

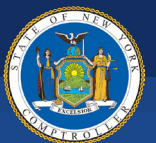
# 2021

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## Year in Review



New York State Comptroller  
**THOMAS P. DINAPOLI**



Dear Friends:

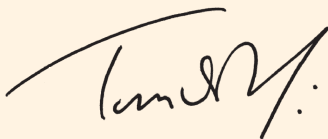
The past year brought with it its share of highs and lows—the distribution of safe and effective vaccines against COVID-19, the emergence of new coronavirus variants, and New York’s impressive but uneven economic recovery. We were reminded of the perils of climate change by deadly weather events and continued to grapple with injustice and inequality.

Through it all, I have been proud to be a New Yorker—proud of the creativity we have shown in responding to challenges, encouraged by our determination, touched by the kindness we have shown in caring for one another. I am also proud of the work we have done in the Office of the State Comptroller this year to help our government serve the people of our State more effectively and efficiently. I’d like to share some of our projects and accomplishments in 2021 with you.

As you’ll see, we have managed the State pension fund successfully through a period of great volatility, returned unclaimed funds to their rightful owners, closely monitored the financial condition of New York City throughout the crisis, audited local governments and State agencies, reviewed State contracts and administered the State payroll and accounting system. I was an outspoken advocate for essential federal aid in response to the pandemic, and I have emphasized the need for wise use of our current surplus to achieve long-term budgetary balance. We have made major investments in New York-based businesses and in the new green economy, worked to promote diversity and inclusion, advanced transparency and accountability, and kept watch over the people’s money.

It is a great honor to serve as your State Comptroller. I am confident that, by working together and focusing on the common good, we can survive and thrive through the challenges ahead. Best wishes for a peaceful and joyful New Year.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom DiNapoli". The signature is fluid and cursive, with a prominent flourish at the end.

Thomas P. DiNapoli  
New York State Comptroller

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Ranked one of the  
NATION'S BEST-FUNDED  
PUBLIC PENSION FUNDS  
by the Pew Research Center

# A STRONG STATE PENSION FUND

Under Comptroller DiNapoli's leadership, the State Pension Fund continues to be one of the best-funded and best-managed pension plans in the nation. Long-term, sustainable investments provide stability and security to current and future retirees. As the New York State and Local Retirement System celebrates its 100th anniversary, it is well positioned to meet the challenges of the future.





## Solid Growth in Value

The Fund returned 33.5% in the last State Fiscal Year and has grown to an estimated value of \$267.8 billion (as of September 30, 2021).

**NYS Pension Fund**  
One of the  
**Best-Funded**

in the U.S. at

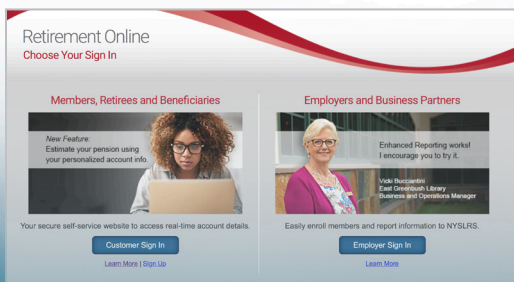
**99.3%**

## \$1.5B in Savings for Local Governments and Taxpayers

In August 2021, Comptroller DiNapoli announced that due to the Fund’s strong returns, employer contribution rates will be reduced. These rate reductions will save local governments an estimated \$1.5 billion in 2023—savings which can be passed on to taxpayers.

## Modernizing the Retirement System

Comptroller DiNapoli is modernizing the State Retirement System. The multiyear project to upgrade the computer systems used to calculate benefits and administer accounts continues. “[Retirement Online](#),” with its expanding features and functionality, provides an efficient, safe way for members and retirees to access benefit information and conduct business with the System.



## Fighting Pension Fraud

Comptroller DiNapoli is committed to protecting the Retirement System from pension fraud. Investigations have resulted in dozens of arrests and convictions, and the recovery of nearly \$3 million.





## Investing in New York State Businesses

The Fund invests in [New York-based business ventures](#) whenever possible. Comptroller DiNapoli has put pension dollars to work in every corner of the State—spurring economic growth and generating solid investment returns.

The Fund also provides capital for small business loans, offered through [Pursuit](#). Millions of dollars in loans have been made to small businesses in our State, including many that are veteran-, women- or minority-owned.

**\$1.7 Billion**

invested in 505 New York State companies through the In-State Private Equity Investment Program (as of June 30, 2021)



## Fund Invests in Firm Playing Vital Role in Delivering Vaccines

Through the [In-State Private Equity Investment Program](#), the Fund supports Rochester's AeroSafe Global, which has helped safely deliver millions of doses of COVID-19 vaccines to hospitals, nursing homes and pharmacies. AeroSafe's specially designed, recyclable packaging ensures the vaccines remain at a safe temperature during shipping.

# Emerging Manager & MWBE Initiatives

The Fund takes the long-term approach by not only diversifying its investments, but also growing its pool of fund managers. By accessing fresh talent and investment opportunities from new and small investment firms, the Fund can generate returns that meet or exceed industry benchmarks.

- This past fiscal year, the Fund continued to invest with firms led by minorities or women and reached **an all-time high of \$27 billion**, a 26% investment increase over the previous year of \$20 billion. These firms bring in new ideas and help the Fund continue to earn strong returns.
- Each year, the Fund hosts an annual [Emerging Manager and Minority- and Women-Owned Business Enterprises \(MWBE\) Conference](#), bringing together over 1,000 talented and diverse investment professionals.



*Comptroller DiNapoli and Renae Griffin, an Executive Director at GCM Grosvenor, have collaborated on expanding the New York State Common Retirement Fund's small, emerging and diverse manager platform. GCM Grosvenor serves as the Fund's real estate emerging manager strategic partner.*



*Anyori (AJ) Hernandez, OSC's Director of Emerging Managers, and Comptroller DiNapoli taking part in the 2021 Emerging Manager & MWBE Conference. Over 1,000 professionals from minority- and women-owned investment firms met and shared ideas with Fund staff and partners in the virtual event.*





# LEADING THE WAY ON CLIMATE INVESTMENT

Comptroller DiNapoli is taking bold steps to protect the State pension fund from the significant risks that climate change poses. That's why the Fund invests in companies that are best positioned for a low-carbon future. This year, the Fund built upon its groundbreaking [Climate Action Plan](#) by setting a [2040 Net Zero Carbon Greenhouse Gas Emissions](#)

target, announcing new sustainable investments and, as a last resort, divesting from specific companies that aren't transitioning to a low-carbon economy.

The Fund has been ranked as the top pension fund in the country in management of climate risk to investments by the Asset Owners Disclosure Project.



#### ■ **Net Zero GHG 2040**

The Comptroller set a [goal](#) for the State pension fund to transition its portfolio to net zero greenhouse gas emissions by 2040. The Fund's multi-faceted approach to achieving this ambitious goal includes investing in climate solutions, pressing companies and policymakers to address climate change and divesting high-risk assets, where consistent with fiduciary duty.

