



THOMAS P. DiNAPOLI
COMPTROLLER

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
110 STATE STREET
ALBANY, NEW YORK 12236

ELLIOTT AUERBACH
DEPUTY COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY
Tel: (518) 474-4037 Fax: (518) 486-6479

OSC Local Government and School Accountability Common Issues and Responses April 3, 2020 (Updated from 3/25/2020)

We understand that local governments are facing very challenging situations. The information below is intended to provide a quick response to some general questions. Do not hesitate to reach out to OSC for more assistance. This document may be updated from time to time as necessary.

If I have a question, who should I contact?

We do not want to miss the opportunity to hear from you about any issues your government may be facing. See <https://www.osc.state.ny.us/localgov/contact.htm> for our contact information.

Due to COVID-19 and executive orders reducing the workforce, are staff available to provide technical assistance?

Yes, while LGSA Regional Offices are currently closed, most of our staff is working remotely. If you are unable to reach a person by phone, leave a message and we will return calls. We are also available by email at: localgov@osc.ny.gov

Will planned training events be rescheduled/delivered remotely?

OSC has canceled a number of training events in the near term. In the interim, we will work to provide training remotely where possible. Check our website at <https://www.osc.state.ny.us/localgov/academy/index.htm> for more information.

Audits

Is LGSA engaging new audits?

No, at this time we are not engaging new audits.

What is happening with LGSA audits that are underway?

To the extent possible, auditors will continue audit work. In some cases, auditors are working with some entities that are able to continue their operations. Auditors are sensitive to the current situation and are working with each auditee to determine the best course of action.

My local government was expecting an audit report and exit conference prior to COVID-19, should I expect a report and exit conference?

Our auditors will work with local officials to determine the best course of action. In some instances it may be advantageous to share a draft report and hold an exit conference. In such instances, exit conferences would be done remotely by conference call or through a video conference.

My Corrective Action Plan (CAP) is due or coming due but I cannot file it within the 90 day requirement, what should I do?

File your CAP as soon as feasibly possible. We will continue to send reminders to those that were not filed timely.

Filing Requirements

Will the deadlines for filing the Annual Financial Report (AFR or AUD) be postponed?

The deadlines for filing the Annual Financial Reports (AFR, also known as Annual Update Document or AUD) with OSC are set in statute and we therefore do not have the authority to modify them. Some local governments with filing deadlines less than 120 days after the end of the fiscal year may request an extension with our office. Information on filing deadlines can be found here: <https://www.osc.state.ny.us/localgov/finreporting/deadlines.htm>

Extension requests may be faxed to the Data Management Unit at (518) 486-3146 or scanned and emailed to AFRFILE@osc.ny.gov

If a local government already has a 120 day deadline (the maximum permitted under law) and they are unable to comply, we recommend that they file the required reports as soon as possible.

Will the deadline for filing Property Tax Cap or Constitutional Tax Limit (CTL) Forms be extended?

Local governments are required to file a CTL form with the State Comptroller 10 or more days before final budget adoption, and to file a copy of the adopted budget within 30 days of its adoption. The Tax Cap Form must be filed prior to budget adoption. The Law does not give us the authority to extend these deadlines. If a local government is unable to comply, we recommend that they file these reports as soon as possible.

CTL and Tax Cap forms can be filed electronically using our website:

<https://onlineservices.osc.state.ny.us/Enrollment/login>

Will the deadline for filing my monthly report of court activities be extended or postponed?

This due date (between the 1st and the 10th of the month) is dictated by statute and we therefore do not have the authority to extend or postpone it; however, please note that OSC is temporarily suspending the dunning process used for delinquent reports. We recommend that courts file their required reports as soon as possible.

Will the deadline for local authorities to file their reports with the New York State Authorities Budget Office be extended or postponed?

The Governor has issued Executive Order 202.11, which allows the director of the New York State Authorities Budget Office (ABO) to disregard certain report filing deadlines for local authorities during the period when a properly executed declaration of a state of emergency has been issued.

For more information, please see ABO's website: <https://www.abo.ny.gov/>

Debt

What should local governments be aware of with respect to their maturing debt and interest payments that are coming due?

Local government debt is typically a "general obligation" which means it is secured by a pledge of that municipality to raise revenues (i.e. taxes, fees) to ensure full and timely payment of debt service (principal and interest). Local governments should consult with their bond counsel and financial advisor about the priority of payments and should they need to issue debt at this time, to ensure timely access to funding.

Budget Process

What is the protocol for village compliance with the public hearing requirement for 2020-21 Budget Adoption if a village's April meeting must be canceled? Can the budget be adopted after the May 1 deadline?

The timing for budget adoption is set by state and local statute. The Governor has issued an executive order that suspends the requirement for meetings to be held in person. But to date, the public hearing requirement and budget deadline have not been suspended or modified. Under the circumstances, a village might consider a public hearing by webcast that allows the submission of questions or comments from viewers, to satisfy the April meeting requirement. Village officials should consult with the village attorney to evaluate options and formulate a plan to adopt the budget.

Link to the executive order <https://www.governor.ny.gov/news/no-2021-continuing-temporary-suspension-and-modification-laws-relating-disaster-emergency>

If a village cannot adopt a budget on time, our office recommends that the village adopt a budget as soon as possible.

Will there be any changes to the school district budget adoption process?

We are expecting the New York State Education Department to issue guidance regarding the upcoming budget process. Once it is available, we will include a link here.

How should school business offices proceed with reviews of bills/claims?

School business managers should consult with their legal counsel to determine the priority of payment and how to process bills for payment, consistent with the district's claims audit process.

Public Bids

Have there been any changes to the public bid opening requirements?

The Governor has issued Executive Order 202.11, which suspends the public bid opening requirements of General Municipal Law Section 103(2). However, this Executive Order states, that where practical, public entities must record or live stream bid openings so that the public has the opportunity to view such bid openings.

Link to this Executive Order: <https://www.governor.ny.gov/news/no-20211-continuing-temporary-suspension-and-modification-laws-relating-disaster-emergency>

Additional Resources for Local Governments on COVID-19

These resources may contain useful information during this emergency, including holding public meetings, budget planning, bid openings, updates on Executive Orders, etc. OSC does not endorse the content provided by these outside sources.

New York State Conference of Mayors (NYCOM) has very detailed COVID-19 guidance for cities and villages, and some of the guidance will apply to other municipalities as well: <https://www.nycom.org/2-uncategorised/1404-coronavirus-covid-19-guidance>

The New York State Association of Towns (AOT) has a pdf-based guidance document they are updated regularly, available here: <https://www.nytowns.org/images/Documents/coronavirus%20package.pdf>

The New York State Association of Counties (NYSAC) has a website where they are posting documents on various elements related to COVID-19, including county and State resources, as well as posted blogs here: <https://www.nysac.org/health>

The New York State Education Department (SED) has a dedicated COVID-19 website where guidance for school districts is regularly updated: <http://www.nysed.gov/coronavirus/guidance-p-12-schools>

New York State COVID-19 website: <https://coronavirus.health.ny.gov/home>