State of New York

Basic Financial Statements and Other Supplementary Information

for Fiscal Year Ended March 31, 2022

New York State Comptroller
THOMAS P. DiNAPOLI

State of New York

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STATE OF NEW YORK

EXCELSIOR

COMPTROLLER

THOMAS P. DiNAPOLI
STATE COMPTROLLER

110 STATE STREET
ALBANY, NEW YORK 12236

EXCELSIOR

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

July 27, 2022

To Members of the New York State Legislature:

In accordance with Section 8(9) of the State Finance Law, I am pleased to enclose my 2022 Financial Report to the Legislature which includes the 2022 basic financial statements prepared in accordance with generally accepted accounting principles, together with the report of the State's independent auditors, dated July 27, 2022.

Sincerely,

Thomas P. DiNapoli
State Comptroller

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KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

The Audit Committee
New York State Legislature:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New York (the State), as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New York, as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the following entities and funds:

- *Business-Type Activities*

  100% State's Lottery, which is a major enterprise fund.

  100% City University of New York (CUNY), which is a major enterprise fund.

  These funds collectively represent 30% and 26% of the total assets and revenues, respectively, of the business-type activities.

- *Fiduciary Activities*

  Tuition Savings Program that represents 13% and 10% of the total assets and revenues, respectively, of the aggregate remaining fund information.

- *Aggregate Discretely Presented Component Units*

  The discretely presented component units listed in note 14 to the basic financial statements. These entities collectively represent 58% and 69% of the total assets and revenues, respectively, of the aggregate discretely presented component units.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the entities and funds listed above are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of New York and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of New York's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of New York's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of New York's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and the information listed under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of New York's basic financial statements. The other supplementary information listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information listed in the accompanying table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2022 on our consideration of the State of New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of New York's internal control over financial reporting and compliance.

KPMG LLP

Albany, New York
July 27, 2022

STATE OF NEW YORK

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(unaudited)

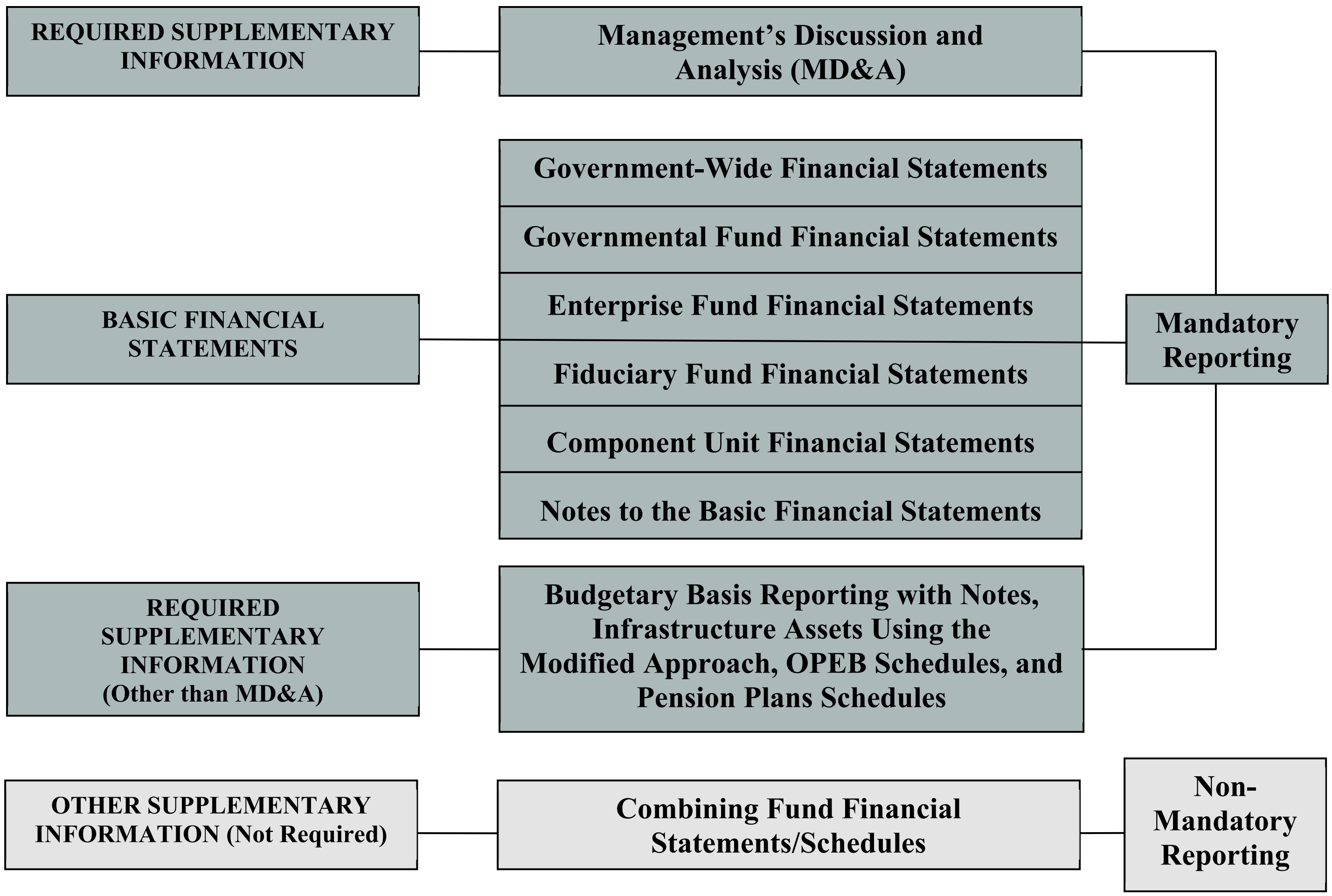
The following Management's Discussion and Analysis (MD&A) is required supplementary information to the State of New York's financial statements. It provides a narrative overview and analysis of the financial activities of the State of New York (State) for the fiscal year ended March 31, 2022. The MD&A is intended to serve as an introduction to the State's basic financial statements, which have the following components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. The MD&A is designed to (a) assist the reader in focusing on significant financial matters, (b) provide an overview of the State's financial activities, (c) identify any material changes from the original budget, and (d) highlight individual fund matters. The following presentation is by necessity highly summarized, and in order to gain a thorough understanding of the State's financial condition, the following financial statements, notes and required supplementary information should be reviewed in their entirety.

FINANCIAL HIGHLIGHTS

- New York State reported a net position surplus of $6.5 billion, comprising $260.7 billion in total assets and $21.5 billion in deferred outflows of resources, less $245.5 billion in total liabilities and $30.2 billion in deferred inflows of resources (Table 1).
- The State's net position increased by $20.2 billion as a result of this year's operations. The net position for governmental activities increased by $18.1 billion and the net position for business-type activities increased by $2.1 billion due to current year operations (Table 2).
- The State's governmental activities had total revenues of $251.9 billion, which exceeded total expenses of $229.9 billion, excluding transfers to business-type activities of $3.9 billion, by $22 billion (Table 2).
- The total cost of all the State's programs, which includes $48.9 billion in business-type activities, was $278.7 billion (Table 2).
- The General Fund reported a surplus this year of $11.3 billion, which increased the accumulated fund balance to $31.7 billion.
- Total debt outstanding at year-end was $70 billion, comprising $53.7 billion in governmental activities and $16.3 billion in business-type activities (Table 5).

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and supplementary information. The Statement of Net Position and the Statement of Activities (on pages 28 and 29, respectively) provide information about the activities of the State as a whole and present a longer-term view of the State's finances. Fund financial statements start on page 30. For governmental activities, these statements show how services were financed in the short-term, as well as the amount of resources that remain available for future spending. Fund financial statements also report the State's operations in more detail than the government-wide statements by providing information about the State's most significant funds. The remaining statements provide financial information about activities for which the State acts solely as a trustee for the benefit of those outside the government and about public benefit corporations for which the State is accountable. The layout and relationship of the financial statements and supplementary information is visually illustrated as follows:



Reporting the State as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the State, as a whole, begins on page 14. One of the most important questions asked about the State's finances is: "Is the State, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the State, as a whole, and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources, using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash was received or paid.

These two statements report the State's net position and changes in it. One can think of the State's net position—the difference between (a) assets and deferred outflows of resources, and (b) liabilities and deferred inflows of resources—as one way to measure the State's financial health, or financial position. Over time, increases or decreases in the State's net position are one indicator of whether its financial health is improving or deteriorating. One may need to consider other nonfinancial factors, such as changes in the State's tax structure, population, employment, and the condition of the State's roads, bridges and buildings, in order to assess the overall health of the State.

In the Statement of Net Position and the Statement of Activities, operations of the State are divided into three kinds of activities:

- Governmental Activities—Most of the State's basic services are reported here, including education, public health, public welfare, public safety, transportation, environment and recreation, support and regulate business, general government, and interest on long-term debt. Federal grants, personal income taxes, consumption and use taxes, business and other taxes, transfer of lottery revenues, and bond proceeds finance most of these activities.
- Business-Type Activities—The State charges a fee to customers to help it cover all or part of the cost of certain services it provides. The State's Lottery Fund, Unemployment Insurance Benefit Fund, the State University of New York (SUNY) and the City University of New York (CUNY) Senior Colleges are reported here.
- Component Units—The State includes 43 separate legal entities in its report, as disclosed in Notes 1 and 14 of the Notes to the Basic Financial Statements. Although legally separate, these "component units" are important because the State is financially accountable for them and may be affected by their financial well-being. In addition, the State blends two other component units in with the governmental activities, because they provide services exclusively to the State.