#### ■ **Divesting from Oil Sands Investments**

In April 2021, Comptroller DiNapoli divested State pension fund investments from Canadian [oil sands](#) firms which do not have viable plans to adapt to the low-carbon future. These oil sands companies produce highly carbon-intensive crude oil and pose significant risks to the Fund's investments.

#### ■ **Divesting from Coal Producers**

In August 2021, Comptroller DiNapoli announced the Fund was divesting from five additional [coal producers](#), as well as evaluating 42 shale oil and gas companies to determine if they are prepared for the transition to a low-carbon economy.





- **\$20B Committed for Sustainable Investments**

In April 2021, the Comptroller invested approximately **\$400 million** from the State pension fund into two renewable energy funds, and in December committed \$2 billion to a new climate index focused on reducing the risks and capitalizing on the opportunities arising from the transition to a low-carbon economy. This is part of the \$20 billion the Comptroller has committed to sustainable investments as part of his **Climate Action Plan**. These investments will directly address climate change and strengthen the Fund's portfolio for the long term.

- **Holding Companies Accountable on Climate**

This year, 100% of the Comptroller's climate change-related shareholder proposals were **successful**. The Fund finalized agreements with seven major U.S. companies, including Domino's Pizza, to reduce their greenhouse gas emissions, adopt new energy efficiency measures and increase their use of renewable energy.



These new, bold sustainable investments will go a long way in helping to make progress against the ambitious objectives of the Paris Agreement and accelerate the low-carbon economy.

— Mindy Lubber, President and CEO, CERES, on Comptroller DiNapoli's Sustainable Investment Program

- **Pushing Ambitious Climate Action Agenda**

In June 2021, the Fund joined 457 investors with \$41 trillion in assets in signing the 2021 *Global Investor Statement to Governments on the Climate Crisis statement*, urging all governments to adopt an ambitious Climate Action agenda.

- **Assessing DEC Climate Funding**

In January 2021, Comptroller DiNapoli noted that the New York State Department of Environmental Conservation (DEC) must have the staff and funding it needs to carry out its critically important climate work. An **OSC report** showed that DEC's operational spending has gone down, even as its climate-related responsibilities have grown.



Today's announcement [net zero commitment] from the State Comptroller is an exciting, bold, and responsible leadership position, one that sets a high bar in a vital year for climate action.

— NYS Senator Liz Krueger

# DIVERSITY, EQUITY & INCLUSION: DRIVING PROGRESS

Companies with strong diversity, equity and inclusion (DEI) policies and practices are better positioned to drive long-term value for shareholders like the State pension fund. Comptroller DiNapoli is committed to ensuring companies advance DEI at all levels of their businesses.

This year, the Comptroller launched a multi-faceted initiative to hold publicly-traded corporations and their top executives accountable for their diversity, equity and inclusion policies and practices.



Companies must root out racial inequality, just as they would root out any other systemic problem that puts their long-term success at risk.

— New York State Comptroller DiNapoli



The Comptroller's strategy included filing shareholder proposals that urge companies to address DEI concerns and voting against directors at companies that fall short on DEI practices and disclosures.

**44% of Amazon** shareholders supported the Comptroller's proposal for an independent review of the company's civil rights, equity, diversity, and inclusion policies—a strong outcome for a first-time proposal.

**Hilton Worldwide, Qorvo and Lowe's** agreed to disclose workforce diversity reports to make it easier for investors to weigh the companies' commitments to racial inclusion.

**McDonald's** agreed to disclose workforce diversity data and tie executive compensation to improving diversity and to creating an employee culture of inclusion.

**Expanded the Fund's** opposition to company boards that are not sufficiently diverse. Voted against:

- 469 directors at 115 companies because of the lack of racial or ethnic diversity on their board of directors.
- 1499 directors at 552 companies because of the lack of gender diversity on their board of directors.

Continued calling on the nation's largest companies to participate in the **Disability Equality Index**, encouraging 24 more CEOs to register in 2021.



# REUNITING OWNERS WITH LOST MONEY



New York State is a national leader in returning lost money to citizens. The State currently oversees \$17 billion in unclaimed funds for over 44 million account holders.

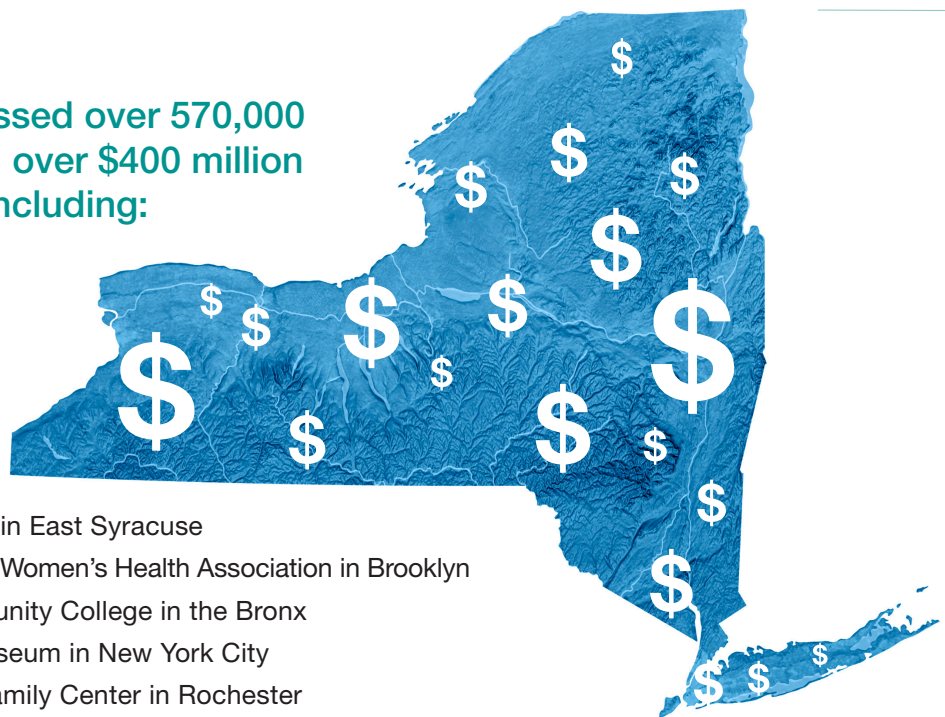
Comptroller DiNapoli returns \$560 in lost money to Jessica Walker, President and CEO of the Manhattan Chamber of Commerce.

State Comptroller DiNapoli acts as custodian of this money until it can be returned to its rightful owners. He works closely with the Office of Unclaimed Funds (OUF) to return over an average \$1.5 million to New Yorkers each business day, and regularly travels the State connecting individuals, organizations and local governments with their lost funds.

