UP NY and, as added in the Enacted Budget, expenses associated with Global NY and international and domestic trade missions.

[18] See Chapter 60 of the Laws of 2015, Part I, Section 19(i).

Figure 9

SFY 2015-16 Authorized Transfers and Miscellaneous Receipts
(in millions of dollars)

Public Authority	Amount	
Transfers and Receipts to the General Fund:		
Dormitory Authority of the State of New York	22.0	
New York State Energy Research and Development Authority	42.9	*
Total to General Fund	**64.9**	
Miscellaneous Receipts for Energy-Related and Economic Development Purposes:		
New York Power Authority	90.0	**
Transfers to Various Housing Funds:		
State of New York Mortgage Agency	125.0	
Transfers to the General Debt Service Fund:		
MTA - Metropolitan Mass Transportation Operating Assistance Fund (MMTOA)	20.0	
Total from Public Authorities	**299.9**	

Sources: Division of the Budget, Office of the State Comptroller

* The NYSERDA transfer includes $41 million from RGGI funds, and up to $913,000 to help offset debt service requirements related to the remediation of the Western New York Nuclear Service Center. In addition, $1 million in support for the Department of Environmental Conservation's Office of Climate Change typically included in State Operations appropriations for NYSERDA is authorized to be transferred to the General Fund, while $750,000 for the University of Rochester Laboratory for Laser Energetics, typically included in Aid to Localities appropriations for NYSERDA, is authorized to be transferred directly. Both appropriations were eliminated in the SFY 2015-16 Enacted Budget.

** The total amount included in the Budget Bill that contained this provision, Chapter 60 of the Laws of 2015, Part I, Section 19(i) is $90 million, with redirection language.

Continuing the practice of relying on public authorities for budget relief, the SFY 2016-17 Enacted Budget included nearly $262 million in authorized transfers and miscellaneous receipts from public authorities to the State or to other public authorities. Similar to SFY 2015-16, this total included authorizations for $46.9 million in transfers from certain public authorities to the General Fund, a portion of which was from a NYSERDA transfer of $23 million from the proceeds of auctions of carbon dioxide emission allowances under RGGI.

Significant portions of the authorized transfers amounts, $215 million and $180 million for SFY 2015-16 and SFY 2016-17, respectively, could be executed as transfers between public authorities and spent off-budget, thus further diminishing transparency. Such off-budget spending is covered in more detail in the next section of this report. An example is the funds held in SONYMA’s Mortgage Insurance Fund (MIF) reserves authorized to be transferred to the Housing Trust Fund Corporation, HHAC or HFA for certain housing programs in both SFY 2015-16 and SFY 2016-17, subject to the approval of the Director of the Budget. The MIF transfer amount is $25 million higher than the amount authorized in the SFY 2015-16 Enacted Budget. The $90 million from NYPA in SFY 2015-16 is another example where these moneys could potentially be spent off-budget. The language is drafted in such a way that it is unclear whether any of these moneys would be transferred to the State's General Fund to be spent "on-budget," or whether all or a portion of these funds would be transferred directly to another entity, such as ESDC, to be spent off-budget.

Figure 10

SFY 2016-17 Authorized Transfers and Miscellaneous Receipts
(in millions of dollars)

Public Authority	Amount	
Transfers and Receipts to the General Fund:		
Dormitory Authority of the State of New York	22.0	
New York State Energy Research and Development Authority	24.9	*
Total to General Fund	**46.9**	
Miscellaneous Receipts for Energy-Related Purposes:		
New York Power Authority	20.0	
New York State Energy Research and Development Authority	45.0	**
Total for Energy Related Purposes	**65.0**	
Transfers to Various Housing Funds:		
State of New York Mortgage Agency	150.0	
Total from Public Authorities	**261.9**	

Sources: Division of the Budget, Office of the State Comptroller

* The NYSERDA transfer includes $23 million from RGGI funds, and up to $913,000 to help offset debt service requirements related to the remediation of the Western New York Nuclear Service Center. In addition, $1 million in support for the Department of Environmental Conservation's Office of Climate Change is authorized to be transferred to the General Fund while $750,000 for the University of Rochester Laboratory for Laser Energetics is authorized to be transferred directly. Historically, the Office of Climate Change and the Laboratory for Laser Energetics received funding through State Operations and Aid to Localities appropriations for NYSERDA; those appropriations were eliminated in the SFY 2015-16 Enacted Budget.
** The NYSERDA transfer for Energy-Related Purposes includes $15 million from the proceeds of auctions of carbon dioxide emission allowances under the RGGI in support of the Clean Energy Workforce Opportunity Program, and $30 million in support of the Electric Generation Facility Cessation Mitigation Fund to be administered by the New York State Urban Development Corporation.

While some of the anticipated resources from public authorities may not materialize over the course of the fiscal year, the authorization of such funding has the effect of contributing to a balanced budget picture in the Enacted Budget Financial Plans.

Off-Budget Spending

Most State public authority spending, whether for core mission purposes or for other purposes, is not appropriated in the State Budget. Thus, much of this spending is not included in the State's Financial Plan published by the Division of the Budget (DOB), the Statewide Financial System, or the Office of the State Comptroller's monthly and annual cash basis accounting spending totals. Certain public authority spending, specifically for

State purposes but not included in the State Budget, is commonly referred to as off-budget spending.

This off-budget spending makes it difficult to accurately portray overall spending for State programs and purposes, as well as to track the use of authority resources for such purposes. Moreover, with respect to both operating and capital expenses, off-budget spending makes it difficult to determine if public authorities are effectively carrying out their missions. Examples include those highlighted in the section above, as well as instances of off-budget capital spending such as those described below.

In SFY 2015-16, DOB estimated that off-budget capital spending by just two authorities – DASNY and ESDC – had totaled $568 million.[19] For that year, off-budget capital spending by public authorities represented 6 percent of the State's total capital spending. Some off-budget spending was brought back on-budget in the SFY 2014-15 Enacted Budget. Spending totaling nearly $518 million for the Consolidated Local Street and Highway Improvement Program (CHIPs) and Marchiselli program in that year had occurred entirely off-budget in some previous years through State-Supported bonds issued by the Thruway Authority.

The SFY 2015-16 Enacted Budget shifted $19.7 million in funding for NYSERDA off-budget for its energy research, development and demonstration program, energy policy and planning program, and the Fuel NY program. This revenue comes from assessments on sales of gas and electricity by New York State utilities, which are ultimately paid by New York State consumers. This shift was maintained in the SFY 2016-17 Enacted Budget, at the same funding level but with additional purposes, including a rebate program for electric and fuel-cell-powered vehicles.

Also included in the SFY 2015-16 Enacted Budget was a new community health care revolving capital fund to be created and administered off-budget by DASNY with $19.5 million in funding from the Dedicated Infrastructure Investment Fund.[20] In addition, the Rural Rental Assistance Program was to be funded solely off-budget through the allocation of $21.6 million in funds transferred from "excess" SONYMA Insurance Funds, discussed in the section above.

The SFY 2016-17 Enacted Budget also included examples of off-budget spending and debt-related provisions that may lower the appearance of State spending. The bonding authorization for the MTA was increased by $13.6 billion, representing a 32.5 percent increase over the levels authorized before the Budget was enacted. However, the Budget did not provide any specific funding plan for how the State would honor its commitment

---

[19] In accordance with Section 16 of Chapter 60 of the Laws of 2006, the Director of the Budget is required to provide monthly reports to the Comptroller on disbursements which are not currently reflected in the State Central Accounting System (predecessor to the Statewide Financial System) from proceeds of any notes or bonds issued by any public authority, and which bonds or notes would be considered as State-supported debt as defined in section 67-a of the State Finance Law.

[20] For more information on the Dedicated Infrastructure Investment Fund, see the November 2016 Office of the State Comptroller's report, *Comptroller's Fiscal Update: State Fiscal Year 2016-17 Revenue Trends through the Mid-Year,* available at http://www.osc.state.ny.us/reports/budget/2016/2016-17_midyear_report.pdf. Additional background can be found in the May 2016 Comptroller's *Report on the State Fiscal Year 2016-17 Enacted Budget*, available at http://www.osc.state.ny.us/reports/budget/2016/2016_17_enacted_budget_report.pdf.

to provide the MTA an additional $7.3 billion in capital funds for its 2015-2019 capital program. Some of the authorized increase in borrowing by the MTA could also be used to meet the State's commitment to the MTA's 2015-2019 capital program. Without specific details of the funding plan, it is difficult to know whether these bonds could or should be considered State-Funded debt and how use of this authorization will impact the State's financial plan.

The SFY 2016-17 Enacted Budget also included authorization for the State to capture $600 million in certain New York City sales tax collections over the next three State fiscal years. The language mandates the payment of $16.7 million per month from the intercepted funds, as directed by the Director of the Budget, either to a governmental fund or funds of the State Treasury, or to issuers of State-related debt for the payment of debt service, related expenses or retiring or defeasing debt previously issued.