Reporting the State's Most Significant Funds

Fund Financial Statements

Financial statements prepared at the fund level provide additional details about the State's financial position and activities. By definition, funds are accounting entities with a self-balancing set of accounts created for the purpose of carrying on specific activities or achieving specific goals. Information presented in the fund financial statements differs from the information presented in the government-wide statements because the perspective and basis of accounting used to prepare the fund financial statements are different than the perspective and basis of accounting used to prepare the government-wide statements. The State's governmental and proprietary fund types use different perspectives and accounting bases. The funds presented in the fund financial statements are categorized as either major or non-major funds, as required by generally accepted accounting principles (GAAP). The State uses three fund types for operations – governmental, proprietary and fiduciary. The analysis of the State's major funds begins on page 17. The fund financial statements begin on page 30 and provide detailed information about the most significant funds, not the State as a whole.

- Governmental Funds—Most of the State's basic services and expenditures are reported in governmental funds, which focus on how money flows into and out of those funds as well as the balances remaining at year-end that are available for spending. Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Assets and liabilities that do not impact current financial resources, such as capital assets and long-term liabilities, are not recognized in the governmental funds statements. The governmental funds statements provide a detailed short-term view of the State's general government operations and the basic services the State provides. Governmental funds information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. The relationships (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are presented in the reconciliations following the fund financial statements.

- Proprietary Funds—These funds are utilized when the State charges customers to recover its costs of providing services. Proprietary funds report on business-type activities, which include enterprise-type funds and internal service-type funds. The State has no internal service-type funds on a GAAP basis and, therefore, has only one proprietary fund type – Enterprise. The State's enterprise funds are the same as the business-type activities reported in the government-wide statements. Proprietary Funds statements are prepared using the economic resources measurement focus and the accrual basis of accounting. In addition to a Statement of Net Position and a Statement of Revenues, Expenses and Changes in Fund Net Position, Proprietary Funds are also required to report a Statement of Cash Flows (page 36).

Reporting the State's Fiduciary Responsibilities

The State is the trustee, or fiduciary, for certain of its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All the State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 37 and 38, respectively. We exclude these activities from the State's government-wide financial statements because the State cannot use these assets to finance its operations. The State is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Component Units of the State

The State has created numerous public benefit corporations – two of which provide services exclusively to the State government itself, the New York Local Government Assistance Corporation (LGAC) and the Tobacco Settlement Financing Corporation (TSFC), and the rest of which provide services directly to citizens. The financial position and activities of LGAC and TSFC have been blended within the Statement of Net Position and the Statement of Activities in the governmental activities column and in the governmental funds. The financial position and activities of the public benefit corporations that provide services directly to citizens have been presented in the Statement of Net Position and the Statement of Activities under the component units column and also in more detail in the Combining Statement of Net Position and the Combining Statement of Activities for the component units. These component units have been discretely presented in the State's financial statements because their nature and significance to the State cause them to have an effect on the fiscal condition of the State and the State is accountable for them.

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental entities are required by GAAP to report on their net position. The Statement of Net Position presents the value of all of New York State's assets and deferred outflows of resources, and of its liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in a government's financial position. In the fiscal year ended March 31, 2022, the State reported a net position surplus of $6.5 billion, comprising $74.1 billion in net investment in capital assets, and $17.4 billion in restricted net position, offset by an unrestricted net position deficit of $85 billion.

Net position reported for governmental activities increased by $18.1 billion to a $25.4 billion net position surplus. Unrestricted net position for governmental activities – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – had a deficit of $63 billion at March 31, 2022.

The following table (Table 1) was derived from the current and prior year government-wide Statements of Net Position:

Table 1
Net Position as of March 31, 2022 and 2021
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Assets:						
Noncapital assets:						
Cash and investments	$ 82,385	$ 40,419	$ 10,098	$ 9,056	$ 92,483	$ 49,475
Receivables, net	49,117	36,089	5,863	6,648	54,980	42,737
Other	652	638	294	216	946	854
Total noncapital assets	**132,154**	**77,146**	**16,255**	**15,920**	**148,409**	**93,066**
Capital assets	93,337	92,045	18,901	18,928	112,238	110,973
Total assets	**225,491**	**169,191**	**35,156**	**34,848**	**260,647**	**204,039**
Deferred outflows of resources	**17,871**	**16,949**	**3,633**	**3,777**	**21,504**	**20,726**
Liabilities:						
Liabilities due within one year	81,654	46,722	5,367	6,603	87,021	53,325
Liabilities due in more than one year	112,369	127,986	46,095	50,571	158,464	178,557
Total liabilities	**194,023**	**174,708**	**51,462**	**57,174**	**245,485**	**231,882**
Deferred inflows of resources	**23,985**	**4,103**	**6,189**	**2,376**	**30,174**	**6,479**
Net position:						
Net investment in capital assets	72,836	72,568	1,225	1,456	74,061	74,024
Restricted	15,546	11,305	1,874	1,684	17,420	12,989
Unrestricted deficits	(63,028)	(76,544)	(21,961)	(24,065)	(84,989)	(100,609)
Total net position	**$ 25,354**	**$ 7,329**	**$ (18,862)**	**$ (20,925)**	**$ 6,492**	**$ (13,596)**

* As of June 30, 2021 and 2020 for SUNY and CUNY activities

The net position deficit in unrestricted governmental activities, which decreased by $13.5 billion (17.7 percent) in 2022, exists primarily because the State has issued debt for purposes not resulting in a capital asset related to State governmental activities and because of the obligation related to other postemployment benefits ($52.1 billion). Such outstanding debt included: borrowing for local highway and bridge projects ($4.4 billion), local mass transit projects ($6.4 billion), and a wide variety of grants and other expenditures not resulting in State capital assets ($18.2 billion). This deficit in unrestricted net position of governmental activities can be expected to continue for as long as the State continues to have obligations outstanding for purposes other than the acquisition of State governmental capital assets.

The net position deficit in business-type activities decreased by $2 billion (9.9 percent) to $18.9 billion in 2022 as compared to $20.9 billion in 2021. The decrease in net position deficit for business-type activities was due to CUNY Senior Colleges' revenues and State support exceeding expenses by $240 million, SUNY revenues and State support exceeding expenses by $948 million, and employer contributions and other revenue exceeding unemployment benefit payments for the Unemployment Insurance Fund by $935 million. This was partially offset by Lottery education aid transfers exceeding net income by $16 million.

The following table (Table 2) was derived from the current and prior year government-wide Statements of Activities:

Table 2
Changes in Net Position for the Fiscal Years Ended March 31, 2022 and 2021
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Revenues:						
Program revenues:						
Charges for services	$ 26,555	$ 26,283	$ 19,758	$ 14,722	$ 46,313	$ 41,005
Operating grants and contributions	95,239	79,831	27,628	6,701	122,867	86,532
Capital grants and contributions	1,247	1,380	21	58,573	1,268	59,953
General revenues:						
Taxes	109,643	92,383	-	-	109,643	92,383
Other	19,169	10,126	1,191	713	20,360	10,839
Total revenues	**251,853**	**210,003**	**48,598**	**80,709**	**300,451**	**290,712**
Expenses:						
Education	40,701	36,092	-	-	40,701	36,092
Public health	105,374	88,501	-	-	105,374	88,501
Public welfare	27,207	18,342	-	-	27,207	18,342
Public safety	9,700	9,795	-	-	9,700	9,795
Transportation	15,879	12,878	-	-	15,879	12,878
Other	30,995	31,514	-	-	30,995	31,514
Lottery	-	-	6,907	5,726	6,907	5,726
Unemployment insurance	-	-	26,118	72,957	26,118	72,957
State University of New York	-	-	12,004	13,122	12,004	13,122
City University of New York	-	-	3,838	4,022	3,838	4,022
Total expenses	**229,856**	**197,122**	**48,867**	**95,827**	**278,723**	**292,949**
Increase (decrease) in net position before transfers	**21,997**	**12,881**	**(269)**	**(15,118)**	**21,728**	**(2,237)**
Transfers	(3,946)	(5,244)	2,376	2,568	(1,570)	(2,676)
Changes in net position	**18,051**	**7,637**	**2,107**	**(12,550)**	**20,158**	**(4,913)**
Net position, beginning of year, as restated	**7,303**	**(308)**	**(20,969)**	**(8,375)**	**(13,666)**	**(8,683)**
Net position, end of year	**$ 25,354**	**$ 7,329**	**$ (18,862)**	**$ (20,925)**	**$ 6,492**	**$ (13,596)**

* As of June 30, 2021 and 2020 for SUNY and CUNY activities

Governmental Activities

In fiscal year 2022, the State's total revenues for governmental activities of $251.9 billion exceeded its total expenses of $229.9 billion by $22 billion (Table 2). However, as shown in the Statement of Activities on page 29, the amount that State taxpayers ultimately financed for activities through State taxes and other State revenues was $128.8 billion. Overall, the State's governmental program revenues, including intergovernmental aid, fees for services and capital grants, were $123 billion in 2022. The State paid for the remaining "public benefit" portion of governmental activities with $109.6 billion in taxes and $19.2 billion in unrestricted grants and other revenues, including investment earnings.

Table 3 presents the cost of State support for each of the State's five largest programs: education, public health, public welfare, public safety, and transportation, as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial obligation that was placed upon the State's taxpayers by each of these functions.

Table 3
Governmental Activities for the Fiscal Years Ended March 31, 2022 and 2021
(Amounts in millions)

	2022			2021
	Total Cost of Services	**Program Revenues**	**Net Cost of Services**	**Net Cost of Services**
Education	$ 40,701	$ 7,933	$ 32,768	$ 31,815
Public health	105,374	78,890	26,484	17,881
Public welfare	27,207	21,167	6,040	(826)
Public safety	9,700	3,789	5,911	7,653
Transportation	15,879	3,540	12,339	9,323
All others	30,995	7,722	23,273	23,782
Totals	**$ 229,856**	**$ 123,041**	**$ 106,815**	**$ 89,628**

Business-Type Activities

The cost of all business-type activities this year was $48.9 billion, a decrease of $46.9 billion over the $95.8 billion cost in 2021 (Table 2). Decreases in spending for Unemployment Insurance Benefit Fund payments, SUNY hospitals and clinics, and SUNY and CUNY Senior Colleges' educational and general expenses were slightly offset by increases in Lottery benefits and prizes paid. As shown in the Statement of Activities on page 29, the amount reported as transfers that governmental activities ultimately financed for business-type activities was $2.4 billion after activity costs were paid by those directly benefiting from the programs ($19.8 billion), operating grants and contributions ($27.6 billion), and capital grants and contributions ($21 million). The increase in revenues from charges for services ($5 billion) resulted from an increase in Lottery ticket and video gaming sales, as well as CUNY Senior Colleges' tuition and fees and auxiliary enterprises revenues and the increase in employer contributions. The increase in operating grants and contributions ($20.9 billion) is offset by the decrease in capital grants and contributions ($58.6 billion) as a result of lower federal grants received by the State in the Unemployment Insurance Benefit Fund used for payment of claims related to the COVID-19 pandemic.