**\$17 Billion**  
In Unclaimed Funds

**\$1.5 Million**  
On Average Returned Each Business Day

In 2021, OUF processed over 570,000 claims and returned over \$400 million to rightful owners, including:



- \$35,327 to United Radio in East Syracuse
- \$11,250 to the Caribbean Women's Health Association in Brooklyn
- \$9,986 to Hostos Community College in the Bronx
- \$8,738 to the Jewish Museum in New York City
- \$5,136 to the Catholic Family Center in Rochester
- \$3,006 to the Uniformed Firefighters of Mount Vernon NY Inc
- \$2,949 to Mohawk Community Action in Rome
- \$1,194 to the Police Conference of NY in Albany



## Claim Yours!

The Office of Unclaimed Funds has made searching for lost money even easier in 2021.

- Visit [ouf.osc.state.ny.us/ouf](https://ouf.osc.state.ny.us/ouf) and search by name or organization.
- If we're holding your money, click "Claim" to begin the process or "Share" to notify friends and family of outstanding funds in their name.
- Follow the step-by-step directions and prompts that appear onscreen.



## Need Help?

This year OUF added a [friendly new chatbot](#) to help New Yorkers with their most frequently asked questions about the Unclaimed Funds process.



United Radio President Phil Rubenstein receives \$35,326 in lost money from the Comptroller's Office of Unclaimed Funds.



The Comptroller presents a \$5,219 check to Syracuse Community Health Center COO Derrick Murry and Board Member Shirley Rowser.

# FIGHTING PUBLIC CORRUPTION



Comptroller DiNapoli believes that waste, fraud and abuse of tax dollars is a betrayal of the public's trust and he is committed to holding accountable those who exploit their positions for personal benefit.

To root out corruption across all levels of government and combat fraud of public funds, the Comptroller formed the [Division of Investigations](#) within the Office of the State Comptroller. In the 10 years since, the division has investigated fraud throughout New York State and partnered with State, federal and local law enforcement including County District Attorneys, the New York State Police, the State Attorney General's office, the Federal Bureau of Investigation, and other law enforcement agencies to make more than 250 arrests and recover over \$82 million in taxpayer money.

## 2021 Investigations

- The [federal conviction](#) of a Middletown chiropractor and his associates for running a massive health insurance fraud scheme, ultimately defrauding State, federal and private insurers of over \$18 million.
- The [conviction](#) of the former Pharsalia Town Supervisor for embezzling over \$240,000 in public funds to pay for groceries, designer handbags, home repairs, and vacations.
- The [conviction](#) and removal from office of the former Chatham Chief of Police who defrauded the State pension fund out of \$74,222 and stole \$18,607 from the village.
- The [conviction](#) of the former Bemus Point Clerk-Treasurer who stole more than \$58,000 in village funds to pay her personal bills and buy Christmas gifts.
- The [arrest](#) of the former Town of Beekman Tax Collector who pocketed \$88,000 from the town and its schools for car loans, Amazon and clothing purchases.
- The [convictions](#) of two former State Police mechanics for using State Police resources to fund their private business and defraud the State of over \$30,000 in auto parts, tools and supplies.
- The [arrest](#) of three Syracuse school district employees who scammed an after-school program created to help struggling students.
- The [conviction](#) of an Otsego County woman who stole \$34,000 from Morris Central School District for personal use.
- The [arrest](#) of the former treasurer of the Essex County Agricultural Society for stealing over \$60,000 from the organization which runs the County fair.
- The [convictions](#) of two Westchester County sisters who hid their mother's death to pocket over \$20,000 in unlawful pension payments.
- The [arrest](#) of an Orange County woman who hid her mother's death to steal over \$50,000 in pension payments.



Although their scheme was complex, their motives were simple: greed. We must have zero tolerance for public corruption.”

— New York State Comptroller DiNapoli

## Public Corruption Spotlight

### DiNapoli Recovers More Than \$1 Million from Corrupt IDA Officials

Former officials of the Orange County Industrial Development Agency (IDA) were caught in an elaborate corruption scheme involving a web of conflicts of interest, false statements and pay-offs, and ordered to repay more than \$1 million in restitution.

Comptroller DiNapoli, the Orange County District Attorney and the New Windsor Police Department discovered brazen misuse of funding meant for the IDA’s Accelerator and Accelerator Without Walls programs, intended to support small businesses, attract business development and foster job growth.

Their [investigation](#) exposed how the IDA’s managing director used his private technology company to enter vague, overlapping contracts with the IDA, giving him complete control of the Accelerator Program. He used his private company to “hire” the two IDA officials primarily charged with overseeing the Accelerator Program, paying them millions stolen from the IDA. The IDA’s board of directors was found to be complicit. The three officials were sentenced and made to pay restitution for their crimes, and the IDA was issued recommendations for enhanced governance.



250  
arrests

Recovered  
\$82  
Million  
in taxpayer money



If there is one arm of State government that pays for itself by discovering financial misdeeds and deterring thefts, it is this investigative unit of the Comptroller’s office.”

— Columbia County District Attorney Paul Czajka



# INDEPENDENT FISCAL OVERSIGHT

As New York's chief financial officer, Comptroller DiNapoli is responsible for providing independent and fact-driven analysis of the State's fiscal health. OSC's Office of Budget & Policy Analysis (BPA) provides detailed reports each year on the Governor's executive budget proposal, the final budget as enacted by the Legislature, and the State's financial plan.

- [Report on the State Fiscal Year 2021-22 Executive Budget](#)
- [Review of the Enacted Budget for State Fiscal Year 2021-22](#)
- [Enacted Budget Financial Plan Report: State Fiscal Year 2021-22](#)

In addition to keeping the public informed about how New York is balancing its books, the Comptroller offers an independent perspective on major policy issues, including both long-term concerns such as the shortfall in the unemployment insurance trust fund and New Yorkers' access to high-speed broadband service, and emerging challenges such as the recent surges in Medicaid enrollment and identity theft, as well as reporting on developments in employment, healthcare, small business prospects and other areas impacted by COVID-19.

[COVID-19 Pandemic Drove Record Medicaid Enrollment in 2021](#)

[Many New Yorkers Still Lack Broadband Access](#)

[Pandemic Disrupts Special Education](#)

[Challenges Ahead for Unemployment Insurance Trust Fund](#)

[State Tax Revenues Up](#)