While the Executive Budget Financial Plan indicated that the sales tax proceeds were planned to be deposited in the General Fund, this statutory provision creates the potential for such funds to be used for off-budget payment of certain obligations instead. If the latter authorization described above were used, it could result in the off-budget payment of these obligations without an appropriation, outside of the Constitutional requirements and provisions associated with funds paid from the State Treasury and outside the State's accounting system and financial and capital plans. Such use of these resources would provide minimal transparency regarding which entities would receive these funds and how or when the funds would ultimately be used. If these resources are used this way, this could obscure the reported level and growth of State Operating Funds spending, debt service or other expenses.

Bond Issuance Charge

Public authorities provide the State further budget relief each year through the Bond Issuance Charge (BIC), which represents "cost recovery" to the State in connection with the issuance of certain bonds.[21] The BIC was instituted in 1989 and is imposed on public benefit corporations created by or pursuant to State law where at least three of the board members are appointed by the Governor, with certain exceptions. Industrial Development Agencies and the New York City Housing Development Corporation are also subject to the BIC.

In SFY 2015-16, the State collected $91.1 million from 15 different issuers under the BIC. Approximately 86 percent of the revenues generated by this fee in SFY 2015-16 came from the debt issuances of four public authorities: DASNY, which paid $44.3 million; the MTA, which paid $14 million; the New York State Housing Finance Agency, which paid $10.3 million; and ESDC, which paid $9.4 million.

The BIC is imposed on a sliding scale that varies based on the principal amount of the bonds being issued. At its enactment in 1989, the fee structure ranged from 5 to 20 basis points.[22] Under current law, the general schedule of fees ranges from 16.8 basis points

[21] See Section 2976 of the Public Authorities Law.
[22] A basis point is one-hundredth of one percent.

to 84 basis points, representing increases that range from 236 percent to 320 percent, with certain exceptions.

Generally, issuers pay the BIC not with current resources but by building the cost of this fee into the bond sale and paying for it over time with interest. In the long term, this practice increases the cost to the issuing authority, since the issuer is paying for both the cost of the fee and interest expense on the fee. Although the State receives the one-time benefit of the BIC revenues in the year they are collected, the bond issuance fees increase the State's and the authorities' annual debt service requirements – and thus the costs paid by taxpayers and users of authority services.

Cost Recovery

Section 2975 of the Public Authorities Law provides for the recovery of State governmental costs from public authorities and public benefit corporations for certain services the State provides to such entities. These expenses include personal service costs, maintenance and operation of State equipment and facilities, and contractual services that are provided by the State to public authorities that are not otherwise reimbursed. This charge was first established in 1989, with an overall authorized cost recovery amount of $17.5 million.[23] This amount has been subsequently increased five times.

The SFY 2011-12 Enacted Budget increased the maximum for such cost recovery from State public authorities from $55 million to $60 million. In SFY 2012-13, this amount was increased to $65 million. The statutory maximum cost recovery amount has remained unchanged since SFY 2012-13. DOB has determined that activities undertaken for the benefit of public benefit corporations account for approximately one percent of total operating activities at certain agencies. For SFY 2015-16, DOB calculated potentially recoverable General Fund costs at $46.5 million, and planned to bill certain authorities a total of $39.7 million.

[23] Chapter 62 of the Laws of 1989.

V. Public Authority Audits

Historically, the activities of public authorities have been less open to public scrutiny than those undertaken by State agencies. Both the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009 established additional accountability mechanisms for authorities as State policy. However, public authorities generally are not subject to many of the oversight and transparency requirements that apply to other government agencies, and are not subject to the same types of controls over their day-to-day operations.

For example, data on State agencies' financial transactions flows through the Statewide Financial System (SFS), which allows for independent review, as well as greater accountability and transparency. In contrast, data on authorities' purchases, personal service expenditures and other transactions are generally not included in the SFS. In addition, most State authorities are not subject to provisions of the State Finance Law which require the Comptroller's review and approval of certain contracts. Certain State public authority contracts are subject to the Comptroller's review and approval, however, pursuant to Public Authorities Law.[24]

Public authorities' expenditures are subject to audit by the Office of the State Comptroller after they are made (post-audit). Such audits have revealed numerous examples of lax contracting practices, improper payments, loose expenditure controls and inadequate oversight. The Office of the State Comptroller audits the operations of State agencies and public authorities to help protect public resources from waste, fraud and abuse. The audits also increase transparency and accountability for taxpayer-funded operations and services. Audits provide the Executive and Legislative branches, as well as the public, with an independent, objective view of how State government is functioning. The audits provide recommendations to help agency and authority officials improve their operations and ultimately strengthen the State's overall fiscal condition.

The Office of the State Comptroller's Division of State Government Accountability has issued financial, performance and compliance audits and follow-up reviews of State, interstate, international, and New York City-based public authorities at many authorities. Subjects have included payroll, overtime and time and attendance issues; contracting practices; public safety-related issues such as bridge inspections and equipment maintenance; monitoring of revenue receipts; discretionary spending; and energy usage and efficiency, among others.[25] Findings have included:

- questionable transactions and expenditures that did not appear necessary or related to the authority's mission;

[24] For more information about the Office of the State Comptroller's oversight of public authority contracts, please see www.osc.state.ny.us/pubauth/contracts.htm.

[25] To search by public authority name for specific audits released by the Office of the State Comptroller, visit www.osc.state.ny.us/audits/index.htm.

- supplemental payments to executive employees that were not tied to individual performance or were not sufficiently documented;

- errors in the methods used to determine program participation and in monitoring and assessing the performance of program participants;

- undocumented or inaccurate reporting of Minority- and Women-Owned Business Enterprise contract participation;

- deficiencies in the management of real estate portfolios, including leasing property for less than fair market value, failing to perform regular reviews to identify unneeded properties and inaccurate reporting of real property holdings; and,

- procurement practices that did not adhere to adopted procurement guidelines, did not adequately assess reasonable cost or were not accurately reported.

These audits included recommendations to remediate deficiencies and address areas of concern. Recommendations are a vital part of the Office of the State Comptroller's audits and are intended to help correct problems identified by auditors and provide public authority leadership with tools and resources to more efficiently manage authority resources and safeguard taxpayer funds. See Appendix B for a summary of the findings for several representative audits conducted by the Office of the State Comptroller's Division of State Government Accountability.

VI. Public Authority Transparency and Accountability

Public authorities are, in many respects, legally and administratively autonomous from the State. State authority board members may be appointed by the Governor, sometimes with the consent of the Senate, or may serve as ex officio authority directors by virtue of their elected or appointed position. Some authority board members are appointed by the Governor upon the recommendation of the legislative leaders or other officials. Some authority boards include members appointed directly by legislative leaders, the Comptroller, or other officials.

As noted in the audit section of this report, the Office of the State Comptroller has identified deficiencies at public authorities covering a broad scope of issues and operational areas. The audits have highlighted the need for greater public authority accountability and transparency. In many cases, these audits have indicated a need to improve the governance activities of board members, given their responsibility to oversee all operational and financial decisions that affect the authorities. In addition to its audits, Office of the State Comptroller reports have also identified areas of concern at public authorities.[26]

State and local public authority reforms enacted in 2005 and 2009 included measures to strengthen the State's legal requirements for board members, intended to improve board accountability, transparency, and overall governance practices. These measures centered around financial and operational oversight and monitoring, board member fiduciary responsibilities and ethics. In addition, the Authorities Budget Office (ABO), first created in the 2005 reforms, was given significantly expanded powers and authority in the 2009 reforms, including the ability to promulgate regulations, warn and censure noncompliant authorities, recommend to appointing officials dismissal of board members, issue subpoenas and initiate formal investigations.

While the 2005 and 2009 public authority reform acts made improvements in enhancing the transparency and accountability of public authorities, recent findings and actions at public authorities continue to bring governance and other issues to the forefront, and raise the question as to whether public authority boards are sufficiently fulfilling their fiduciary duties and other responsibilities. The following are recent examples of issues that have arisen at certain public authorities or changes in policy that may be of concern.

Empire State Development Corporation

The New York State Urban Development Corporation (UDC) began doing business as ESDC in 1995, with the intention to serve as an umbrella organization for all of the State's economic development entities. Before 1995, the State's four main economic development organizations – the Department of Economic Development (DED), a State agency, as well as UDC, the New York Job Development Authority (JDA) and the Science

[26] For more information on public authorities available from the Office of the State Comptroller, including other reports and additional background data and information, please visit www.osc.state.ny.us/pubauth/index.htm.

and Technology Foundation (STF), all public authorities – were administered separately. Some STF functions were transferred to ESDC, while others were transferred to the New York State Foundation for Science, Technology and Innovation (NYSTAR). Legislation abolishing the STF was enacted in November 1999, and NYSTAR was merged with DED in 2011.