THE STATE'S FUNDS

The State uses fund accounting to ensure and demonstrate compliance with legal and finance-related requirements. As the State completed the fiscal year, its governmental funds (as presented in the balance sheet on page 30) reported a combined fund balance of $55.5 billion. Included in this year's total change in fund balance is a surplus of $11.3 billion in the State's General Fund, resulting from expenditures exceeding revenues by $32.4 billion, which was offset by net other financing sources of $43.7 billion to the General Fund. The General Fund reported increases in business taxes ($9.5 billion), federal grants ($4.5 billion) and miscellaneous revenues ($1.8 billion) offset by decreases in personal income taxes ($12 billion), consumption and uses taxes ($3.1 billion) and other taxes ($239 million). Compared to the prior year, personal income tax revenue decreased due to higher estimated final return payments and the introduction of the Pass-Through Entity Tax which allows for corporations to remit taxes on behalf of their principal employees which is reflected in the higher business tax collections. The Federal grant revenue increase is due to the transfer of American Rescue Plan Act (ARPA) funding to the General Fund for use in operations. Total General Fund revenues increased $513 million, while expenditures increased $17.1 billion. Local assistance expenditures increased by $10.2 billion, due primarily to the timing of education assistance as well as public health and public welfare expenditures. State operations expenditures increased $6.9 billion. The State ended the 2021-22 fiscal year with a General Fund accumulated fund balance of $31.7 billion. Also included in this year's total change in fund balance is a surplus of $4.4 billion in the State's General Debt Service Fund, resulting from revenues exceeding expenditures by $49.7 billion, which was offset by net other financing uses of $45.3 billion. The General Debt Service Fund reported increases in personal income taxes ($8 billion), business taxes ($8.2 billion), and consumption and use taxes ($5.1 billion) offset by increases in debt service expenditures ($1.6 billion) and net other financing uses ($18.1 billion). Compared to the prior year, personal income tax revenue increased due to increases in dedicated revenues. The significant increase in business taxes was related to the first year of the Pass-Through Entity Tax collections. The increase in consumption and use taxes was due to an increase in allocated revenues following the retirement of LGAC bonds. The General Debt Service Fund revenues increased by $21.3 billion, while debt service expenditures increased $1.6 billion due to an increase in outstanding debt. The increase in net financing uses was primarily due to an increase in transfers of excess revenues ($16.2 billion) to the General Fund after debt service requirements were met and a decrease in transfers from other State funds relating to reimbursements ($1.6 billion) of debt service expenditures made. The General Debt Service Fund ended the 2021-22 fiscal year with accumulated fund balance of $8 billion.

The Enterprise Funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The change in net position of the Enterprise Funds has already been discussed in the preceding discussion of business-type activities.

General Fund Budgetary Highlights

The State's financial plan, which uses the cash basis of accounting, is updated quarterly throughout the year as required by the State Finance Law. The quarterly updates to the 2021-22 financial plan reflected revisions to the original financial plan based on actual operating results to date and an updated analysis of underlying economic, revenue, and spending trends, as well as other actions and developments. This discussion includes comparisons to estimates from two different financial plan updates in 2021-22: the original financial plan (the "Enacted Budget Financial Plan" issued May 25, 2021) and the final financial plan (the "Updated Financial Plan" issued February 18, 2022).

General Fund receipts exceeded disbursements by $23.9 billion in the 2021-22 fiscal year. Total General Fund receipts for the year (including transfers from other funds) were $112.8 billion. Total General Fund disbursements for the year (including transfers to other funds) were $88.9 billion. Tax receipts and General Fund reserves were impacted by the enactment of the Pass-Through Entity Tax (PTET) program which resulted in business tax collections of $16.4 billion in FY 2022. These receipts were placed in reserve for payment of accompanying Personal Income Tax (PIT) credits that are expected to reduce PIT collections beginning in April 2022.

The General Fund ended the fiscal year with a closing cash fund balance of $33.1 billion, which consisted of $3.3 billion in the State's rainy day reserve funds ($1.4 billion in the Tax Stabilization Reserve Account and $1.9 billion in the Rainy Day Reserve Fund), $26 million in the Community Projects Fund, and $21 million in the Contingency Reserve Fund, and $29.7 billion in the Refund Reserve Account. At the close of the 2021-22 fiscal year, the Division of the Budget (DOB) informally designated a portion of the $29.7 billion on deposit in the Refund Reserve for timing of PTET/PIT Credits ($16.4 billion), economic uncertainties ($5.7 billion), debt management ($500 million), transfers to capital projects funds ($1.8 billion), pandemic assistance ($2 billion), and labor settlements/agency operations ($275 million). These amounts can be used for other purposes.

General Fund receipts in the 2021-22 fiscal year were $25.6 billion higher than the Enacted Budget Financial Plan estimate. Personal income tax (PIT) receipts, including transfers from other funds after debt service payments, exceeded estimates by $6.2 billion. Higher PIT collections reflected stronger than expected growth in withholdings and extensions, particularly among high income taxpayers, final returns, and current estimated payments. These gains were offset by the payment of debt service due in future years ($4 billion). Lower consumption tax receipts were primarily due to the prepayment of debt service due in future years ($2.25 billion), offsetting higher collections resulting from a stronger than expected recovery in taxable consumption from the COVID-19 downturn. Higher business taxes were attributable to the impact of PTET collections ($16.4 billion) and stronger than anticipated Corporate Franchise Tax collections. Growth in Other Taxes was attributable to a stronger than expected recovery in the real estate market and a higher number of super-large estate tax payments than expected. Higher than projected miscellaneous receipts and grants are mainly due to the reclassification of pandemic assistance provided through the ARPA to Federal grants rather than a transfer from Federal Funds ($4.5 billion), as well as higher than expected revenues from reimbursements, licenses/fees, abandoned property and motor vehicle fees.

General Fund disbursements in 2021-22 were below the Enacted Budget Financial Plan estimate by $73 million. Local Assistance spending was $2.7 billion lower than planned due to the timing of payments and conservative estimation of spending. Agency operations were $102 million below initial expectations, attributable to savings from the reclassification of eligible expenses to the Coronavirus Relief Funds (CRF), augmented by a conservative estimation of spending through March, partially offset by higher spending on non-personal service costs driven by the delay of cost shifts to FEMA, deposit of monies to the health insurance escrow fund for future Health Insurance charges and repayment of the State share of non-Medicare payroll taxes deferred in fiscal year 2021 in their entirety. Transfers to other funds were $2.7 billion higher than initially projected mainly to support nearly $3 billion in capital projects related to lower than projected bond reimbursements and payment advances to the MTA.

Net operating results were $2.5 billion more favorable than expected in the Updated Financial Plan, which estimated a net operating surplus of $21.4 billion. The improvement was comprised of $764 million in higher receipts, due primarily to the reclassification of the deposit of Federal ARPA monies from a transfer to Federal grants, partially offset by the payment of debt service due in future years, and lower disbursements of $1.8 billion. Lower disbursements were driven by normal underspending and conservative estimation of disbursements.

The State's current year General Fund GAAP surplus of $11.3 billion reported on page 32 differs from the General Fund's cash basis operating surplus of $23.9 billion reported in the reconciliation found under Budgetary Basis Reporting on page 168. This variation results from differences in basis of accounting, and entity and perspective differences between budgetary reporting versus those established as GAAP and followed in preparation of this financial statement.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of March 31, 2022, the State has $112.2 billion invested in a broad range of capital assets, including equipment, buildings, construction in progress, land preparation, and infrastructure, which primarily includes roads and bridges (Table 4). This amount represents a net increase (including additions and deductions) of $1.3 billion over last year.

Table 4
Capital Assets as of March 31, 2022 and 2021
(Net of depreciation, amounts in millions)

	Governmental Activities		Business-Type Activities*, as restated		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land and land improvements	$ 4,647	$ 4,604	$ 1,129	$ 1,116	$ 5,776	$ 5,720
Land preparation	4,299	4,227	-	-	4,299	4,227
Buildings	5,453	5,288	13,469	13,366	18,922	18,654
Equipment and library books	368	331	851	856	1,219	1,187
Construction in progress	2,680	2,189	2,369	2,440	5,049	4,629
Infrastructure	75,337	74,819	884	866	76,221	75,685
Artwork and historical treasures	-	-	47	47	47	47
Intangible assets	553	587	152	168	705	755
Totals	**$ 93,337**	**$ 92,045**	**$ 18,901**	**$ 18,859**	**$ 112,238**	**$ 110,904**

*As of June 30, 2021 and 2020 for SUNY and CUNY activities

State-owned roads and bridges that are maintained by the Department of Transportation (DOT) are being reported using the modified approach. As allowed by the reporting provisions in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, infrastructure assets that meet prescribed criteria do not have to be depreciated but must be maintained at levels defined by State policy. The State currently has 42,744 lane miles of roads. The State has 7,914 bridges in the inventory, of which 7,698 are highway bridges. The remainder include railroad and pedestrian structures.