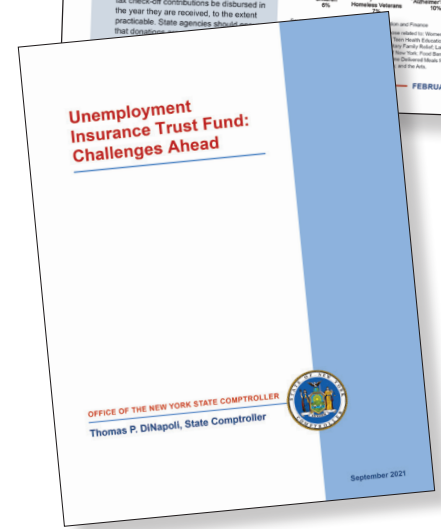
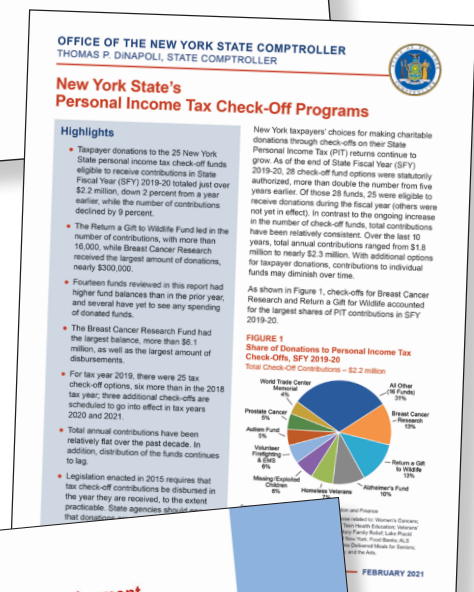
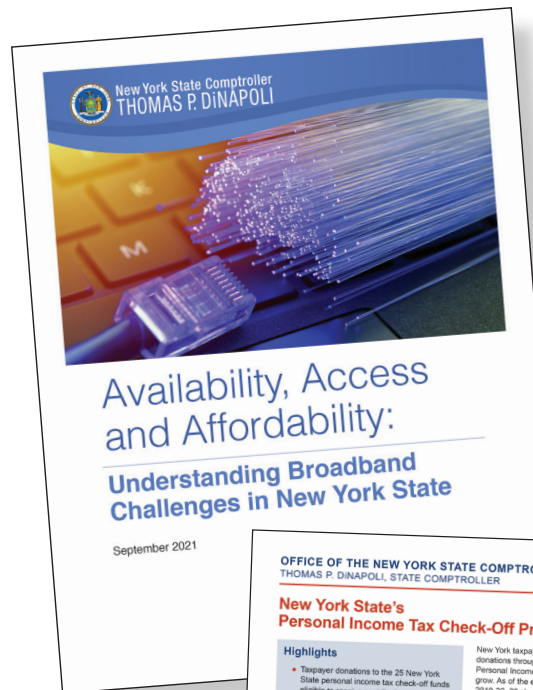
[Identity Theft Cases Skyrocket](#)

[DEC Spending Declines Despite Growing Responsibilities](#)

[Tax Check-Off Donations](#)

[New York's Economy and Finances in the COVID-19 Era – Economic Impact Payments in New York](#)

[Economic and Policy Insights – Small Businesses and the Economic Recovery: Work in Progress](#)



# FOCUSING ON THE QUALITY OF LIFE IN NYC

Comptroller DiNapoli, through his Office of the State Deputy Comptroller for the City of New York and other OSC divisions, reports on a range of financial, economic and policy issues. The office issues quarterly reports on [New York City's Financial Plan](#), as well as yearly reports on [Wall Street](#) and the [MTA](#) and its debt.

The Comptroller's Office also assessed how federal pandemic relief programs meant to alleviate the negative impacts performed in New York City, including for issues such as [rent relief funding](#) and the [Paycheck Protection Program](#).

## Examining City Services and Trends During the Pandemic

In 2021, Comptroller DiNapoli warned that the [NYC Department of Education](#), [Health + Hospitals system](#) and [Metropolitan Transportation Authority](#) are in delicate financial situations that must be managed carefully. The Comptroller's Office also took an in-depth look at the impact of [COVID-19 on the Bronx](#) and on [subway ridership](#).

### Reports on Key Employment Sectors

- Arts & Culture
- Construction
- Office Real Estate
- Tourism

Comptroller DiNapoli regularly reported on the economic effects of COVID-19 on key NYC employment sectors.





# Ensuring Agencies Are Working Efficiently

The Office of the State Comptroller also conducts financial and performance audits of NYC and State agencies to improve government efficiency and protect taxpayer funds. Significant 2021 audits included topics such as how well the Mitchell-Lama housing waiting lists are administered and whether revenue from outstanding parking violations is being collected or lost. For more information, connect to the reports below or the Division of State Government Accountability's [audit search](#).



## 2021 Significant NYC Audits

NYC DOE – Health, Safety, and Accessibility in District 75 Schools

MTA Fare Evasions

Collecting Outstanding Parking Violations

Administration of Mitchell-Lama Waiting Lists

NYC Buildings Sidewalk Shed Permitting

NYC DOE Career and Technical Education Programs

LinkNYC Revenues and Monitoring

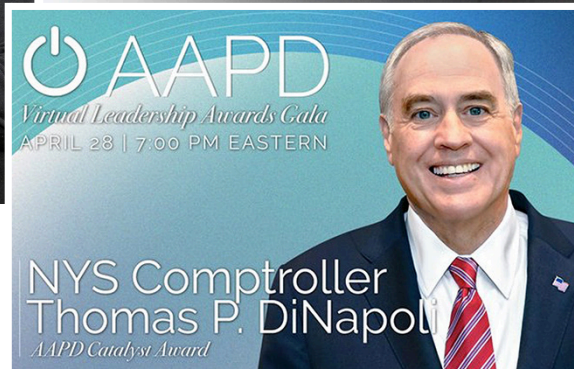
PANYNJ Accommodations for Passengers with Disabilities

# A VOICE FOR DISABILITY RIGHTS

Comptroller DiNapoli is a vocal advocate for New Yorkers with disabilities. He has made disability inclusion and rights a cornerstone of his corporate governance work, regularly reports on and audits key programs and services, and offers families a financial lifeline with the [NY ABLE](#) savings program.



*John's Crazy Socks is a father-son social enterprise inspired by John Lee Cronin, a young man with Down syndrome, which donates 5% of their earnings to the Special Olympics. Over half of their employees have a differing ability.*



*Comptroller DiNapoli was awarded the Catalyst Award by the American Association of People with Disabilities.*

## Prioritizing Disability Inclusion in Corporate America

Comptroller DiNapoli firmly believes that equality, diversity and inclusiveness are fundamental values of companies with sustainable and profitable long-term strategies. As trustee of the nation's third largest pension fund, the Comptroller has made workforce diversity and worker protections a cornerstone of the Fund's environmental, social and governance philosophy, and evaluates companies based on their commitment to inclusivity.

The Comptroller calls on the nation's largest companies to participate in the [Disability Equality Index](#), which helps companies achieve greater disability inclusion and equality. In 2021, the Fund called on more than 24 CEOs to register for next year's index.

# Fighting for Quality of Life for All

The Comptroller monitors trends and holds organizations accountable when they fail to meet quality of life standards for people with disabilities.

- An April 2021 audit of [New York City's District 75 schools](#) found that children were being exposed to conditions that are unsafe, unhealthy, and not meeting ADA standards at some locations. The Comptroller recommended that the Department of Education increase their oversight of the district's compliance with health and safety laws, and ensure all facilities are ADA compliant and accessible for the district's approximately 26,000 special education students.
- A June 2021 [report on employment rates](#) for people with disabilities showed a dramatic 50% loss of pre-pandemic job gains. The disparity in unemployment rates between people with disabilities and non-disabled workers has continued as New York's economy recovers.