Although efforts to consolidate functions related to economic development may provide opportunities for efficiency improvements and facilitate access to programs for participants, there is a lack of transparency with regard to the enmeshed structure of the State's economic development entities. ESDC and JDA are, and continue to operate as, legally independent public authorities with separate financial statements and discrete authorizations to issue debt, grant loans and create subsidiaries. DED, as a State agency, is funded through the State Budget and subject to the same oversight and accountability as other State agencies. However, there is no discernible distinction in the operations and functioning of DED and ESDC.

ESDC officials have indicated that, in some instances, the authority has traditionally operated as a pass-through of funding for projects. This approach raises questions regarding whether appropriate oversight is being applied with respect to the administration of the State's economic development programs and the expenditure of public resources for these and other purposes.

ESDC's role also includes its status as one of the State's vehicles for issuing bonds that finance a wide variety of projects and programs. While some such borrowing supports economic development initiatives, other purposes may have no direct relationship to ESDC's original role. Its debt outstanding totaled $12.4 billion as of its 2015-16 fiscal year. All of this debt was reported in PARIS as State-supported debt, which could be considered "backdoor borrowing" conducted on behalf of the State.

Office of the State Comptroller audits, reports and reviews of ESDC in recent years have identified areas in need of improvement including program reporting, performance monitoring, procurement reporting and monitoring, and oversight of international offices. In addition, questions regarding board governance and oversight have also been identified.

ESDC is one of the authorities required to seek approval from the Public Authorities Control Board (PACB) for financing and construction projects.[27] The Comptroller is not a member of the PACB but has a statutorily created comment role with respect to projects brought before the PACB.

During 2015 and 2016, the Office of the State Comptroller issued comment letters to the PACB in relation to various project applications submitted to the PACB by ESDC. In one

[27] The Public Authorities Control Board (PACB) was established in 1976 and is empowered to review and approve applications for the financing and construction projects of certain authorities. The PACB consists of five members, all appointed by the Governor, four on the recommendation of the Majority and Minority Leaders of the Legislature. The statute also requires that the PACB provide the applications to the State Comptroller within three days after receipt and that the PACB may not approve any application prior to the earlier of either seven days following the receipt of the application by the State Comptroller or receipt by the PACB of the State Comptroller's comments or consent to an earlier determination by the PACB.

example from October 2015, the comment related to ESDC applications for the authorization to grant or loan moneys or reimburse spending for a variety of purposes. The letter indicated that the entities responsible for administering these funds must set and meet the highest standards of transparency regarding the process by which they award such funds, and meaningfully measure the results of the expenditures and report them to the public. In addition, the letter urged that beneficiaries be held accountable for the effective use of such resources in order to ensure that public funds are appropriately spent.

The October 2015 comment letter also expressed concern regarding an ESDC application to PACB for a $75 million grant to The Research Foundation of the State University of New York on behalf of the State University of New York Polytechnic Institute's (SUNY Poly) College of Nanoscale Science and Engineering to be funded via transfers from the New York Power Authority (NYPA). While the application called for ESDC to receive funds of up to $75 million over five years, ESDC and the DOB had indicated that only $15 million would be transferred in 2015 under existing legislative authorization and that future legislative action would be needed for the remaining transfers of $60 million. In addition, the NYPA Board of Trustees had not approved the full $75 million in transfers contemplated in the application. The letter indicated that the lack of legislative and public authority board authorization for project funding that requires such approvals raised concerns regarding the sufficiency of funds to finance the project. The letter recommended that approval by both the Legislature and relevant public authority boards of any fund transfers required to finance proposed projects be provided before such projects are brought to PACB.

In May 2016, a PACB application by ESDC sought to authorize up to $485.5 million in additional funding to the Fort Schuyler Management Corporation (FSMC) related to the establishment of the Buffalo High-Tech Manufacturing Hub at RiverBend Park. The Office of the State Comptroller's comment to PACB noted that it remained unclear whether a thorough and independent analysis of the potential benefits and the long-term viability of the project had been undertaken by ESDC, FSMC and/or SUNY Poly. Thus, it was unknown whether the project would generate the significant number of jobs and other economic activity anticipated. The comment letter called on ESDC to institute strong safeguards to ensure that FSMC and the project beneficiary or beneficiaries are held accountable for the effective use of such resources and that ESDC, SUNY Poly and FSMC should provide ongoing, full public disclosure regarding the funding process, the ultimate use of the funds, and specific, verifiable measures of the economic and other benefits to the State as a result of this investment.

Similarly, in August 2016, the Office of the State Comptroller commented on an application by ESDC to participate in a project to provide State-funded capital grants totaling $685 million for the Nano Utica Initiative stating that while the new jobs that may be created would be welcome, there were several important outstanding questions and issues associated with the project. For example, because ESDC had indicated that the project budget was still under discussion at the time of the application, it was unknown whether the State funds for the project would be sufficient and whether that funding would yield the anticipated number of jobs. In addition, it was unclear whether ESDC, FSMC and/or SUNY Poly had undertaken a thorough and independent analysis of the potential benefits relative to the costs and risks to the State, and of the long-term economic viability of the project. The letter indicated that it is incumbent on ESDC to ensure that FSMC and other recipients and beneficiaries of State funds are held accountable for the effective use of these resources. To do so, ESDC, SUNY Poly and FSMC should provide ongoing, full public disclosure regarding the ultimate use of the funds, and specific, verifiable measures of the economic and other benefits to the State as a result of this investment.

Following the announcement of corruption charges alleged in indictments against officials and others involved with SUNY Poly and affiliated not-for-profit entities and projects, the Governor announced that ESDC would be tasked with the role of providing oversight for these entities and projects. ESDC has begun this process and on November 17, 2016, ESDC recommended various governance changes for FSMC and indicated that such changes had been incorporated into new bylaws adopted by FSMC. Among the changes, ESDC will have a formal role in selecting 5 of the 11 members of FSMC's Board of Directors, including consent to election of three directors from the public at large from which the Chair and the Vice-Chair will be elected by the two Members of FSMC, The State University of New York Research Foundation and the SUNY Polytechnic Institute Foundation, Inc. The President and Chief Executive Officer of ESDC will also serve as a non-voting, non-fiduciary advisory representative to the Board.[28] Given the variety of issues identified through audits, reviews and reports, including contract and project oversight, reporting and monitoring issues and questions on Board governance, it is unclear if this shift will provide the oversight, transparency and accountability necessary to ensure that the State's large investments in the related economic development projects are used efficiently and effectively.

New York State Design and Construction Corporation

The SFY 2016-17 Enacted Budget created a new subsidiary of DASNY called the New York State Design and Construction Corporation (DCC), to be governed by a three-member board appointed by the Governor. The DCC represents an example of an authority being assigned important governmental functions, including certain powers to direct the activities of State agencies, and further blurring both fiscal and operational distinctions among State agencies and public authorities. This new entity will have far-reaching authority to oversee and monitor public works projects in excess of $50 million undertaken by most State agencies, departments, public authorities and public benefit corporations.

The DCC's powers include, in its sole discretion, authority to review, monitor, and oversee covered projects at risk of being delayed, of not being completed within budget, or of not being completed at an acceptable level of quality, and to make recommendations to any State entity with such projects for corrective or other action, to which such entities would

[28] Empire State Development, *Statement from Empire State Development President, CEO & Commissioner Howard Zemsky [Press Release]*, November 17, 2016. See also the full bylaws of Fort Schuyler Management Corporation as adopted on November 17, 2016 available at: static1.squarespace.com/static/547d03b1e4b04c7d4872dd01/t/582e13d8893fc022aafe93fc/1479414745798/FSMC+Bylaws+revised+%2811+17+16%29.pdf

be required to respond. Broad authority for the DCC includes the ability to "exercise applicable rights and/or remedies with respect to contracts, contractors, subcontractors or other consultants." The specific implications of such authority are unclear. Other aspects of the authority granted the DCC could create uncertainty among potential contractors and thus reduce vendor participation, creating the risk of higher costs rather than savings. It is unclear what provisions, if any, in the State Finance Law and other relevant statutes would apply to this entity, and what statutory, regulatory or other provisions this entity could circumvent or dispense with.

It is also not clear how the DCC will bring new expertise to bear on capital projects in an efficient or cost-effective manner compared to existing agencies and authorities. The legislation also does not provide any assurance that the DCC's decisions would be made in a transparent and accountable manner, or establish what checks would exist over the new entity.