Highway condition is rated using a scale of 1 (very poor) to 10 (excellent) based on the prevalence of surface-related pavement distress. For bridges, in 2016, the State transitioned to the American Association of State Highway and Transportation Officials (AASHTO) element-based rating system that utilizes a 1 (good) through 4 (severe) scale as mandated by the Federal Highway Administration (FHWA). The new bridge goal will be based on the percentage of Structurally Deficient (SD) bridges as defined by FHWA. The SD calculations are based on the National Bridge Inventory (NBI) inspection data that has been collected by the DOT for more than 15 years and reported to FHWA on an annual basis. Prior to 2016, the State used a numerical inspection condition rating (CR) scale ranging from 1 (minimum) to 7 (maximum). Under this prior rating system, bridges with a CR rating greater than 5.8 are in good condition, and generally require preventive and corrective maintenance actions; bridges receiving a rating between 4.9 (inclusive) and 5.8 (inclusive) are in fair protective condition, and generally require relatively minor preventive and corrective maintenance actions; those rated between 4.4 (inclusive) and 4.9 are in fair corrective condition, and generally require moderate preventive and corrective maintenance actions; and bridges assigned a rating less than 4.4 are considered to be in poor condition, and generally require major rehabilitation or replacement. Refer to the Required Supplementary Information (RSI) for additional information regarding infrastructure assets using the modified approach. Pavement condition rating parameters for the current year are between 6.7 and 7.2. Using the new criteria to identify Structurally Deficient bridges, it is the State's intention to maintain the percentage of SD bridges at or below 15 percent of the State highway bridge population. Previously, it was the State's intention to maintain the bridges at an average condition rating level of between 5.3 and 5.6. Capital spending for highway and bridge maintenance and preservation projects was approximately $1.4 billion in 2022.

The State's 2022-23 fiscal year capital budget calls for it to spend $17.4 billion for capital projects, of which $6.7 billion is for transportation projects. To pay for these capital projects, the State plans to use $443 million in general obligation bond proceeds, $8.8 billion in other financing arrangements with public authorities, $3.2 billion in federal funds, and $5 billion in funds on hand or received during the year. More detailed information about the State's capitalization policy for capital assets is presented in Note 1 of the Notes to the Basic Financial Statements. For further information on capital asset balances, refer to Note 5. For a comparison of estimated-to-actual spending for maintenance and preservation costs, refer to the RSI.

Debt Administration

The State has obtained long-term financing in the form of voter-approved General Obligation debt (voter-approved debt) and other obligations that are authorized by legislation but not approved by the voters (non-voter-approved debt), including lease-purchase and contractual obligations where the State's legal obligation to make payments is subject to and paid from annual appropriations made by the Legislature. Equipment capital leases and mortgage loan commitments, which represent $591 million as of March 31, 2022, do not require legislative or voter approval. Other obligations include certain bonds issued through State public authorities and certificates of participation. The State administers its long-term financing needs as a single portfolio of State-supported debt that includes general obligation bonds and other obligations of both its governmental activities and business-type activities. Most of the debt reported under business-type activities, all of which was issued for capital assets used in those activities, is supported by payments from resources generated by the State's governmental activities—thus it is not expected to be directly repaid from resources generated by business-type activities. The State Finance Law allows the bonded portion of this single combined debt portfolio, which includes debt reported in both governmental and business-type activities, to include debt instruments which result in a net variable rate exposure in an amount that does not exceed 15 percent of total outstanding State-supported debt, and interest rate exchange agreements (swaps) that do not exceed 15 percent of total outstanding State-supported debt. At June 30, 2021, the State had $258 million in interest rate exchange agreements, in which the State issues variable rate bonds and enters into a swap agreement that effectively converts the rate to a fixed rate. Risks related to these transactions are explained in Note 7.

At March 31, 2022, the State had $70 billion in bonds, notes, and other financing agreements outstanding compared with $66.4 billion in the prior year, an increase of $3.6 billion as shown below in Table 5.

Table 5
Outstanding Debt as of March 31, 2022 and 2021
(Amounts in millions)

	Governmental Activities		**Business-Type Activities***		**Total Primary Government**	
	2022	**2021**	**2022**	**2021****	**2022**	**2021**
State-supported debt as defined by the State Finance Law:						
General obligation bonds (voter-approved)	$ 1,996	$ 2,170	$ -	$ -	$ 1,996	$ 2,170
Other financing arrangements	45,643	42,217	14,234	14,286	59,877	56,503
Municipal Bond Bank Agency (MBBA) Special Purpose School Aid bonds	30	68	-	-	30	68
Capital lease obligations	32	28	502	435	534	463
Mortgage loan commitments	-	-	61	61	61	61
Other long-term debt	-	-	95	102	95	102
Unamortized bond premiums (discounts)	6,019	5,714	1,419	1,316	7,438	7,030
Totals	**$ 53,720**	**$ 50,197**	**$ 16,311**	**$ 16,200**	**$ 70,031**	**$ 66,397**

*As of June 30, 2021 and 2020 for SUNY and CUNY activities
** As restated

In addition to the debt outlined above, the State reported $2.2 billion in collateralized borrowings ($268 million in governmental activities and $1.9 billion in business-type activities) for which specific revenues have been pledged. In the prior year, the State reported $2.1 billion in collateralized borrowings ($283 million in governmental activities and $1.8 billion in business-type activities).

During the 12-month period reported, the State issued $10.6 billion in bonds, of which $1.7 billion was for refunding and $8.9 billion was for new borrowing (Table 6). For additional information related to outstanding debt, see Note 7 of the Notes to the Basic Financial Statements. See Note 16 for State debt issued subsequent to the reporting period.

Table 6
New Debt Issued During Prior 12-Month Period
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Voter-approved debt:						
General obligation:						
New issues	$ -	$ 180	$ -	$ -	$ -	$ 180
Refunding issues	-	454	-	-	-	454
Total voter-approved debt	**-**	**634**	**-**	**-**	**-**	**634**
Non-voter-approved debt:						
Other financing arrangements:						
New issues	7,948	12,406	959	1,358	8,907	13,764
Refunding issues	1,242	1,325	502	395	1,744	1,720
Total non-voter-approved debt	**9,190**	**13,731**	**1,461**	**1,753**	**10,651**	**15,484**
Totals	**$ 9,190**	**$ 14,365**	**$ 1,461**	**$ 1,753**	**$ 10,651**	**$ 16,118**

*As of June 30, 2021 and 2020 for SUNY and CUNY activities

The State's assigned general obligation bond ratings on March 31, 2022 were as follows: AA+ by Standard & Poor's Investor Services (S&P), Aa1 by Moody's Investor Service, Inc., and AA+ by Fitch Investor Service. The State Constitution, with exceptions for emergencies, limits the amount of general obligation bonds that can be issued to that amount approved by the voters for a single work or purpose in a general election. Currently, the State has $2.2 billion in authorized but unissued bond capacity that can be used to issue bonds for specifically approved purposes. The State may issue short-term debt without voter approval in anticipation of the receipt of taxes and revenues or proceeds from duly authorized but not issued general obligation bonds. For detailed information related to general obligation bonds, refer to Note 6.

The State Finance Law, through the Debt Reform Act of 2000 (the Act), also imposes phased-in caps on the issuance of new State-supported debt and related debt service costs. The Act also limits the use of debt to capital works and purposes, and establishes a maximum term length for repayment of 30 years. The Act applies to all State-supported debt. The Act does not apply to debt issued prior to April 1, 2000 or to other obligations issued by public authorities where the State is not the direct obligor.

State legislation authorized in connection with the Enacted Budgets for the 2020-21 and 2021-22 fiscal years suspended the Debt Reform Act as part of the State response to the COVID-19 pandemic. Accordingly, any State-supported debt issued in 2020-21 and 2021-22 is not limited to capital purposes and is not counted towards the statutory caps on debt outstanding and debt service.

ECONOMIC FACTORS AFFECTING THE STATE

After a short but deep recession in the beginning of 2020 due to the COVID-19 pandemic and the limits on economic activity that were put in place, the national economy entered a recovery period in the second half of the year which continued into 2021. As a result, the real gross domestic product (GDP) nationally increased by 5.7 percent in 2021 after an annual decline of 3.4 percent in 2020. In New York, the economic impact of the pandemic was more severe than the nation as a whole; the real Gross State Product (GSP) in 2020 decreased by 5.0 percent. The recovery of the New York economy in 2021 also lagged that nationally, with real GSP growing 5.0 percent. Unlike over two-thirds of the other states, New York's real GSP had yet to return to its pre-pandemic level.

The pandemic shutdown in 2020 caused significant job losses both nationally and statewide. From February to April 2020, the nation and the State lost nearly 22 million and 2 million jobs, respectively. By the end of the year, 55 percent of the jobs nationwide had been recovered. However, in New York, the job recovery was much slower; only 48 percent of lost jobs were recovered. While the rate of employment in New York picked up in 2021, it still lagged the nation. At the end of 2021, 72 percent of the jobs lost in New York were recovered, compared to 85 percent nationally.

All regions of the State experienced job losses in 2020 with the largest declines in New York City and Long Island, 11.1 percent and 10.1 percent, respectively. As employment recovered in 2021, all regions realized increases; however, the total number of jobs were still below pre-pandemic levels. The downstate regions of Long Island and the Hudson Valley experienced the largest growth rates, 4.5 percent and 3.1 percent, respectively.

In 2020, the unemployment rate hit its highest annual rate since 1977, 9.9 percent. With the increase in employment in 2021, it declined to 6.9 percent. Despite more people being employed, the labor force decreased by 133,500 workers. As a result, the labor force participation rate continued to fall, from 59.1 percent in 2020 to 59 percent in 2021.

Total wages, which are influenced by employment levels as well as the amounts paid to workers, increased nationally in 2021 by 9.1 percent. With slower employment growth, total wages in New York increased at a lower rate, 8.7 percent. However, average annual wages earned by workers in New York outpaced those nationally, growing 5.9 percent and 5.6 percent, respectively. With an increase in 2020 bonuses which were paid in the first quarter of 2021, the finance and insurance industry realized the highest percentage growth in average annual wages in 2021 (13.3 percent), while the other services sector, which includes personal care, repair, and laundry services realized the lowest (1.4 percent).