- A [July 2021 audit](#) found that Port Authority of New York and New Jersey facilities were poorly accessible by persons in wheelchairs and walkers, and for those with visual impairments. As part of his recommendations, DiNapoli urged officials to work with organizations serving people with disabilities to address specific needs and to test for ease of use.
- In October 2021, Comptroller DiNapoli reported on employment opportunities for people with disabilities to the NYS Assembly at a [public hearing](#) on the issue.

## Achieving a Better Life Experience (ABLE)

[NY ABLE](#) empowers New Yorkers with disabilities to save money in tax-advantaged accounts without risking losing access to other benefits and services. Since its 2017 launch, Comptroller DiNapoli has advocated to expand access and other improvements, as well as engaged in substantial outreach to promote the program.

Early in 2021, Comptroller DiNapoli signed a letter in support of the federal Age Adjustment Act, which would

raise the age of eligibility from 26 to 46 for ABLE accounts. This change would expand the program to more citizens, including veterans whose disability may have occurred later in life, and offer greater peace of mind, sense of self-reliance, and financial advantages to those shouldering expensive disability costs.

As of November 2021, there are more than 2,029 NY ABLE accounts with approximately \$19.6 million in assets.



# 529 COLLEGE SAVINGS PROGRAM

Comptroller DiNapoli administers the Direct Plan component of the [529 College Savings Program](#) with the New York State Higher Education Services Corporation, helping parents build a nest egg for their children's future educational goals.

Part savings program, part investment program, earnings on these contributions grow tax free and withdrawals are not taxed if used for qualified educational expenses. New York State taxpayers also benefit from the State tax deduction. And this year, Direct Plan fees decreased again, making them among the lowest in the U.S. for 529 Plans.



It's never too early or too late to start saving for a college education."

— New York State Comptroller DiNapoli

There are almost one million Direct Plan funded accounts valued at

**\$38.3 Billion**

The average account size of a 529 Direct Plan is

**\$38,619**



529 College Savings Plan

By signing and submitting 529 College Savings Plan Application Form, I certify that this application is complete and all information provided is true and accurate and contains no willful falsifications or misrepresentation. I understand that falsifications, representations, or omissions may disqualify me from consideration to this position. I hereby authorize \_\_\_\_\_ person to contact current and previous employers for verification. conduct a \_\_\_\_\_ on, and check my status.

# PRIORITIZING TRANSPARENCY

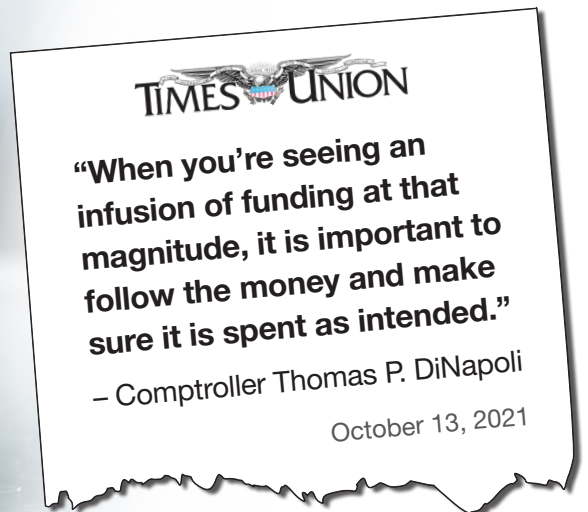
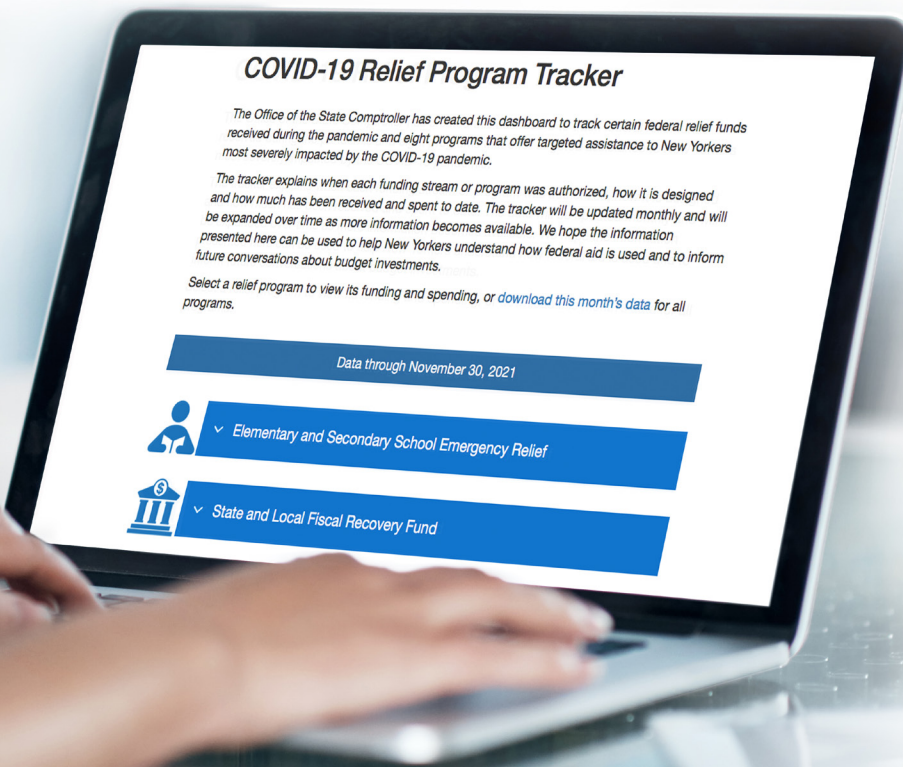


Comptroller DiNapoli is committed to full transparency in government spending and providing New Yorkers with the information necessary to understand the State’s finances. His office publishes reports and audits related to spending at all levels—NYS, NYC, local governments, school districts and public authorities. Categories of payments such as certain legislative travel and per diem expenses, as well as casino gaming revenue distribution, can also be found.



## Federal Aid Tracker

In fall 2021 Comptroller DiNapoli unveiled a dashboard to track certain [federal COVID funding](#) and State relief programs, so New Yorkers can better understand how the influx of pandemic-related federal aid is being used. The tracker includes funding data for excluded workers, childcare services, emergency rental and homeowner assistance, small business recovery, emergency relief for schools, fiscal recovery and coronavirus relief. It explains each federal and State program, the total received and spent to date, and is updated monthly.



# Open Book New York

Comptroller DiNapoli continues to maintain the popular database [Open Book New York](#), which allows citizens to download data on millions of State and local government records, including [State contracts](#), [State payments](#), [State spending](#), [local government data](#), and information on [public authorities](#).



New Yorkers pay among the highest taxes in the country. It's important to have transparency so citizens are empowered with information they need to hold their elected officials accountable.”

— New York State  
Comptroller DiNapoli



## Freedom of Information Law

Journalists from across the State, along with other everyday New Yorkers, submit numerous Freedom of Information Law (FOIL) requests every year to the Office of the State Comptroller seeking public documents. In 2021, the office fulfilled over 500 requests.

In addition, Comptroller DiNapoli has made public on the Open Book New York website [commonly requested documents](#) including highly-sought after legal contracts with the State.