The risk of insufficient accountability is substantiated by, among other things, the following language: "Nothing in this subdivision shall be construed to impose any liabilities, obligations, or responsibilities of such corporation [DCC] upon the dormitory authority [DASNY], and the authority shall have no liability or responsibility therefor unless the authority expressly agrees by resolution of the authority board to assume the same." The vague terms adopted in the Enacted Budget leave questions as to whether the DCC is an appropriate mechanism, or will be an effective means, to accomplish the goals of the legislation.

Since the DCC's statutory creation, little or no public information has been available regarding whether a board of directors has been appointed or regarding any activities of this entity. DASNY does not currently list the DCC as a subsidiary on its website.

Thruway Authority

Construction to replace the Tappan Zee Bridge across the Hudson River is proceeding, despite the lack of a public plan for financing the New NY Bridge. The Office of the State Comptroller has repeatedly expressed concerns regarding the continued lack of critically important information relating to an overall plan of finance for the New NY Bridge project, including how the cost of the project will affect toll payers and taxpayers both now and in the future. This Office has also indicated that the Thruway Authority must make further efforts to ensure that the financing structures used to support both the New NY Bridge project and the rest of the Thruway system are cost-effective for Thruway users and developed within the context of a long-term, comprehensive, system-wide financial plan.

Long Island Power Authority

Office of the State Comptroller audits and reports on the Long Island Power Authority (LIPA) in recent years have identified several areas requiring improvement, including adequacy of regulatory oversight, rate relief, financial management and debt, customer service, storm preparation and response, and progress on implementation of the 2013 LIPA legislation.[29]

A February 25, 2014 Newsday article noted that the LIPA Board was considering "a new code of conduct for trustees with possible restrictions on public speaking and 'ramifications' for violators." This issue arose again at the September 21, 2016 LIPA board meeting, which included an agenda item and associated resolution for a "Statement of policy regarding trustee communication and conduct." The Board adjourned the item for consideration at a future meeting, citing the need to review an advisory opinion on the proposed policy, which had been issued by the Committee on Open Government (Committee) earlier that week.[30] In the advisory opinion, the Committee's Executive Director questioned the legality of the proposed policy in respect to certain provisions related to disclosure of confidential information.[31] On December 20, 2016, the Board adopted a policy regarding Trustee communications and conduct similar to the agenda item adjourned by the Board in September.

As with other State authorities, LIPA Board members have a fiduciary duty to act independently and in the best interest of the Authority and its customers, which includes adhering to high standards of transparency and accountability.

Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey (Port Authority) is under investigation by federal agencies, and by entities in both states, regarding matters involving board governance. The Port Authority's Official Statement dated August 14, 2014 stated that it had received and was responding to inquiries from several governmental agencies, including the U.S. Attorney's Office for the District of New Jersey and the U.S. Securities and Exchange Commission (SEC).

On May 1, 2015, the former Deputy Executive Director of the Port Authority and the former Deputy Chief of Staff for the New Jersey Governor were indicted on conspiracy, fraud and deprivation of civil rights charges in connection with George Washington Bridge access lane closures in Fort Lee during September 2013.[32] The former Director of Interstate Capital Projects for the Port Authority pleaded guilty to two counts of conspiracy in connection with the incident.[33] On November 4, 2016, the former Deputy Executive Director of the Port Authority and the former Deputy Chief of Staff for the New Jersey Governor were convicted on seven counts each in connection with the lane closures.[34]

---

[29] For more information see the Office of the State Comptroller's July 2015 report, *Long Island Power Authority by the Numbers: A Public Authority in Transition,* available at: www.osc.state.ny.us/reports/pubauth/ lipa_by_the_numbers_7_2015.pdf.

[30] Committee on Open Government, Advisory Opinion FOIL-AO-19490, September 19, 2016.

[31] Ibid.

[32] United States District Court District of New Jersey, *United States of America v. William E. Baroni, Jr and Bridget Anne Kelly*, April 23, 2015.

[33] Ibid.

[34] Department of Justice, U.S. Attorney's Office District of New Jersey, *Former Deputy Executive Director of Port Authority and Former Deputy Chief of Staff in N.J. Governor's Office Guilty on all Counts [Press Release]*, November 4, 2016.

In an unrelated probe by the U.S. Attorney's Office for the District of New Jersey, the former chairman of the Port Authority Board of Commissioners pleaded guilty on July 14, 2016 to bribery charges involving use of his official position for his personal benefit. [35]

An investigation initiated by the SEC continues. The Port Authority's Official Statement dated November 1, 2016, indicates that "discussions have been ongoing between the Port Authority and the staff of the SEC regarding a potential resolution of the investigation."[36]

The broad scope of issues that have been subject to review and investigation has prompted calls for reform of the Port Authority. In May 2014, the Governors of New York and New Jersey formed a bi-state Special Panel on the Future of the Port Authority (Panel). The Panel was tasked with reviewing and evaluating reforms focused on the Authority's mission, operations, structure, management and governance.[37] The report also noted governance-related reforms that the Port Authority had already put in place, including amending its bylaws to specify requirements for annual independent audits, address fiduciary duty and ethics training for board members, and make changes to hearing procedures. Other changes included modifications to Board and Board Committee procedures, meeting practices, and Freedom of Information Law and ethics policies.

Legislation advanced in 2014 to improve transparency at the Port Authority was passed by both the New York and the New Jersey State Legislatures, but these measures were vetoed by both Governors, and instead alternative legislation was crafted in response to the report produced by the Panel. This legislation, passed by the New York State Legislature and signed by the Governor in December 2015, has stalled in the New Jersey Legislature. Given that the Port Authority is a bi-state entity, statutory changes must be enacted in both states to take effect.

Other Issues

As detailed in the section of this report entitled "Use of Public Authorities in the State Budget," the State continues to rely on public authorities to provide financial support and to pay for spending that in many cases does not directly relate to the authorities' missions. It is unclear how public authority boards determine that transfers to the State's General Fund and elsewhere are in the best interest of the authority. There also does not appear to be a standardized approach to making such determinations.

The Public Authorities Law contains a specific requirement that "Board members of state and local authorities shall…perform each of their duties as board members, including

---

[35] Department of Justice, U.S. Attorney's Office District of New Jersey, *Former New Jersey Attorney General and Chairman of the Port Authority Board of Commissioners Pleads Guilty to Bribery [Press Release]*, July 14, 2016.
[36] Port Authority of New York and New Jersey, Official Statement - Consolidated Bonds, One Hundred Ninety-Seventh Series and Consolidated Bonds, One Hundred Ninety-Eighth Series, November 1, 2016.
[37] See *Keeping the Region Moving* - a report prepared by the Special Panel on the Future of the Port Authority for the Governors of New York and New Jersey at: www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/SpecialPanelReporttotheGovernors2014-12-26FINAL.pdf.

but not limited to those imposed by this section, in good faith and with that degree of diligence, care and skill which an ordinarily prudent person in like position would use under similar circumstances, and may take into consideration the views and policies of any elected official or body, or other person and ultimately apply independent judgment in the best interest of the authority, its mission and the public."[38]

The persistent appearance of issues such as those highlighted above raises the question of whether additional steps may be needed to bolster board independence and adherence to fiduciary requirements, strengthen conflict of interest protections, and expand public disclosure requirements for board communications and actions.

[38] Public Authorities Law, Section 2824, subdivision 1 (g).

VII. Fiscal Reform and New York's Public Authorities

Comptroller DiNapoli has advanced a range of important reforms to address the issues outlined in this report regarding accountability, transparency and public authorities' stewardship of public resources.

In May 2016, the Comptroller released a fiscal reform agenda that offered a comprehensive plan to improve the State's budgeting and fiscal practices by addressing persistent issues with respect to State spending, reserves, debt, and capital planning. In releasing a report accompanying his legislative proposals for fiscal reform, Comptroller DiNapoli expressed concern that lack of transparency and accountability increases risk of waste, fraud and abuse and hinders a full and open public discussion of critical budgeting decisions.[39] Key components of this agenda related to the State's authorities, particularly the challenges that remain with respect to transparency and accountability for billions of dollars in spending, as well as the State's growing debt burden and its reliance on authorities to issue debt.

With an annual State budget totaling over $150 billion, New Yorkers have a right to expect transparent and accountable budgeting to help ensure that public resources are protected from waste and abuse and that relevant information is readily accessible. With certain exceptions, funds that flow to and through State agencies are subject to oversight and checks and balances designed to mitigate the potential for inefficiency or misuse of public funds. This includes rigorous oversight, monitoring and reporting by the Office of the State Comptroller. For spending by public authorities – including spending on behalf of the State with funds provided by the State – this detailed information and accountability is typically not available. While public authority reform efforts have brought some progress, more work is needed.

Best practices of transparency and accountability would require that allocations of lump sum appropriations after the budget is enacted be made through a clearly defined, fair and equitable process, with ongoing public disclosure. The Comptroller's reform package would require such a process, as described in more detail below.