Total personal income in New York also increased in 2021, by 5.3 percent. While this was partially attributable to wage and employment growth throughout the year, it was also due to the economic impact checks and enhanced unemployment benefits provided to individuals under the federal ARPA funding. In the second quarter of 2021, over one-quarter of the State's personal income was from this stimulus as well as other government benefits. As this stimulus faded in the second half of the year, overall personal income growth for the year was tempered.

The securities industry in New York City is an important contributor to State and City revenues due to its large share of high-paid jobs and often large bonuses. Industrywide, profits in the first three quarters of 2021 were nearly 20 percent higher and the average bonus in the securities industry in New York City increased by an estimated 20 percent. However, finance and insurance industry employment in the City decreased by over 5,200 jobs in 2021.

According to the 2020 Census, New York State's population rose by an estimated 823,000 from 2010 to 2020, a growth of 4.2 percent. In 2021, the population declined by over 365,000, or 1.8 percent, based on estimates from the U.S. Census Bureau. While 40 percent of other states decreased their population, New York's decline was the greatest.

CONTACTING THE STATE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the State's finances and to show the State's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the State Comptroller's Communications Office at 110 State Street, 15th Floor, Albany, New York 12236 or visit our website at *www.osc.state.ny.us*.

STATE OF NEW YORK

EXCELSIOR

COMPTROLLER

Basic Financial Statements

STATE OF NEW YORK

Statement of Net Position

March 31, 2022
(Amounts in millions)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS:				
Cash and investments	$ 82,385	$ 10,098	$ 92,483	$ 67,321
Receivables, net of allowances for uncollectibles:				
Taxes	25,937	-	25,937	-
Due from Federal government	16,683	605	17,288	-
Loans, leases and notes	-	-	-	48,180
Other	6,231	4,981	11,212	8,756
Internal balances	266	277	543	-
Net pension asset	-	-	-	19
Net other postemployment benefits asset	-	17	17	14
Other assets	652	277	929	5,195
Capital assets:				
Land, infrastructure and construction in progress	86,269	3,542	89,811	25,076
Buildings, equipment, land improvements and infrastructure, net of depreciation	6,515	15,207	21,722	91,782
Intangible assets, net of amortization	553	152	705	608
Derivative instruments	-	-	-	136
Total assets	**225,491**	**35,156**	**260,647**	**247,087**
DEFERRED OUTFLOWS OF RESOURCES	**17,871**	**3,633**	**21,504**	**9,907**
LIABILITIES:				
Tax refunds payable	27,801	-	27,801	-
Accounts payable	936	878	1,814	605
Accrued liabilities	19,663	2,549	22,212	22,340
Payable to local governments	11,260	-	11,260	-
Interest payable	136	254	390	-
Pension contributions payable	1	-	1	37
Unearned revenues	17,404	565	17,969	2,685
Long-term liabilities:				
Due within one year	4,453	1,121	5,574	12,796
Due in more than one year:				
Tax refunds payable	1,783	-	1,783	-
Accrued liabilities	4,167	1,410	5,577	680
Payable to local governments	1,519	-	1,519	-
Due to Federal government	400	10,173	10,573	-
Lottery prizes payable	-	941	941	-
Pension contributions payable	-	10	10	-
Net pension liability	389	124	513	4,937
Other postemployment benefits	52,062	15,667	67,729	29,364
Pollution remediation	884	-	884	117
Collateralized borrowings	252	2,034	2,286	-
Obligations under lease/purchase and other financing arrangements	48,992	15,698	64,690	-
Notes payable	-	-	-	668
Bonds payable	1,921	-	1,921	113,716
Other long-term liabilities	-	-	-	11,737
Derivative instruments	-	38	38	644
Total liabilities	**194,023**	**51,462**	**245,485**	**200,326**
DEFERRED INFLOWS OF RESOURCES	**23,985**	**6,189**	**30,174**	**8,225**
NET POSITION:				
Net investment in capital assets	72,836	1,225	74,061	40,645
Restricted for:				
Debt service	8,494	-	8,494	2,808
Health and patient care	669	-	669	174
Education and research programs	4	1,440	1,444	4,338
Environmental projects and energy programs	23	-	23	9,133
Economic development, housing and transportation	267	-	267	2,809
Insurance and administrative requirements	4,351	-	4,351	2,739
Future lottery prizes	-	394	394	-
Pensions	-	40	40	-
Other government programs	1,738	-	1,738	-
Unrestricted deficits	(63,028)	(21,961)	(84,989)	(14,203)
Total net position	**$ 25,354**	**$ (18,862)**	**$ 6,492**	**$ 48,443**

See accompanying notes to the basic financial statements.

Statement of Activities

For the Year Ended March 31, 2022
(Amounts in millions)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue — Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government:								
Governmental activities:								
Education	$ 40,701	$ 137	$ 7,796	$ -	$ (32,768)	$ -	$ (32,768)	$ -
Public health	105,374	16,584	62,286	20	(26,484)	-	(26,484)	-
Public welfare	27,207	1,172	19,995	-	(6,040)	-	(6,040)	-
Public safety	9,700	158	3,631	-	(5,911)	-	(5,911)	-
Transportation	15,879	1,877	568	1,095	(12,339)	-	(12,339)	-
Environment and recreation	1,588	291	220	132	(945)	-	(945)	-
Support and regulate business	2,495	994	50	-	(1,451)	-	(1,451)	-
General government	25,518	5,342	643	-	(19,533)	-	(19,533)	-
Interest on long-term debt	1,394	-	50	-	(1,344)	-	(1,344)	-
Total governmental activities	**229,856**	**26,555**	**95,239**	**1,247**	**(106,815)**	**-**	**(106,815)**	**-**
Business-Type activities:								
Lottery	6,907	10,355	-	-	-	3,448	3,448	-
Unemployment insurance	26,118	3,424	23,605	-	-	911	911	-
State University of New York	12,004	5,252	2,637	21	-	(4,094)	(4,094)	-
City University of New York	3,838	727	1,386	-	-	(1,725)	(1,725)	-
Total business-type activities	**48,867**	**19,758**	**27,628**	**21**	**-**	**(1,460)**	**(1,460)**	**-**
Total primary government	**$ 278,723**	**$ 46,313**	**$ 122,867**	**$ 1,268**	**(106,815)**	**(1,460)**	**(108,275)**	**-**
Total component units	**$ 43,144**	**$ 19,428**	**$ 13,091**	**$ 4,368**				**(6,257)**
General revenues:								
Taxes:								
Personal income					56,534	-	56,534	-
Consumption and use					19,761	-	19,761	-
Business					27,510	-	27,510	-
Other					5,838	-	5,838	-
Grants and contributions not restricted to specific programs					4,500	-	4,500	7,252
Investment earnings					167	587	754	2,007
Miscellaneous					14,502	604	15,106	3,773
Total general revenues					**128,812**	**1,191**	**130,003**	**13,032**
Transfers					(3,946)	2,376	(1,570)	-
Total general revenues and transfers					**124,866**	**3,567**	**128,433**	**13,032**
Change in net position					**18,051**	**2,107**	**20,158**	**6,775**
Net position - beginning of year, as restated					**7,303**	**(20,969)**	**(13,666)**	**41,668**
Net position - end of year					**$ 25,354**	**$ (18,862)**	**$ 6,492**	**$ 48,443**

See accompanying notes to the basic financial statements.

Balance Sheet
Governmental Funds

March 31, 2022
(Amounts in millions)

	Major Funds					
	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Eliminations	Total
ASSETS:						
Cash and investments	$ 50,803	$ 8,421	$ 8,072	$ 15,089	$ -	**$ 82,385**
Receivables, net of allowances for uncollectibles:						
Taxes	13,057	-	11,446	1,434	-	**25,937**
Due from Federal government	-	16,332	8	515	-	**16,855**
Other	2,291	1,372	-	2,568	-	**6,231**
Due from other funds	8,923	25	-	1,809	(9,352)	**1,405**
Other assets	344	302	-	6	-	**652**
Total assets	**$ 75,418**	**$ 26,452**	**$ 19,526**	**$ 21,421**	**$ (9,352)**	**$ 133,465**
LIABILITIES:						
Tax refunds payable	$ 22,043	$ -	$ 4,925	$ 833	$ -	**$ 27,801**
Accounts payable	596	62	-	278	-	**936**
Accrued liabilities	6,691	9,261	16	760	-	**16,728**
Payable to local governments	4,022	5,623	1,002	613	-	**11,260**
Due to other funds	534	1,900	5,216	2,109	(9,352)	**407**
Pension contributions payable	1	-	-	-	-	**1**
Unearned revenues	8,419	8,982	-	3	-	**17,404**
Total liabilities	**42,306**	**25,828**	**11,159**	**4,596**	**(9,352)**	**74,537**
DEFERRED INFLOWS OF RESOURCES	**1,461**	**624**	**410**	**977**	**-**	**3,472**
FUND BALANCES (DEFICITS):						
Restricted	4,499	-	7,847	947	-	**13,293**
Committed	23,709	-	110	11,988	-	**35,807**
Assigned	3,443	-	-	4,339	-	**7,782**
Unassigned	-	-	-	(1,426)	-	**(1,426)**
Total fund balances	**31,651**	**-**	**7,957**	**15,848**	**-**	**55,456**
Total liabilities, deferred inflows of resources and fund balances	**$ 75,418**	**$ 26,452**	**$ 19,526**	**$ 21,421**	**$ (9,352)**	**$ 133,465**

See accompanying notes to the basic financial statements.