Data for  
**3,100**  
local  
governments  
on  
Open Book

**533**  
Fulfilled  
FOIL  
requests

Financial  
info for  
**+500**  
State & local  
public  
authorities

**190,000**  
contracts  
on  
Open Book

**17,000**  
searchable  
new State  
payments  
made  
every day





Many New Yorkers depend on the **Metropolitan Transportation Authority (MTA)** for their daily transit needs. The Authority’s revenue was hit hard by the COVID-19 pandemic, causing the MTA to struggle to balance its budget and maintain service. Comptroller DiNapoli’s MTA audits found lost revenue and a lack of oversight.

[Review of the MTA’s Capital Needs](#)  
[Fare Evasion Increasing Despite \\$24M to Address It](#)  
[MTA Not Adequately Monitoring Contractors](#)



**Health and Mental Health**

[\\$30M in Ineligible NYSHIP Claims Paid by the State](#)  
[Access to Telemental Health for Those in Need Is at Risk](#)

The **Medicaid** program provides critical health care services to millions of New Yorkers but is troubled by oversight problems and payment errors. Comptroller DiNapoli’s Medicaid audits have uncovered billions in waste and abuse.

[Improper Medicaid Claims Total \\$1.5B](#)  
[Over \\$100M in Inappropriate Medicaid Payments](#)  
[\\$55M in Improper Payments to Managed Care Organizations](#)  
[\\$122M in Potential Medicare Part C Savings](#)



**Special Education** programs offer a quality learning experience for students with disabilities. However, some providers have misused State and local funding. The Comptroller’s Special Education audits reveal cases of waste and fraud, as well as serious safety issues.

[Preschool Special Education Audits Find Fraud](#)  
[NYC Special Education Students Exposed to Unsafe and Unhealthy Conditions](#)  
[\\$272,526 in Ineligible Special Education Costs Uncovered](#)



The Comptroller’s audits cover an array of **economic development** issues, from how well the State tracks the effectiveness of its economic assistance programs to how successfully it disseminates employment opportunities to help people back into the workforce.

[Improvements Needed in Employment Assistance](#)  
[ESD Lacks Oversight of Its Economic Assistance Programs](#)  
[NYC Career Education Not Targeting High-Demand Jobs](#)  
[SED Missing Financial Red Flags in Proprietary Schools](#)



Comptroller DiNapoli’s audits revealed many transportation-related issues including how **ADA accessible** stations are to whether the DOT is adequately monitoring the cost of maintenance contracts and repairs.

[Port Authority Falling Short in Disability Access](#)  
[DOT Needs to Improve Cost Monitoring](#)

  
**Comptroller’s Office finds more than \$100 million in improper New York Medicaid payments.**  
 November 29, 2021

**Bloomberg**  
**“New York’s MTA Running on ‘Borrowed Time’”**  
 – Comptroller DiNapoli  
 September 29, 2021



# HELPING LOCAL GOVERNMENTS & SCHOOLS

The State Comptroller's Office provides guidance and assistance to local governments and school districts, monitoring finances, reviewing budgets and training local officials to help them effectively serve local taxpayers.

## Providing Resources Through the Pandemic

In addition to providing [guidance](#) related to federal pandemic relief funds, the Comptroller's Office developed a [Financial Toolkit](#) to help local officials deal with pandemic challenges.

## Training 8,538 Local Officials

Held 55 [training sessions](#) for local officials, reaching an audience of 8,538.

## Employing the [Fiscal Stress Monitoring System](#)

The Comptroller's Office sounds an early warning system for communities and school districts with fiscal problems. The alert allows officials and taxpayers to be more proactive and address problems earlier.

55

training **sessions**

8,538

local officials **trained**



Comptroller DiNapoli, Plattsburgh Mayor Christopher Rosenquest and OSC Deputy Comptroller Elliot Auerbach at the 2021 New York State Conference of Mayors (NYCOM) convention. The Comptroller and his staff collaborate with NYCOM each year to train local officials on budgeting, municipal laws and other financial topics.

## Keeping Locals Informed

The Comptroller's Office issues audit reports and monthly and quarterly reports on [State and local sales tax](#) collections for more accurate financial forecasting, along with offering many important [manuals](#) and [webinars](#) for local government and school officials.

## Reporting on Relevant Topics

Among many [2021 research reports](#), the Comptroller's Division of Local Government and School Accountability released a [report](#) and [interactive map](#) on 2020 local census results. Audits focusing on transparency and accountability were issued on entities including school districts and the [Off-Track Betting Corporation \(OTB\)](#).

# Protecting Taxpayer Dollars Through Local Audits

Taxpayers are directly affected each time a school district mismanages its accounts or a local official misappropriates goods or services from a municipality. The Comptroller's audits uncover such instances and hold local governments and schools accountable to

the taxpayers. To foster transparency, all Comptroller Office audits are easily searchable [online](#). Audits also have exposed cases of fraud, waste and abuse. The public can alert Comptroller DiNapoli to suspected [fraud, waste or abuse](#).



## 2021 Audit Highlights

# 278 audits

uncovering millions of dollars in cost savings.

## 101

Towns & Villages

## 87

School Districts

## 33

Fire Departments

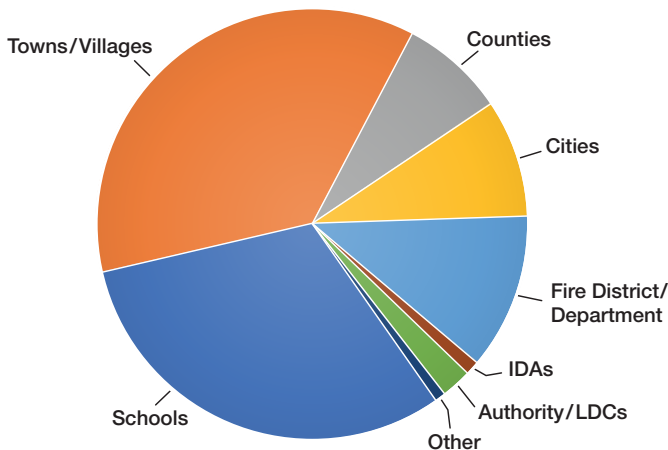
## 24

Cities

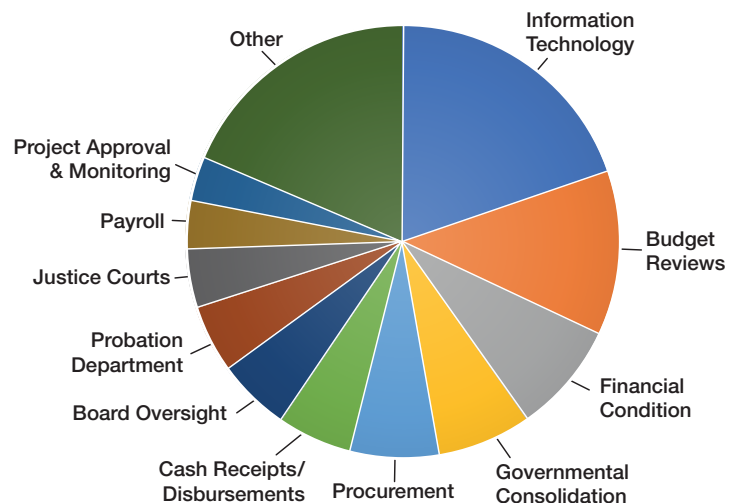
Subjects covered in the audits ranged from Information Technology to Budget Review to Financial Condition and more.