A recent example of the use of lump sum appropriations and backdoor spending was included in the SFY 2016-17 Enacted Budget. A new Dedicated Infrastructure Investment Fund (DIIF) appropriation of $170 million was provided for additional Upstate Revitalization initiatives under a plan to be developed by the Chief Executive Officer of ESDC. While the appropriation indicated that such funding would support initiatives based on anticipated job creation and economic development benefits, the language provides that the moneys will be awarded by ESDC at its discretion. Another DIIF appropriation for

[39] For more information see the Office of the State Comptroller's May 2016 report, *Unfinished Business: Fiscal Reform in New York State,* available at: www.osc.state.ny.us/reports/fiscal/fiscal_reform_2016.pdf. The legislative proposals can be accessed at: www.osc.state.ny.us/legislation/2015-16/oscb_cad_201516.htm for the New York State Fiscal Reform and Accountability Act and www.osc.state.ny.us/legislation/2015-16/oscb_cad_201516.htm for the Constitutional Amendment on Debt.

$85 million for economic development or infrastructure provided no detail regarding which agency or authority would administer the program or how the funds would be allocated.

As discussed earlier in this report, the Comptroller has a comment role with respect to projects brought before the PACB by public authorities. In May 2016, the Comptroller commented on a PACB application by DASNY to issue $2 billion in new debt, supported by State taxes, to finance various projects and refund certain outstanding debt, pointing out that while the projects may be worthwhile, concerns remained about the State's increasing debt levels.

The Comptroller's Reform Agenda would ban backdoor spending by public authorities on behalf of the State and require greater disclosure of public authority activities. The existing statutory limitation on lump sum appropriations would be expanded. All public authority spending on behalf of the State, including spending of State-Funded bond proceeds, would have to be appropriated by the Legislature and subject to pre-audit review by the Office of the State Comptroller.

Public authorities would be prohibited from receiving any State-appropriated funds until projects were identified, scored, and ranked using clear, measurable and objective criteria, unless the pertinent appropriations provide an allocation either by statutory formula or to a specific recipient.[40]

In addition, the Public Authorities Control Board Act would be amended to require that all proposed board resolutions, project applications and related board materials, including project lists prepared for the Board's meetings, be available to the public for at least ten years. Making such historical information readily available would allow ongoing monitoring of authority-funded projects, which often have costs and useful lives extending over long periods. The Comptroller's reforms also seek to promote more responsible debt practices by banning backdoor borrowing on behalf of the State by public authorities.

In December 2016, Comptroller DiNapoli proposed the New York State Procurement Integrity Act of 2017, intended to enhance independent oversight, integrity, transparency and accountability in the procurement processes of the State and its public authorities. Among other things, the reforms would:

- Standardize the contracting processes used by State authorities by applying uniform procurement rules. State authorities would be required to adopt procurement guidelines that are consistent with those required for State agencies, unless otherwise permitted by law.
- Prohibit State public authorities from entering into or extending third party contracts where the primary purpose is for another entity to act as a conduit for procurement initiatives, unless explicitly authorized by the Legislature.
- Create new ethics requirements for State public authority board members, officers and employees, and authority contractors.

[40] These exceptions are provided because each of these mechanisms to determine the allocation of funds – either through specificity within an appropriation, or by statutory formula – would allow the public and other interested parties to readily identify recipients of State funds and to assess such funding choices.

VIII. Conclusion

New York's State and local authorities play essential roles in the financing, development, management and operation of major public infrastructure projects and functions. Authorities also carry out a variety of programmatic responsibilities, such as ESDC's efforts to encourage job creation in communities across the State. Those functions and responsibilities remain essential to the State's economy and New Yorkers' quality of life. At the same time, the State continues to rely on public authorities for fiscal relief.

Statutory reforms of recent years have imposed greater responsibility on authorities to meet higher standards of transparency, accountability, integrity and effective governance. However, recurring deficiencies and concerns related to the continuing entanglement of the operations of authorities with the State's budget and its executive agencies raise questions about the sufficiency of these reforms. New York State must do more to hold public authorities responsible for achieving their stated missions and operating effectively and efficiently in the service of New Yorkers.

This report is part of Comptroller DiNapoli's continuing effort to improve the accountability and transparency of New York's public authorities. The Office of the State Comptroller will continue to provide periodic profiles on individual authorities and report on related issues to keep the public and State policy makers informed.

Appendix A: Public Authority Expenditures, Debt and Employees

Listed public authorities are those with reported annual expenditures of more than $250 million

Authority	Expenditures	Debt	Employees
Metropolitan Transportation Authority	$16,734,000,000	$ 36,474,610,000	78,150
New York City Health and Hospitals Corporation	8,342,672,000	833,410,000	47,409
Housing Trust Fund Corporation	5,798,207,326	-	242
New York City Transitional Finance Authority	5,419,674,945	33,850,105,000	27
Long Island Power Authority	3,549,108,000	7,283,001,049	55
New York City Water Board	2,601,955,000	-	10
Power Authority of the State of New York	2,576,000,000	1,562,969,000	1,728
New York City School Construction Authority	2,366,960,847	-	935
Dormitory Authority of the State of New York	2,332,383,000	47,286,009,585	534
New York State Urban Development Corporation	1,564,024,000	12,418,804,000	329
New York City Municipal Water Finance Authority	1,310,458,128	29,570,914,445	27
State University Construction Fund	1,247,457,746	-	146
Westchester County Health Care Corporation	1,227,031,680	460,710,000	3,296
New York State Thruway Authority	948,267,000	10,977,105,000	4,245
Nassau County Interim Finance Authority	893,978,000	921,606,000	5
New York City Economic Development Corporation	745,978,536	-	451
STAR (Sales Tax Asset Receivable) Corporation	715,738,076	2,035,330,000	17
New York State Energy Research and Development Authority	704,169,000	3,059,301,029	335
Roswell Park Cancer Institute Corporation	645,570,000	203,819,887	2,716
Nassau Health Care Corporation	559,325,000	247,470,000	4,382
Erie County Medical Center Corporation	553,238,000	175,525,457	3,800
Environmental Facilities Corporation	460,052,862	6,053,595,000	122
Erie County Fiscal Stability Authority	440,693,410	349,040,000	4
Tobacco Settlement Financing Corporation	394,896,000	1,377,635,000	207
Buffalo Fiscal Stability Authority	283,924,477	48,895,000	5
New York City Housing Development Corporation	270,780,000	10,099,419,115	175
Niagara Frontier Transportation Authority	258,227,000	134,725,000	1,712
Battery Park City Authority	252,629,389	1,058,625,000	194
Total for Authorities Reporting Over $250 Million in Expenditures	**$63,197,399,422**	**$ 206,482,624,568**	**151,258**
Total All Other	**3,592,227,472**	**61,106,987,776**	**15,190**
Grand Total	**$66,789,626,894**	**$ 267,589,612,343**	**166,448**

Notes: The data reported is submitted by public authorities through the Public Authorities Reporting Information System (PARIS). The data contained in PARIS is self-reported by the authorities and has not been verified by the Office of the State Comptroller. As required by Public Authorities Law, certain data submitted is required to be approved by the board of directors and/or to have its accuracy and completeness certified in writing by the authority's chief executive officer and chief financial officer. The data represents the most recently reported fiscal year for those authorities reporting through PARIS and does not represent a common fiscal year or State fiscal year. The PARIS data used for this Appendix was extracted from the system in September 2016 and therefore represents the data as certified by the authorities as of that time.

Appendix B: Overview of Public Authority Audits

The Office of the State Comptroller's Division of State Government Accountability has issued audits and follow-up reviews of State, interstate, international and New York City-based public authorities with findings that have included waste, fraud and abuse of varying degrees. The following summaries provide some examples of the audit findings made for several public authorities:

- An audit of the Thruway Authority's cost-containment initiatives found that the Authority has implemented several cost-reduction strategies, and is benefiting from increased State financial assistance as well as the plan to transfer the Canal Corporation to the Power Authority of the State of New York. However, the Authority's current revenue structure will likely not be sufficient to cover its ongoing and future capital needs, particularly in light of the Thruway's age and the extent of deferred projects and maintenance. Currently, the Thruway Authority lacks a formal comprehensive long-term strategy to address these shortcomings. (2015-S-59)

- An audit of supplemental payments by Westchester County Healthcare Corporation (WCHCC) to executive employees examined whether WCHCC had a formal supplemental compensation program and whether the payments under the program were warranted and justified. WCHCC indicated that senior management supplemental payments were based on the achievement of established goals, but auditors found that none of the employees had submitted both goals and achievements during the audit period and WCHCC could not provide written evaluations for any senior managers. In addition, auditors identified other payments not tied to performance which should be examined by WCHCC to determine if they are appropriate. Auditors also found that not all of the supplemental payments had been properly reported through PARIS. (2015-S-77)