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

March 31, 2022
(Amounts in millions)

Total fund balances - governmental funds	**$ 55,456**
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	93,337
Deferred inflows of resources related to the State's revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, are deferred in the funds.	3,268
Deferred inflows of resources related to derivative instruments and deferred gains on refundings of bonds payable and obligations under lease/purchase and other financing arrangements are not reported in the funds.	(278)
Deferred inflows of resources related to pension and other postemployment benefits are not reported in the funds.	(23,503)
Medicaid cost recoveries are not available soon enough to reduce current period expenditures that are due to the Federal government.	(172)
Deferred outflows of resources related to derivative instruments and deferred losses on refundings of bonds payable and obligations under lease/purchase and other financing arrangements are not reported in the funds.	246
Deferred outflows of resources related to pension and other postemployment benefits are not reported in the funds.	17,625
Some liabilities (listed below) are not due and payable in the current period and therefore are not reported in the funds:	
Interest payable	(136)
Due to business-type activities	(732)
Claimant liability for escheated property	(2,935)
Long-term liabilities due within one year	(4,453)
Tax refunds payable	(1,783)
Accrued liabilities	(4,167)
Payable to local governments	(1,519)
Due to Federal government	(400)
Net pension liability	(389)
Other postemployment benefits	(52,062)
Pollution remediation	(884)
Collateralized borrowings	(252)
Obligations under lease/purchase and other financing arrangements	(48,992)
Bonds payable	(1,921)
Total net position - governmental activities	**$ 25,354**

See accompanying notes to the basic financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

Year Ended March 31, 2022
(Amounts in millions)

	Major Funds					
	General	**Federal Special Revenue**	**General Debt Service**	**Other Governmental Funds**	**Eliminations**	**Total**
REVENUES:						
Taxes:						
Personal income	$ 14,532	$ -	$ 40,096	$ 1,819	$ -	**$ 56,447**
Consumption and use	4,161	-	8,649	6,978	-	**19,788**
Business	16,682	-	8,215	2,886	-	**27,783**
Other	1,403	-	6	3,970	-	**5,379**
Federal grants	4,528	94,346	46	2,000	-	**100,920**
Public health/patient fees	-	-	-	6,147	-	**6,147**
Tobacco settlement	-	-	-	685	-	**685**
Miscellaneous	27,328	109	8	6,364	-	**33,809**
Total revenues	**68,634**	**94,455**	**57,020**	**30,849**	**-**	**250,958**
EXPENDITURES:						
Local assistance grants:						
Education	28,344	6,068	-	5,638	-	**40,050**
Public health	26,479	60,248	-	6,963	-	**93,690**
Public welfare	5,274	18,345	-	1,297	-	**24,916**
Public safety	287	3,245	-	276	-	**3,808**
Transportation	120	56	-	11,533	-	**11,709**
Environment and recreation	5	1	-	347	-	**353**
Support and regulate business	852	9	-	701	-	**1,562**
General government	3,191	569	-	628	-	**4,388**
State operations:						
Personal service	9,345	1,425	-	211	-	**10,981**
Non-personal service	20,539	1,462	30	2,449	-	**24,480**
Pension contributions	2,024	224	-	38	-	**2,286**
Other fringe benefits	4,558	568	-	82	-	**5,208**
Capital construction	-	-	-	6,976	-	**6,976**
Debt service, including payments on financing arrangements	-	-	7,309	691	-	**8,000**
Total expenditures	**101,018**	**92,220**	**7,339**	**37,830**	**-**	**238,407**
Excess (deficiency) of revenues over expenditures	**(32,384)**	**2,235**	**49,681**	**(6,981)**	**-**	**12,551**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	54,660	-	527	12,863	(64,272)	**3,778**
Transfers to other funds	(12,798)	(2,235)	(46,800)	(10,278)	64,272	**(7,839)**
Financing arrangements issued	1,858	-	-	6,115	-	**7,973**
Refunding debt issued	-	-	831	411	-	**1,242**
Swap termination	-	-	(70)	(7)	-	**(77)**
Premiums/discounts on bonds issued	3	-	181	844	-	**1,028**
Net other financing sources (uses)	**43,723**	**(2,235)**	**(45,331)**	**9,948**	**-**	**6,105**
Net change in fund balances	**11,339**	**-**	**4,350**	**2,967**	**-**	**18,656**
Fund balances at April 1, 2021, as restated	**20,312**	**-**	**3,607**	**12,881**	**-**	**36,800**
Fund balances at March 31, 2022	**$ 31,651**	**$ -**	**$ 7,957**	**$ 15,848**	**$ -**	**$ 55,456**

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Year Ended March 31, 2022
(Amounts in millions)

Net change in fund balances - total governmental funds		**$ 18,656**
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds and the sale of capital assets is recorded as revenue in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Depreciation expense, net of asset disposal	$ (591)	
Disposal of assets	(183)	
Purchase of assets	2,066	
		1,292
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Amoritization of premiums and discounts recorded only in the statement of net position as an adjustment of interest expense. These amounts are the net effect of proceeds, amortization and repayments:		
Repayment of principal	$ 5,882	
Amortization of Premiums/Discounts	724	
Long-term debt proceeds	(10,166)	
		(3,560)
Increase in revenues in the statement of activities that do not reduce current financial resources and are not reported in the funds.		930
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Local assistance grants	$ (567)	
State operations	(1,700)	
Capital construction	2,885	
Transfers to business-type activities	115	
		733
Change in net position of governmental activities		**$ 18,051**

See accompanying notes to the basic financial statements.

Statement of Net Position
Enterprise Funds

March 31, 2022
(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2021 SUNY	June 30, 2021 CUNY	Total
ASSETS:					
Current assets:					
Cash and cash equivalents	$ 1,267	$ 88	$ 2,962	$ 832	**$ 5,149**
Investments	98	-	573	122	**793**
Deposits with trustees and DASNY	-	-	109	132	**241**
Due from Federal government	-	605	-	-	**605**
Receivables, net of allowance for uncollectibles	478	2,322	1,671	407	**4,878**
Due from other funds	-	-	296	369	**665**
Other assets	13	-	135	9	**157**
Total current assets	**1,856**	**3,015**	**5,746**	**1,871**	**12,488**
Noncurrent assets:					
Restricted cash and cash equivalents	-	-	172	6	**178**
Long-term investments	1,020	-	1,562	354	**2,936**
Deposits with trustees	-	-	716	85	**801**
Receivables, net of allowance for uncollectibles	-	-	99	4	**103**
Due from other funds	-	-	807	-	**807**
Net other postemployment benefits asset	-	-	-	17	**17**
Capital assets:					
Land, construction in progress and artwork	-	-	1,855	1,687	**3,542**
Buildings and equipment, net of depreciation	-	-	11,885	3,322	**15,207**
Intangible assets, net of amortization	-	-	-	152	**152**
Other assets	-	-	120	-	**120**
Total noncurrent assets	**1,020**	**-**	**17,216**	**5,627**	**23,863**
Total assets	**2,876**	**3,015**	**22,962**	**7,498**	**36,351**
DEFERRED OUTFLOWS OF RESOURCES:					
Pension activities	10	-	1,289	50	**1,349**
Other postemployment benefits activities	8	-	1,756	289	**2,053**
Derivative activities	-	-	-	38	**38**
Deferred loss on refunding	-	-	98	85	**183**
Other	-	-	10	-	**10**
Total deferred outflows of resources	**18**	**-**	**3,153**	**462**	**3,633**
LIABILITIES:					
Current liabilities:					
Accounts payable	9	-	531	338	**878**
Accrued liabilities	540	227	1,628	520	**2,915**
Pension contributions payable	-	-	4	-	**4**
Lottery prizes payable	131	-	-	-	**131**
Due to other funds	707	-	488	-	**1,195**
Interest payable	-	-	178	76	**254**
Unearned revenues	10	-	391	164	**565**
Collateralized borrowing	-	-	7	-	**7**
Obligations under lease/purchase and other financing arrangements	-	-	466	147	**613**
Total current liabilities	**1,397**	**227**	**3,693**	**1,245**	**6,562**
Noncurrent liabilities:					
Accrued liabilities	-	-	1,296	114	**1,410**
Due to Federal government	-	10,173	-	-	**10,173**
Pension contributions payable	-	-	10	-	**10**
Net pension liability	-	-	51	73	**124**
Other postemployment benefits	66	-	13,554	2,047	**15,667**
Lottery prizes payable	941	-	-	-	**941**
Collateralized borrowing	-	-	2,034	-	**2,034**
Obligations under lease/purchase and other financing arrangements	-	-	10,858	4,840	**15,698**
Derivative instruments	-	-	-	38	**38**
Total noncurrent liabilities	**1,007**	**10,173**	**27,803**	**7,112**	**46,095**
Total liabilities	**2,404**	**10,400**	**31,496**	**8,357**	**52,657**
DEFERRED INFLOWS OF RESOURCES:					
Pension activities	12	-	1,822	614	**2,448**
Other postemployment benefits activities	13	-	3,370	316	**3,699**
Deferred gain on refunding	-	-	8	-	**8**
Other	-	-	34	-	**34**
Total deferred inflows of resources	**25**	**-**	**5,234**	**930**	**6,189**
NET POSITION:					
Net investment in capital assets	-	-	822	403	**1,225**
Restricted for:					
Nonexpendable purposes:					
Instruction and departmental research	-	-	310	-	**310**
Scholarships, fellowships and general education support	-	-	148	-	**148**
Investments	-	-	-	53	**53**
General operations and other	-	-	148	-	**148**
Expendable purposes:					
Instruction and departmental research	-	-	259	-	**259**
Scholarships, fellowships and general education support	-	-	135	187	**322**
Loans	-	-	-	7	**7**
General operations and other	-	-	131	62	**193**
Future prizes	394	-	-	-	**394**
Pensions	-	-	40	-	**40**
Unrestricted (deficit)	71	(7,385)	(12,608)	(2,039)	**(21,961)**
Total net position	**$ 465**	**$ (7,385)**	**$ (10,615)**	**$ (1,327)**	**$ (18,862)**

See accompanying notes to the basic financial statements.