The audits include recommendations on how localities can correct accounting issues, improve oversight, increase transparency and save taxpayer dollars.

### MUNICIPAL/SCHOOL AUDIT EFFORT



### MUNICIPAL/SCHOOL AUDIT FOCUS



# Cybersecurity: Protecting Our Local Governments and Schools

Cybersecurity is among the most challenging issues facing all levels of government. The Comptroller's Local Governments team works to help avoid cyber disasters by auditing and uncovering fundamental weaknesses in local government and school district cyber-defenses.

Through early December 2021, the Comptroller's Office released 55 [IT-related audit reports](#) and confidential IT letters. These audits identified and reported out on 470 IT findings, largely related to breakdowns or gaps in the most basic components of cybersecurity. These audit and assessment efforts offer targeted recommendations for corrective action, many of which can be implemented at no or low cost to the local government or school district being audited. Additionally, these findings may help protect against more sophisticated cyberattacks.



## Cybersecurity Resources on the Comptroller's Website

- **Cybersecurity Awareness Webinar**  
Focuses on the many critical components of resilient cybersecurity awareness, offering supportive resources to inform local governments and school districts.
- **Wireless Technology and Security Publication**  
Provides guidance to mitigate the risks of wireless technology.

# THE COVID-19 CRISIS: RESPONSE AND RECOVERY

When a state of emergency was declared in New York in March 2020, Comptroller Thomas P. DiNapoli and his team acted to ensure State money could continue to flow, transparency and accountability could be preserved, and vital goods and services could be provided. As all New Yorkers worked to adapt to the extraordinary pandemic environment these measures provided much-needed stability and helped restore public confidence.



The pandemic has put a strain on everything and everyone, but from payroll and contract processing to audits and the pension fund, our office hasn't missed a beat. I'm extremely proud of what we've done."

— New York State  
Comptroller DiNapoli



## Taking Emergency Actions

Comptroller DiNapoli worked to ensure that individuals, businesses and local governments facing financial hardship could better weather the pandemic.

- Expedited COVID-19 death benefits to NYSLRS families.
- Combated COVID-19 scams with law enforcement officials.
- Helped create a new law giving local governments greater fiscal flexibility.

# Managing Through Unparalleled Disruptions

Comptroller DiNapoli regularly updated the public and elected officials on the State’s finances and spurred action when programs were falling short of their goals.

- Called on the federal government to provide direct aid to keep **states** and **municipalities** solvent, resulting in a significant influx of funds through the American Rescue Plan. Once these funds were secured, **DiNapoli called for State leaders** and for **City leaders** to use the funds prudently. Also called for more funds to address the **growing food insecurity crisis**, made worse by the pandemic.
- Launched an online **federal aid tracker** showing taxpayers how funding is spent and enhancing transparency.
- Issued **local sales tax collections reports** and economic updates, and **tracked job losses, small business struggles, student debt** and **food insecurity**.
- Revealed through a **Rent Relief Report** that, at the time of the report, only a small fraction of federal funds for tenants was delivered.
- Created the **Subway Ridership Dashboard** to show the impact of the pandemic on NYC subway ridership, showing where straphangers are, and are not, returning to the subway system, along with neighborhood and local demographics, employment and income.
- Called attention to the plight of 464,000 **public school special education students**, many of whom were unable to receive critical supports during remote learning.



The Comptroller’s federal aid tracker is an important step forward for transparency and accountability.”

— Citizens Budget Commission  
President Andrew S. Rein

# 2021 LEGISLATIVE PROGRAM

Comptroller DiNapoli has advanced [legislation](#) to increase the accountability and transparency of New York State and local governments by improving procurement practices, ensuring sufficient reporting and effective oversight and applying government ethics standards to outside vendors with whom they do business. The program also seeks to improve certain benefits for participants of selected savings, financial assistance and pension programs.

Highlights of proposed 2021-22 legislation advanced by Comptroller DiNapoli include:

## Protecting the Interests of New York's Citizens

- **Safeguarding Ordinary Death Benefit**  
[A.7730/S.6619-A](#) increases the length of time during which a member of the New York State and Local Retirement System (NYSLRS) or the New York State Teachers' Retirement System (TRS) is eligible to receive a higher ordinary death benefit. This legislation ensures that members with less than 30 years of service credit are not penalized for continuing to work up to the date that they are first eligible for retirement.
- **Protecting Homeowners from Oil Spill Costs**  
[A.7281](#) closes a loophole to ensure that homeowners are protected from costs related to petroleum discharges on residential property.
- **Improving Data Breach Notifications**  
New law, [Chapter 796](#), requires the State Office of Information Technology Services (ITS) to notify State agencies affected by a data breach within 24 hours of discovery.
- **Increasing Access to New York's Achieving a Better Life Experience (ABLE) Program**  
[A.7652](#) removes the in-state residency requirement for beneficiaries of the NY ABLE Program, expanding program access and providing this savings opportunity to a greater number of out-of-state investors and beneficiaries.

## Ensuring Transparency and Appropriate Use of Taxpayer Dollars

- **Procurement Amendments**  
[A.7180](#) increases the transparency and flexibility of the procurement process used by State agencies.
- **Ethical Standards for State Contractors**  
[A.7020/S.6616](#) strengthens existing ethical standards, including prohibiting State contractors from disclosing any private government data they have access to, such as individuals' social security numbers or medical information.

# THE YEAR IN PHOTOS

DISTILLERY  
HANDCRAFTED ARTISANAL SPIRITS



Comptroller DiNapoli touring upstate businesses with a stop at the Cooperstown Distillery.

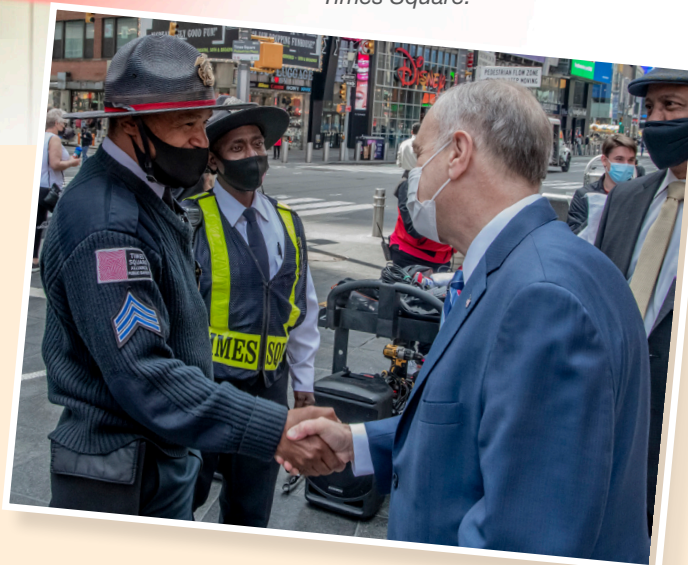


Above: Comptroller DiNapoli meeting with members of the New York State Professional Fire Fighters Association (NYSPPFA) in Rochester. The Association represents 18,000 men and women working full-time as members of municipal fire departments.