- An audit of the Metropolitan Transportation Authority's Transit Adjudication Bureau (TAB), which is an administrative tribunal established to provide a forum for processing and adjudicating summonses for violations of NYC Transit rules governing public use of the transit system, found that nearly half of the related fines and fees are never fully collected. During the audit period, the TAB processed 324,079 summonses with a total fine amount of $30.41 million. Only $16.98 million of this amount was collected. (2015-S-33)

- An audit of the New York Power Authority (NYPA) reviewed NYPA's ReCharge New York (RNY) and Energy Efficiency programs, as well as its practices regarding the disposition of personal property. Auditors found that NYPA made errors in the method used to rank applicants for power allocations and treated applicants who had the same scores differently, based upon when their applications were processed. These errors and the inconsistent application of the RNY model resulted in applicants' scores being ranked incorrectly. The audit also found issues with NYPA's public reporting of power allocations and job commitments, in addition to flaws in NYPA's primary mechanism for monitoring compliance with job commitments. With regard to NYPA's disposition of personal property, the audit found that the Authority sold scrap metal and plant equipment (valued at over $900,000) from two locations without appropriate controls to ensure that the materials were properly accounted for and that appropriate value was received, and that NYPA had poor controls over the disposal of fleet vehicles. The audit also found that NYPA did not have sufficient documentation to support reported energy efficiency savings. (2015-S-20)

- An audit on the performance of the Excelsior Jobs Program, which is administered by ESDC, revealed that ESDC could not support that companies sampled had met the agreed-upon job growth and investment benchmarks for 13 percent of ESDC-authorized Program tax credits totaling $214,000. Furthermore, ESDC could not support that any of the 25 sampled companies had met all of the eligibility requirements when initially approved for program participation. In four separate instances, ESDC adjusted the annual job creation requirements from the original agreement after the fact to align with the companies' actual job creation totals, which were lower. Had these adjustments not occurred, the three companies involved would have received $358,329 less in tax credits. For two of the four revisions, ESDC could not provide evidence from the company justifying the need for the revision, including one company whose 2012 job commitment was reduced from 600 to 363. A company involved in one of the other revisions subsequently ceased operations after being authorized to receive $556,446 in tax credits. The audit also found that ESDC generally authorizes tax credits based on job numbers and investment costs that are self-reported by businesses without any additional corroborating support. In addition, ESDC does not verify that new jobs meet the Program's 35-hour weekly work requirement and that they have not merely been shifted from existing positions at affiliated companies. (2015-S-15)

- An audit of Niagara Frontier Transportation Authority's (NFTA) capital planning process determined that, while the Authority prepared multiyear and annual capital spending plans as required by the Public Authorities Law, it could not demonstrate that these plans definitively addressed its highest priority capital needs. The audit also found that NFTA management does not maintain documentation to support how projects are selected for improvement, why projects are deferred, and why projects are denied funding in capital plans. Also, NFTA has not established a documented system for ranking capital assets by importance, nor a schedule of replacement based on asset condition. (2015-S-37)

- An audit of the contract participation of minority- and women-owned business enterprises (MWBEs) at the MTA found that while MTA officials agreed with the findings of a 2011 OSC audit report, many of the issues identified in the earlier audit remained. MTA's Department of Diversity and Civil Rights (DDCR) uses self-reported information from prime contractors to support the MWBE subcontractor utilization numbers that it reports to the Department of Economic Development (DED). Of 128 payments reviewed, totaling $42.7 million, auditors found there was no documentation to support MWBE participation for 30 payments, totaling $13.9 million. In addition, for 37 payments, totaling about $21.5 million, the documentation DDCR had did not match the payment amounts reported to DED. Over 50 percent of the sampled payments were either unsupported or inaccurately reported. (2014-S-6)

- An audit of the New York State Canal Corporation's infrastructure inspection and maintenance procedures found that while routine operational and reliability checks of the Canal System's critical structures were performed, the Corporation has not done the in-depth inspections of structural safety and integrity which are required on a 2-year cycle. Some structures identified as critical have not had an inspection in many years and some have never had one. The Corporation's process for determining inspection and maintenance priorities is inconsistent, and the basis for decisions is sometimes unclear. In numerous instances, auditors found no evidence that the inspection results were considered when determining maintenance priorities. Thus, there is a risk the structures most in need of repair were not given priority. (2014-S-45)

- An audit examined whether ESDC had established adequate internal controls to oversee, monitor, and manage contracted marketing services, including the extent to which ESDC employs appropriate performance measurement systems that provide management with information about program effectiveness and cost-efficiency. In December 2011, ESDC awarded a contract to BBDO USA LLC (BBDO) for an amount not to exceed $50 million, as its non-exclusive, full-service advertising, marketing, branding, media, and communications agent. By September 2014, ESDC had executed four amendments to this contract, bringing the total contract amount to $211.5 million. The audit found that while ESDC has an appropriate system of internal controls in place to ensure that it receives the advertising services for which it paid, and that those services are appropriately priced in keeping with the terms of its contract with BBDO, these controls focus on the specific services that are provided (i.e., outputs) rather than on the results that are achieved (i.e., outcomes). ESDC has not quantified what it expects to achieve from its advertising efforts, except in the broadest terms. As a result, ESDC does not have an appropriate system to monitor, measure, and evaluate the extent to which any accomplishments or outcomes resulting from these efforts compare to expectations. ESDC is unable to evaluate the extent to which its $211.5 million investment has contributed to achieving the purposes of the underlying programs or whether it has been cost-effective. In fact, ESDC officials reject the idea that advertising programs should be measured against the results achieved by the underlying programs they aim to benefit, except in the broadest terms. ESDC officials have not considered ways to account for any other factors that may influence these measures, or to assess whether the State has received an appropriate return on its investment in these marketing services. (2014-S-10)

- An audit of the Performance Incentive Program (Program) at Rochester-Genesee Regional Transportation Authority (RGRTA) examined whether the Program used reasonable criteria to measure employee performance and whether incentive awards were warranted and justified. During the audit period, RGRTA distributed $1.8 million in incentive payments, $1 million of which were awarded to upper management. In addition, over the course of the audit period, RGRTA progressively transitioned the Program to one based exclusively on collective performance. Incentives were not linked to specific work performed by individuals. Further, for the employees sampled for review, we often found that the Authority did not maintain documentation supporting how the employees met or exceeded performance criteria. Auditors also found that in comparison to other upstate New York transportation authorities, RGRTA awarded the largest incentives. (2014-S-2)

- An audit of the New York State Energy Research and Development Authority's (NYSERDA) contract award and performance monitoring found that although NYSERDA has policies and procedures governing the contract award process, certain policies and procedures were not always followed for 19 of the 69 contracts auditors reviewed. Five contracts (valued at $742,113) were incorrectly awarded as unsolicited proposals and, therefore, without the competition that would otherwise have been required. NYSERDA did not effectively monitor contract expiration dates to ensure that successor contracts were in place prior to the expiration of the previously existing contracts for similar or related work. NYSERDA paid about $9.7 million on four contracts after they had expired or after approved extensions had been exhausted. NYSERDA did not adequately document the justification for allocating projects (related to four contracts) to certain contractors when there were nine additional contractors pre-qualified for the same work. (2013-S-45)

- An audit of the financial management practices of the Hudson River-Black River Regulating District revealed that revenue from statutory beneficiaries, hydropower agreements, and permit holders had not been sufficient to cover the District's annual needs. Specifically, the District's past due assessments receivable balance had grown significantly, and its reserves had been liquidated to cover significant liabilities resulting from litigation. Since September 2009, the District has had a significant backlog of capital projects because of funding limitations, including one project that had been mandated by the Federal Energy Regulatory Commission (FERC) in 2007 for public safety reasons. The District cut spending and took other steps to balance its annual budgets. However, it could potentially generate more revenue and become more efficient by strengthening its practices regarding past-due assessments, facility maintenance, equipment inventories, time and attendance, and procurement. (2013-S-55)

- The Dormitory Authority of the State of New York (DASNY) has established performance goals including on-time and on-budget construction projects, timely and fairly priced debt issuances, and customer satisfaction. In order to evaluate customer satisfaction, DASNY asks many of its clients to complete a customer satisfaction survey. An audit of DASNY's mission statement and performance measures found that the Authority did not meet its targeted performance level for customer satisfaction for 20 percent of its customers, particularly in the areas of project design and construction. Also, construction clients expressed concerns about the timeliness and cost of projects. (2013-S-13)

- A real estate portfolio audit of the Power Authority of the State of New York (NYPA) found that NYPA did not include all of its property in the reports it submits to the State and posts on its website. For example, NYPA did not update the information systems used to account for its real estate inventory in a timely fashion. In addition, NYPA has not been consistent in how it reports disposals of real property. NYPA does not regularly review its real estate portfolio to identify properties it no longer needs, as required. NYPA property with a fair market value of more than $15,000 was leased for less than fair market value without notifying the Governor and Legislature, as the Law requires. (2013-S-23)