Statement of Revenues, Expenses and Changes in Fund Net Position
Enterprise Funds

Year Ended March 31, 2022
(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2021 SUNY	June 30, 2021 CUNY	Total
OPERATING REVENUES:					
Ticket and video gaming sales	$ 10,355	$ -	$ -	$ -	**$ 10,355**
Employer contributions	-	3,424	-	-	**3,424**
Tuition and fees, net	-	-	1,642	726	**2,368**
Government grants and contracts	-	-	1,006	323	**1,329**
Private gifts, grants and contracts	-	-	434	90	**524**
Hospitals and clinics	-	-	3,125	-	**3,125**
Auxiliary enterprises	-	-	485	1	**486**
Other	-	26	214	19	**259**
Total operating revenues	**10,355**	**3,450**	**6,906**	**1,159**	**21,870**
OPERATING EXPENSES:					
Benefits paid	-	26,113	-	-	**26,113**
Prizes	4,901	-	-	-	**4,901**
Commissions and fees	1,738	-	-	-	**1,738**
Educational and general	-	-	6,452	3,431	**9,883**
Hospitals and clinics	-	-	3,757	-	**3,757**
Auxiliary enterprises	-	-	516	-	**516**
Instant game ticket costs	17	-	-	-	**17**
Depreciation and amortization	-	-	727	219	**946**
Other	127	5	30	-	**162**
Total operating expenses	**6,783**	**26,118**	**11,482**	**3,650**	**48,033**
Operating income (loss)	**3,572**	**(22,668)**	**(4,576)**	**(2,491)**	**(26,163)**
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	47	(2)	68	5	**118**
Other income (expenses), net	7	-	11	101	**119**
Private gifts, grants, and contracts	-	-	152	43	**195**
Federal and city appropriations	-	-	21	55	**76**
Federal and State nonoperating grants	-	23,605	1,176	918	**25,699**
Net increase (decrease) in the fair value of investments	(78)	-	431	38	**391**
Plant and equipment write-off	-	-	(33)	-	**(33)**
Interest expense	(46)	-	(489)	(188)	**(723)**
Total nonoperating revenues (expenses)	**(70)**	**23,603**	**1,337**	**972**	**25,842**
Income (loss) before other revenues and transfers	**3,502**	**935**	**(3,239)**	**(1,519)**	**(321)**
TRANSFERS, CAPITAL CONTRIBUTIONS & ADDITIONS TO PERMANENT ENDOWMENTS:					
State transfers	90	-	3,588	1,321	**4,999**
Federal and State hospital support transfers	-	-	522	-	**522**
Education aid transfer	(3,608)	-	-	-	**(3,608)**
Capital transfers	-	-	25	438	**463**
Capital gifts and grants	-	-	21	-	**21**
Additions to permanent endowments	-	-	31	-	**31**
Increase (decrease) in net position	**(16)**	**935**	**948**	**240**	**2,107**
Net position - beginning of year, as restated	**481**	**(8,320)**	**(11,563)**	**(1,567)**	**(20,969)**
Net position - end of year	**$ 465**	**$ (7,385)**	**$ (10,615)**	**$ (1,327)**	**$ (18,862)**

See accompanying notes to the basic financial statements.

STATE OF NEW YORK

Statement of Cash Flows
Enterprise Funds

Year Ended March 31, 2022
(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2021 SUNY	June 30, 2021 CUNY	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from:					
Contributions	$ -	$ 3,257	$ -	$ -	**$ 3,257**
Ticket sales	10,484	-	-	-	**10,484**
Tuition and fees	-	-	1,633	694	**2,327**
Government grants and contracts	-	-	951	210	**1,161**
Private grants and contracts	-	-	437	84	**521**
Hospitals and clinics	-	-	2,757	-	**2,757**
Auxiliary enterprises	-	-	471	1	**472**
Other	7	-	193	22	**222**
Payments for:					
Claims	-	(27,342)	-	-	**(27,342)**
Prizes	(5,027)	-	-	-	**(5,027)**
Commissions and fees	(1,771)	-	-	-	**(1,771)**
Operating expenses	(136)	-	(8,358)	(3,071)	**(11,565)**
Other	-	-	(449)	(293)	**(742)**
Net cash provided (used) by operating activities	**3,557**	**(24,085)**	**(2,365)**	**(2,353)**	**(25,246)**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer to education	(3,260)	-	-	-	**(3,260)**
Temporary loan from Federal government	-	2,651	-	2	**2,653**
Repayment of temporary loan from Federal government	-	(3,288)	-	-	**(3,288)**
Transfers from governmental activities	90	-	2,161	1,359	**3,610**
Federal and State nonoperating grants	-	24,197	1,320	916	**26,433**
Private gifts and grants	-	-	152	-	**152**
Gifts and grants	-	-	-	43	**43**
Proceeds from short-term loans	-	-	51	-	**51**
Repayment of short-term loans	-	-	(40)	-	**(40)**
Direct loan receipts	-	-	973	-	**973**
Direct loan disbursements	-	-	(973)	-	**(973)**
Enterprise fund transactions	-	-	41	105	**146**
Net cash provided (used) by noncapital financing activities	**(3,170)**	**23,560**	**3,685**	**2,425**	**26,500**
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:					
Proceeds from capital debt	-	-	1,620	569	**2,189**
Capital transfers	-	-	24	438	**462**
Purchase of capital assets	-	-	(889)	(206)	**(1,095)**
Principal payments on capital leases	-	-	(1,228)	(278)	**(1,506)**
Principal payments on refunded bonds	-	-	-	(347)	**(347)**
Interest payments on capital leases	-	-	(579)	(233)	**(812)**
Capital gifts and grants received	-	-	23	-	**23**
Proceeds from sale of capital assets	-	-	1	-	**1**
Bond issuance cost	-	-	-	(6)	**(6)**
Deposits advanced from State	-	-	496	-	**496**
Deposits held by bond trustees and DASNY	-	-	(394)	95	**(299)**
Increase in amounts held by DASNY	-	-	-	(23)	**(23)**
Transfer to/from foundations	-	-	-	(1)	**(1)**
Net cash provided (used) by capital financing activities	**-**	**-**	**(926)**	**8**	**(918)**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest, dividends and realized gains (loss) on investments	21	(2)	99	5	**123**
Proceeds from sales and maturities of investments	112	-	449	469	**1,030**
Purchases of investments	(18)	-	(549)	(526)	**(1,093)**
Net cash provided (used) by investing activities	**115**	**(2)**	**(1)**	**(52)**	**60**
Net increase (decrease) in cash and cash equivalents	**502**	**(527)**	**393**	**28**	**396**
Cash and cash equivalents - beginning of year	765	615	2,741	810	**4,931**
Cash and cash equivalents - end of year	**$ 1,267**	**$ 88**	**$ 3,134**	**$ 838**	**$ 5,327**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	$ 3,572	$ (22,668)	$ (4,576)	$ (2,491)	**$ (26,163)**
Adjustments to reconcile operating income (loss) to net cash provided (used) by nonoperating and noncash activities:					
Depreciation and amortization	-	-	727	219	**946**
Bad debt expense	-	-	-	(9)	**(9)**
Investment expense	(46)	-	-	-	**(46)**
Other nonoperating and noncash items	6	-	1,816	-	**1,822**
Change in assets and liabilities:					
Receivables, net	15	(592)	(141)	(119)	**(837)**
Other assets	-	399	66	(9)	**456**
Lottery prizes payable	(69)	-	-	-	**(69)**
Unclaimed and future prizes	76	-	-	-	**76**
Accrued liabilities	2	(1,361)	1,901	109	**651**
Net pension liability	(12)	-	-	(168)	**(180)**
Other postemployment benefits	(9)	-	(2,046)	134	**(1,921)**
Unearned revenues	-	-	(112)	(19)	**(131)**
Other payables	-	137	-	-	**137**
Deferred outflows	1	-	-	-	**1**
Deferred inflows	21	-	-	-	**21**
Net cash provided (used) by operating activities	**$ 3,557**	**$ (24,085)**	**$ (2,365)**	**$ (2,353)**	**$ (25,246)**
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Unrealized gains (losses) on investments	$ (78)	$ -	$ 392	$ 38	$ 352
Amortization of investment discount	$ 27	$ -	$ -	$ -	$ 27
Noncash gifts	$ -	$ -	$ 19	$ -	$ 19

See accompanying notes to the basic financial statements.

Statement of Fiduciary Net Position

Fiduciary Funds

March 31, 2022
(Amounts in millions)

	Pension Trust	OPEB Trust	Private Purpose Trusts	Custodial Funds
ASSETS:				
Cash and investments	$ -	$ 320	$ 46,859	$ 2,212
Retirement system investments:				
Short-term investments	3,853	-	-	-
Domestic equities	94,271	-	-	-
Global fixed income	52,498	-	-	-
International equities	39,189	-	-	-
Private equities	37,026	-	-	-
Real estate and mortgage loans	24,294	-	-	-
Opportunistic/ARS investments	5,730	-	-	-
Real assets	6,051	-	-	-
Credit assets	9,210	-	-	-
Securities lending collateral, invested	22,478	-	-	-
Forward foreign exchange contracts	24	-	-	-
Receivables, net of allowances for uncollectibles:				
Employer contributions	469	-	-	-
Member contributions	7	-	-	-
Member loans	894	-	-	-
Accrued interest and dividends	390	-	-	-
Investment sales	545	-	-	-
Other	67	-	123	5
Other assets	577	-	-	-
Total assets	**297,573**	**320**	**46,982**	**2,217**
LIABILITIES:				
Securities lending obligations	22,506	-	-	-
Forward foreign exchange contracts	24	-	-	-
Accounts payable	-	-	-	1
Accounts payable - investments	693	-	-	-
Accounts payable - benefits	155	-	-	-
Other liabilities	476	-	145	-
Payable to local governments	-	-	-	1,902
Total liabilities	**23,854**	**-**	**145**	**1,903**
NET POSITION:				
Restricted for pension benefits and other purposes	273,719	320	-	-
Individuals, organizations, and other governments	-	-	46,837	314
Total net position	**$ 273,719**	**$ 320**	**$ 46,837**	**$ 314**