Below: Thanking those working security at the Comptroller's report release in Times Square.



Above: Speaking at the 2021 New York State Conference of Mayors (NYCOM) Fall Conference. The Comptroller and his staff collaborate with NYCOM each year to train local officials on budgeting, municipal laws and other financial topics.





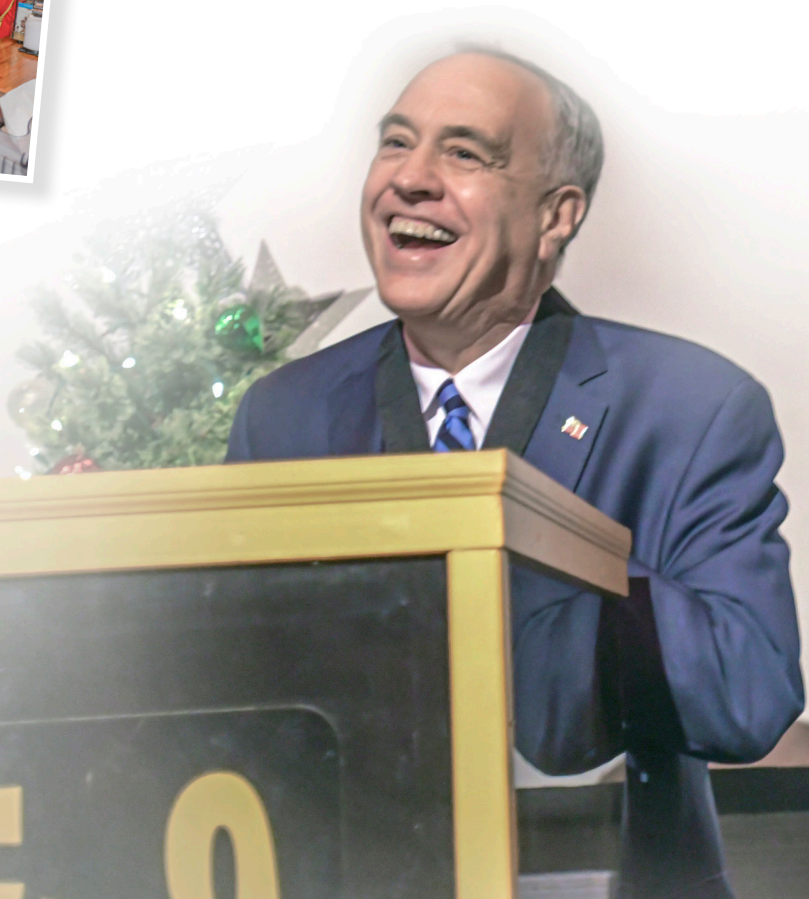
Above: Gathering firsthand accounts of the challenges facing small businesses during a walking tour of the Flatbush neighborhood of Brooklyn. One of the Comptroller's stops was a visit to Brooklyn Perk Coffee with NYS Senator Zellnor Myrie and NYS Assemblywoman Diana Richardson. Also pictured are owner Joel Partick and Brooklyn Chamber President Randy Peers.

Below: Public Employees Federation (PEF) President Wayne Spence and Comptroller DiNapoli at the 2021 PEF Annual Convention in Niagara Falls.

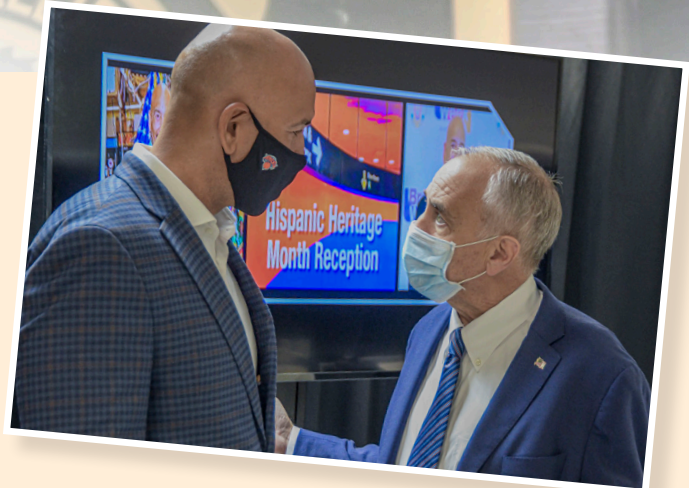


Above Middle: Retired Public Employees Association (RPEA) President Diana Hinchcliff and Executive Director Ed Farrell present Comptroller DiNapoli with a plaque to celebrate 100 years of the New York State and Local Retirement System. RPEA represents nearly 500,000 retirees, and their spouses and beneficiaries.

Right: The Comptroller holds several cultural heritage events throughout the year, including an annual Hispanic Heritage Month celebration. This year's event honorees were Bronx Borough President Ruben Diaz, Jr. (pictured) and his wife, Hilda Gerena-Diaz, Chief of Operations for the Port Authority of New York & New Jersey.



Comptroller DiNapoli accepts the 2021 Kate Mullany Medal from the American Labor Studies Center. The medal exemplifies the spirit of Mullany, a young Irish immigrant who formed and led the nation's first all-female union in 1864.







Left Top: Comptroller DiNapoli visits the Community Playthings factory in Rifton to learn about the educational equipment the Bruderhof Community manufactures. The community has a strong tradition of volunteer service, including assisting at COVID-19 vaccination sites in Orange and Ulster counties.



Above: Speaking with Commander Louise McCann, Charles A. Fowler American Legion Post 160 and North Hempstead Councilwoman Veronica Lurvey at the Great Neck Veterans Day Parade and Celebration.



Right: Participating at the Met Council and UJO food distribution event.

Below: The Comptroller released a report highlighting the need for improved broadband internet access throughout the State. The Comptroller's report found that one million NYS households do not have access or a subscription to home broadband services. He is joined at the report release with Congressman Antonio Delgado, NYS Assemblymember Didi Barrett, NYS Senator Daphne Jordan and Hudson Mayoral Aide Michael Hofmann.



The Comptroller updates Business Council members at their annual meeting, speaking on improving New York's business climate and economy.



Above: Visiting an agricultural exhibit in the Goat Barn at the New York State Fair in Syracuse.

Below: Discussing the history and culture of indigenous people with Norm Jimerson, Superintendent of the Indian Village at the New York State Fair.



Above: Uniting against racism and violence in Manhattan's Chinatown with community activist Jenny Low and others.



# Contact Us:

Office of the New York State Comptroller  
110 State Street  
Albany, New York 12236  
(518) 474-4040

[www.osc.state.ny.us](http://www.osc.state.ny.us)



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