- A real estate portfolio audit of the Niagara Frontier Transportation Authority found that the Authority has not accounted for all of its property holdings. Specifically, the Authority's property reports significantly understate its holdings. The Authority has not established a current market value for its property holdings and does not document the needs assessment it conducts to determine whether to hold or dispose of its property. In some cases, it has held onto unneeded parcels for many years, including valuable waterfront property. The Authority could improve its procedures to ensure it obtains fair market value when leasing properties. (2012-S-36)

- A discretionary spending audit at Battery Park City Authority found that the Authority lacked written policies and procedures clarifying what constituted appropriate discretionary spending and specifying permissible dollar thresholds, necessary justifications, and required formal approvals and supporting documentation. The absence of such internal controls increases the risk of unnecessary or inappropriate discretionary spending or spending which is not in support of the mission of the Authority. Auditors questioned the appropriateness of most of the discretionary spending that was sampled during the audit. The auditors' follow-up showed that the Authority made payments totaling $1.05 million for the audit period for charitable donations. (2012-S-158)

- According to Empire State Development Corporation (ESDC), its International Division is responsible for promoting international trade and investment initiatives to improve global competitiveness for New York State companies. This is accomplished through contracts with foreign representatives who assist businesses with increasing exports and expanding the visibility of their business in the global marketplace, and developing and maintaining a network of worldwide partners to attract foreign direct investment and create jobs for New Yorkers. An audit examining the oversight of international offices at ESDC determined that ESDC does not have an appropriate performance monitoring system in place to evaluate foreign representatives' activities against contract requirements. Instead, performance reporting and monitoring efforts appeared to be informal and ad hoc throughout most of the audit period. Lack of more rigorous performance monitoring may have contributed to poor results from certain international offices. ESDC has recently implemented a new system called the Client Resource Management System to assist in the monitoring of these contracts. ESDC has made significant improvements in managing payments to foreign representatives and correcting deficiencies found in a 2011 OSC review of payments. These improvements include requiring adequate documentation, such as bank statements and vendor invoices, to support the expenses claimed by the foreign representatives. (2012-S-7)

- An audit of the financial management practices of the Hudson River Park Trust (Trust) found that opportunities exist for the Trust to improve its practices related to revenue collection, procurement, investments, time and attendance, budgeting, and equipment inventories. The Trust needs to improve its monitoring of payments from tenants. (2013-S-56)

All audits of public authorities, including recommendations, are available on the Office of the State Comptroller's website.[41]

[41] For more information on audits of State, interstate, international, and New York City-based public authorities, see www.osc.state.ny.us/audits/index.htm.

Appendix C: Public Authority Debt Glossary

The debt definitions provided in this appendix reflect those provided in PARIS to facilitate reporting compliance by providing interpretive information with respect to PARIS data fields. They are not necessarily more broadly applicable and do not reflect approval by the Office of the State Comptroller of particular policies or practices.

State Debt

- **State-Guaranteed Debt** – Debt for which the State of New York unconditionally guarantees the payment of debt service pursuant to voter approval.

- **State-Supported Debt** – Debt which is recognized as State-Supported under Section 67(a) of the State Finance Law, which defines State-Supported Debt as any bonds or notes, including bonds or notes issued to fund reserves and costs of issuance, issued by the State or a State public corporation for which the State is constitutionally obligated to pay debt service or is contractually obligated to pay debt service subject to an appropriation, except where the State has a contingent contractual obligation.

- **State Contingent Obligation Debt** – Debt for which the State of New York entered into a service contract to pay debt service, subject to annual appropriation, in the event there are shortfalls in primary payment sources pledged or otherwise available to pay debt service.

- **State Moral Obligation Debt** – Debt issuance for which the State of New York is required by statutory provision, subject to appropriation by the Legislature, to make up any deficiencies which may occur in the issuer's debt service reserve fund.

- **Other State-Funded Debt** – Debt for which repayment is exclusively dependent upon a payment to be made by the State, whether paid directly or indirectly through State aid payment interception or assignment, other than debt that is defined as State-Supported.

Authority Debt

- **Authority General Obligation Debt** – Bonds or notes for which the full faith and credit of the issuer are pledged to pay debt service.

- **Authority Revenue Debt** – Bonds or notes for which a specific revenue source or sources of the issuer are pledged to pay the debt service.

- **Other Authority Debt** – Debt other than conduit debt which is a special or limited obligation of the issuer. This type of debt includes certificates of participation, commercial loans, mortgage loans and other financing obligations. It does not include capital leases, equipment leases or Appropriated Loans/First Instance Advances.

Other Debt

- **Conduit Debt** – Bonds or notes issued to finance a project for a specific third party, excluding New York State. The security for such bond or note is the credit of the third party rather than the issuer, and the issuer has no obligation to repay the debt beyond the resources provided by that third party. Also considered conduit debt is New York State collateralized borrowing, where the security for such debt is the pledge of a future revenue stream, and the issuer has no obligation to repay the debt beyond the resources provided by the pledge of such future stream of revenues.

Appendix D: Information on Public Authorities Reporting More Than $250 Million in Expenditures

Authority	Statutory Reference	Description of Authority Mission*	Website
Metropolitan Transportation Authority	Chapter 324 of the Laws of 1965; Public Authorities Law, Article 5, Title 11, Sections 1260 to 1279-c	MTA was created to continue, develop, and improve public transportation and to develop and implement a unified public transportation policy in the New York Metropolitan area.	www.mta.info
New York City Health and Hospitals Corporation	Chapter 1016 of the Laws of 1969	The New York City Health and Hospitals Corporation (HHC) is the largest municipal integrated healthcare delivery system in the country. HHC provides medical, mental health and substance abuse services through its acute care hospitals, skilled nursing facilities, diagnostic and treatment centers and community-based clinics.	www.nyc.gov/hhc
Housing Trust Fund Corporation	Chapter 67 of the Laws of 1985; Private Housing Finance Law, Article 3, Section 45-a	The mission of the Housing Trust Fund Corporation is to encourage the construction, development, revitalization and preservation of low-income housing throughout the State, by providing loans and grants to local housing partnerships committed to these goals.	www.nyshcr.org
New York City Transitional Finance Authority	Chapter 16 of the Laws of 1997; Public Authorities Law, Article 8, Title 33, Sections 2799-aa to 2799-uu	The purpose of the New York City Transitional Finance Authority (TFA) is to fund a portion of the capital program of the City of New York, including a portion of the City's five-year educational facilities capital plan, and to facilitate the finance program of the City.	www.nyc.gov/html/tfa/home.html
Long Island Power Authority	Chapter 517 of the Laws of 1986; Public Authorities Law, Article 5, Title 1-A, Sections 1020 to 1020-kk	LIPA is a not-for-profit public utility with a mission to enable clean, reliable, and affordable electric service for its customers on Long Island and the Rockaways.	www.lipower.org
New York City Water Board	Chapter 515 of the Laws of 1984; Public Authorities Law, Article 5, Title 2-A, Section 1046	The New York City Water Board's mission is to establish rates for and distribute the collected revenues of the Water and Sewer System of the City of New York.	www.nyc.gov/html/nycwaterboard/html/home/home.shtml
Power Authority of the State of New York	Chapter 870 of the Laws of 1939; Public Authorities Law, Article 5, Title 1, Sections 1000 to 1017	The Power Authority finances, builds and operates electric generating and transmission facilities throughout the State.	www.nypa.gov
New York City School Construction Authority	Chapter 738 of the Laws of 1988; Public Authorities Law, Article 8, Title 6, Sections 1725 to 1748	The New York City School Construction Authority's mission is to design and construct safe, attractive and environmentally sound public schools for children throughout New York City.	www.nycsca.org

Authority	Statutory Reference	Description of Authority Mission*	Website
Dormitory Authority of the State of New York	Chapter 914 of the Laws of 1957; Public Authorities Law, Article 8, Title 4, Sections 1675-1694 Chapter 392 of the Laws of 1973 (Medical Care Facilities Finance Agency) Chapter 359 of the Laws of 1968 (Facilities Development Corporation)	The purpose of DASNY is to finance and build facilities for higher education, health care providers, court facilities and certain nonprofit institutions and public agencies. DASNY issues tax-exempt securities, then lends the proceeds to clients to finance the construction, rehabilitation, or equipping of facilities needed to furnish services to New Yorkers. Clients include such diverse organizations as the Metropolitan Museum of Art, Siena College, Roswell Park Cancer Institute, New York City Health and Hospitals Corporation, psychiatric centers operated by the State Office of Mental Health, the City and State Universities of New York, and the New York Unified Court System.	www.dasny.org
New York State Urban Development Corporation	Chapter 174 of the Laws of 1968	The Urban Development Corporation (UDC), doing business as the Empire State Development Corporation (ESDC), provides financing and technical assistance for various civic, industrial, commercial or residential development purposes. Since 1975, UDC has shifted its emphasis from residential to economic development, expanding its economic development program in 1981 to stimulate activity in distressed areas.	www.esd.ny.gov
New York City Municipal Water Finance Authority	Chapter 513 of the Laws of 1984; Public Authorities Law, Article 5, Title 2-A, Sections 1045-a to 1045-bb	The Municipal Water Finance Authority's purpose is to finance the capital needs of the water and sewer system of the City of New York which is operated by the New York City Department of Environmental Protection. The New York City Water Board sets water and sewer rates for New York City sufficient to pay the costs of operating and financing the System.	www.nyc.gov/html/nyw/
State University Construction Fund	Chapter 251 of the Laws of 1962; Education Law Article 8-A, Sections 370 to 384	The purpose of the State University Construction Fund is to plan, design and construct educational facilities on State-operated campuses.	www.sucf.suny.edu
Westchester County Health Care Corporation	Chapter 11 of the Laws of 1997; Public Authorities Law, Article 10-C, Title 1, Sections 3300 to 3321	The purpose of the Westchester County Health Care Corporation is to provide health care services and facilities for residents of the State and Westchester County.	www.westchester medicalcenter.com
New York State Thruway Authority	Chapter 143 of the Laws of 1950; Public Authorities Law, Article 2, Title 9, Sections 350 to 388	The primary function of the Thruway Authority is to construct, reconstruct, improve, maintain and operate the 641 mile New York State Thruway. The Authority also oversees the New York State Canal Corporation. (Pursuant to Chapter 54 of the Laws of 2016, the Canal Corporation was transferred to the Power Authority of the State of New York, effective January 1, 2017.)	www.thruway.ny.gov

Authority	Statutory Reference	Description of Authority Mission*	Website
Nassau County Interim Finance Authority	Chapter 84 of the Laws of 2000; Public Authorities Law, Article 10-D, Title 1, Sections 3650-3672	The Nassau County Interim Finance Authority (NIFA) was created by the State of New York as a public benefit corporation to improve the general prosperity and economic welfare of the inhabitants of Nassau County and the people of the State of New York. NIFA's primary goal is to see that on a recurring basis the County's annual revenues are equal to its annual expenditures. To assist in its mission, NIFA was granted certain powers including the release of transitional State aid, the ability to borrow money on behalf of the County, and if necessary, to call a control period. While striving toward its goals, NIFA is continually mindful of the County's right to operate independently as a municipal corporation of the State of New York.	www.nifa.state.ny.us
New York City Economic Development Corporation	In 2012, the former New York City Economic Development Corporation merged into a not-for-profit corporation named New York City Economic Growth Corporation. The newly merged entity, named New York City Economic Development Corporation, substantially assumed the services previously undertaken by the former New York City Economic Development Corporation.	The purpose of the Economic Development Corporation is to encourage economic growth in each of the five boroughs of New York City.	www.nycedc.com
STAR (Sales Tax Asset Receivable) Corporation	The Corporation is a Local Development Corporation created in 2004 by the City of New York under the Not-For-Profit Corporation Law of the State of New York.	The Corporation's mission is to facilitate the finance program of the City, and to conduct its activities in an efficient and cost-effective manner. Specifically, the Corporation was created to issue bonds to provide for the payment of the outstanding bonds of the Municipal Assistance Corporation of the City of New York ("MAC") and the outstanding bonds of the City held by MAC. Such bonds are secured by funds payable annually from the State, subject to an appropriation from the Local Government Assistance Tax Fund. The Corporation's stakeholders are its bondholders, who have purchased the Corporation's bonds and notes in reliance on the strong credit of the Corporation, and the City, which benefitted from the reduction in debt service costs resulting from the Corporation's bond issuance.	www.nyc.gov/html/starcorp/html/home/home.shtml

Authority	Statutory Reference	Description of Authority Mission*	Website
New York State Energy Research and Development Authority	Chapter 210 of the Laws of 1962; Public Authorities Law, Article 8, Title 9, Sections 1850 to 1883	The purpose of the New York State Energy Research and Development Authority (NYSERDA) is to promote development and use of innovative technologies. NYSERDA administers energy efficiency, technology development, and market development programs, funded principally through the System Benefits Charge, and the Renewable Portfolio Standard program. Energy research, development and demonstration programs are managed by NYSERDA, funded primarily by assessments on gas and electric utilities.	www.nyserda.ny.gov
Roswell Park Cancer Institute Corporation	Chapter 5 of the Laws of 1997; Public Authorities Law, Article 10-C, Title 4, Sections 3550 to 3573	Roswell Park is a public hospital and medical research center located in Buffalo. It is among the first and only upstate New York facilities to be designated a comprehensive cancer center by the National Cancer Institute, providing total care to cancer patients, conducting research into the causes, treatment and prevention of cancer, and educating those who treat and study cancer.	www.roswellpark.org
Nassau Health Care Corporation	Chapter 9 of the Laws of 1997; Public Authorities Law, Article 10-C, Title 2, Sections 3400 to 3420	The purpose of the Nassau Health Care Corporation is to provide health care services and facilities for residents of the State and Nassau County.	www.numc.edu/
Erie County Medical Center Corporation	Chapter 143 of the Laws of 2003; Public Authorities Law, Article 10-C, Title 6, Sections 3625 to 3646	The purpose of the Erie County Medical Center Corporation is to operate the Erie County Medical Center healthcare network.	www.ecmc.edu
Environmental Facilities Corporation	Chapter 744 of the Laws of 1970; Public Authorities Law, Article 5, Title 12, Sections 1280 to 1298	The purpose of the Environmental Facilities Corporation is to provide low-cost capital and expert technical assistance for environmental projects in the State, and to help public and private entities comply with federal and State environmental protection and quality requirements.	www.nysefc.org
Erie County Fiscal Stability Authority	Chapter 182 of the Laws of 2005; Public Authorities Law, Article 10-D, Title 3, Sections 3950 to 3973	The purpose of the Erie County Fiscal Stability Authority is to assist Erie County in returning to fiscal and economic stability through enhanced budgetary discipline and short-term budgetary relief.	www.ecfsa.state.ny.us
Tobacco Settlement Financing Corporation	Part D3 of Chapter 62 of the Laws of 2003	The Tobacco Settlement Financing Corporation (TSFC) was created as a separate legal subsidiary of the New York State Municipal Bond Bank Agency to securitize a portion of the State's future revenues from its share of the 1998 Master Settlement with participating cigarette manufacturers.	www.nyshcr.org

Authority	Statutory Reference	Description of Authority Mission*	Website
Buffalo Fiscal Stability Authority	Chapter 122 of the Laws of 2003; Public Authorities Law, Article 10-D, Title 2, Sections 3850 to 3873	The purpose of the Buffalo Fiscal Stability Authority is to assist the City of Buffalo in returning to fiscal and economic stability by restructuring debt and/or limited borrowing.	www.bfsa.state.ny.us
New York City Housing Development Corporation	Chapter 551 of the Laws of 1971; Private Housing Finance Law, Article 12, Sections 650-670	HDC seeks to increase the supply of multi-family housing, stimulate economic growth and revitalize neighborhoods by financing the creation and preservation of affordable housing for low- , moderate- , and middle-income New Yorkers.	www.nychdc.com/
Niagara Frontier Transportation Authority	Chapter 717 of the Laws of 1967; Public Authorities Law, Article 5, Title 11-a, Sections 1299 to 1299-u	The Authority is charged with the formulation, implementation and maintenance of a total transportation program for the benefit of the people in the Niagara Falls - Buffalo metropolitan area.	www.nfta.com
Battery Park City Authority	Chapter 343 of the Laws of 1968; Public Authorities Law, Article 8, Title 12, Sections 1970 to 1988	The Hugh L. Carey Battery Park City Authority is a New York State public benefit corporation whose mission is to plan, create, coordinate and maintain a balanced community of commercial, residential, retail, and park space within its designated 92-acre site on the lower west side of Manhattan. There is a recognition that, as development of new parcels is completed, the importance of maintenance within the mission will become more significant.	bpca.ny.gov/

*****The Description of Authority Mission category generally reflects the authorities' mission statements as required by the Public Authorities Reform Act of 2009 or, in some cases, where such mission statements are less detailed, the description is based on statutory authorizations provided to the various authorities, as well as additional information available from the authorities.

Contact

Office of the New York State Comptroller
110 State Street, 15th Floor
Albany, New York 12236

(518) 474-4015

www.osc.state.ny.us

Prepared by the Office of Budget and Policy Analysis

Like us on Facebook at facebook.com/nyscomptroller
Follow us on Twitter @nyscomptroller