See accompanying notes to the basic financial statements.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

Year Ended March 31, 2022
(Amounts in millions)

	Pension Trust	OPEB Trust	Private Purpose Trusts	Custodial Funds
Additions:				
Investment earnings:				
Interest income	$ 1,235	$ -	$ 32	$ -
Dividend income	1,654	-	1,201	-
Securities lending income	45	-	-	-
Other income	1,883	-	6	-
Net increase in the fair value of investments	18,519	-	3,674	-
Total investment earnings	**23,336**	**-**	**4,913**	**-**
Less:				
Securities lending expenses	(15)	-	-	-
Investment expenses	(947)	-	(79)	-
Net investment earnings	**22,374**	**-**	**4,834**	**-**
Contributions:				
College savings	-	-	4,369	-
NY ABLE savings	-	-	10	-
Employers	5,628	320	-	-
Members	578	-	-	-
Interest on accounts receivable	58	-	-	-
Other	68	-	-	-
Total contributions	**6,332**	**320**	**4,379**	**-**
Collection of sales tax for other governments	**-**	**-**	**-**	**20,325**
Collection of real estate tax for other governments	**-**	**-**	**-**	**3,773**
Miscellaneous	**-**	**-**	**-**	**917**
Total additions	**28,706**	**320**	**9,213**	**25,015**
Deductions:				
College aid redemptions	-	-	3,127	-
NY ABLE savings	-	-	3	-
Payments of sales tax to local governments	-	-	-	20,325
Payments of obligations on behalf of other governments	-	-	-	3,773
Payments to beneficiaries	-	-	-	280
Benefits paid:				
Retirement allowances	14,482	-	-	-
Death benefits	238	-	-	-
Other benefits	185	-	-	-
Administrative expenses	163	-	-	-
Other expenses	-	-	-	613
Total deductions	**15,068**	**-**	**3,130**	**24,991**
Net increase (decrease) in net position	**13,638**	**320**	**6,083**	**24**
Net position restricted for pension benefits and other purposes at April 1, 2021, as restated	**260,081**	**-**	**40,754**	**290**
Net position restricted for pension benefits and other purposes at March 31, 2022	**$ 273,719**	**$ 320**	**$ 46,837**	**$ 314**

See accompanying notes to the basic financial statements.

Combining Statement of Net Position
Discretely Presented Component Units

March 31, 2022
(Amounts in millions)

	Major Component Units										Non-Major Component Units	Eliminations	Total
	Power Authority	Housing Finance Agency	Thruway Authority	Metropolitan Transportation Authority	Dormitory Authority	Long Island Power Authority	Urban Development Corporation	State Insurance Fund	SONYMA	Environmental Facilities Corporation			
ASSETS:													
Cash and investments	$ 1,373	$ 2,697	$ 1,541	$ 14,487	$ 11,726	$ 1,765	$ 7,871	$ 20,883	$ 3,242	$ 2,279	$ 10,962	$ (11,505)	**$ 67,321**
Receivables, net of allowances for uncollectibles:													
Loans, leases, and notes	43	16,279	-	-	51,395	-	13,536	-	2,736	10,655	928	(47,392)	**48,180**
Other	253	83	122	4,654	1,275	869	-	268	18	99	1,115	-	**8,756**
Net pension asset	-	-	-	-	-	-	-	-	-	-	19	-	**19**
Net other postemployment benefits asset	-	-	-	-	-	-	-	-	-	-	14	-	**14**
Other assets	1,859	-	30	857	-	1,890	216	6	19	-	345	(27)	**5,195**
Capital assets:													
Construction in progress	786	-	188	23,377	-	526	-	-	-	-	199	-	**25,076**
Land, buildings and equipment, net of depreciation	5,702	-	7,341	60,382	30	9,889	5,038	-	-	-	3,400	-	**91,782**
Intangible assets	-	57	-	-	-	544	-	-	1	-	6	-	**608**
Derivative instruments	-	-	-	-	-	136	-	-	-	-	-	-	**136**
Total assets	**10,016**	**19,116**	**9,222**	**103,757**	**64,426**	**15,619**	**26,661**	**21,157**	**6,016**	**13,033**	**16,988**	**(58,924)**	**247,087**
DEFERRED OUTFLOWS OF RESOURCES:													
Pension activities	188	8	119	2,706	40	3	23	-	9	7	333	-	**3,436**
Other postemployment benefits activities	94	5	265	4,033	64	-	19	78	7	8	365	-	**4,938**
Derivative instruments	87	7	-	384	-	7	-	-	24	-	4	-	**513**
Deferred loss on refunding	-	-	7	740	-	164	1	-	4	-	84	-	**1,000**
Other	17	-	3	-	-	-	-	-	-	-	-	-	**20**
Total deferred outflows of resources	**386**	**20**	**394**	**7,863**	**104**	**174**	**43**	**78**	**44**	**15**	**786**	**-**	**9,907**
LIABILITIES:													
Accounts payable	-	12	-	378	-	-	-	-	-	-	215	-	**605**
Accrued liabilities	688	197	393	4,147	3,267	844	293	12,037	103	218	1,754	(1,601)	**22,340**
Pension contributions payable	-	-	-	37	-	-	-	-	-	-	-	-	**37**
Unearned revenues	-	418	135	871	677	-	-	375	-	-	209	-	**2,685**
Notes payable	606	-	-	-	-	422	81	-	-	-	10	-	**1,119**
Bonds payable	-	354	148	8,069	2,932	247	1,339	-	128	323	140	(2,646)	**11,034**
Current portion of other long-term liabilities	58	-	-	57	4	349	90	-	-	-	85	-	**643**
Due in more than one year:													
Accrued liabilities	-	-	-	-	461	155	-	-	-	-	77	(13)	**680**
Net pension liability	1	-	-	4,899	-	-	-	-	-	-	37	-	**4,937**
Other postemployment benefits	-	42	1,418	24,409	292	-	169	715	49	49	2,221	-	**29,364**
Pollution remediation	-	-	-	116	-	-	-	-	-	-	1	-	**117**
Unearned revenues	-	63	-	-	-	-	-	-	-	-	248	-	**311**
Notes payable	38	-	-	-	-	-	607	-	-	-	23	-	**668**
Bonds payable	1,626	16,951	6,642	48,431	56,714	9,141	19,446	-	2,564	5,091	1,846	(54,736)	**113,716**
Other long-term liabilities	1,627	-	14	5,913	44	3,102	589	-	-	-	137	-	**11,426**
Derivative instruments	-	7	-	392	-	138	-	-	37	-	70	-	**644**
Total liabilities	**4,644**	**18,044**	**8,750**	**97,719**	**64,391**	**14,398**	**22,614**	**13,127**	**2,881**	**5,681**	**7,073**	**(58,996)**	**200,326**
DEFERRED INFLOWS OF RESOURCES:													
Pension activities	225	10	140	2,994	43	3	27	-	13	8	415	-	**3,878**
Other postemployment benefits activities	316	7	59	1,733	10	5	13	171	11	10	517	-	**2,852**
Deferred gain on refunding	-	-	24	31	-	-	-	-	-	-	-	-	**55**
Other	402	-	-	-	-	785	246	-	-	-	7	-	**1,440**
Total deferred inflows of resources	**943**	**17**	**223**	**4,758**	**53**	**793**	**286**	**171**	**24**	**18**	**939**	**-**	**8,225**
NET POSITION:													
Net investment in capital assets	3,181	-	1,438	29,899	15	349	3,362	-	-	-	2,401	-	**40,645**
Restricted for:													
Debt service	-	758	101	1,039	60	127	-	-	693	-	30	-	**2,808**
Health and patient care	-	-	-	-	-	-	-	-	-	-	174	-	**174**
Education and research programs	-	-	-	-	-	-	-	-	-	-	4,338	-	**4,338**
Environmental projects and energy programs	63	-	-	-	-	-	-	-	-	7,341	1,729	-	**9,133**
Economic development, housing and transportation	-	-	100	1,346	-	-	442	-	-	-	921	-	**2,809**
Insurance and administrative requirements	-	-	-	225	-	-	-	-	2,501	-	13	-	**2,739**
Unrestricted	1,571	317	(996)	(23,366)	11	126	-	7,937	(39)	8	156	72	**(14,203)**
Total net position	**$ 4,815**	**$ 1,075**	**$ 643**	**$ 9,143**	**$ 86**	**$ 602**	**$ 3,804**	**$ 7,937**	**$ 3,155**	**$ 7,349**	**$ 9,762**	**$ 72**	**$ 48,443**

See accompanying notes to the basic financial statements.

Combining Statement of Activities
Discretely Presented Component Units

Year Ended March 31, 2022
(Amounts in millions)

	Major Component Units												
	Power Authority	Housing Finance Agency	Thruway Authority	Metropolitan Transportation Authority	Dormitory Authority	Long Island Power Authority	Urban Development Corporation	State Insurance Fund	SONYMA	Environmental Facilities Corporation	Non-Major Component Units	Eliminations	Total
EXPENSES:													
Program operations	$ 2,321	$ 464	$ 511	$ 13,685	$ 122	$ 3,204	$ 1,534	$ 1,933	$ 72	$ 313	$ 9,530	$ (34)	**$ 33,655**
Interest on long-term debt	25	341	207	1,813	2,540	367	811	-	80	249	50	(2,505)	**3,978**
Other interest	59	-	-	-	-	-	-	-	-	-	10	-	**69**
Depreciation and amortization	281	-	410	3,158	-	426	149	-	-	-	224	-	**4,648**
Other expenses	-	-	-	-	306	-	5	74	142	-	272	(5)	**794**
Total expenses	**2,686**	**805**	**1,128**	**18,656**	**2,968**	**3,997**	**2,499**	**2,007**	**294**	**562**	**10,086**	**(2,544)**	**43,144**
PROGRAM REVENUES:													
Charges for services	2,741	445	826	5,218	2,837	3,931	17	1,897	115	305	2,809	(1,713)	**19,428**
Operating grants and contributions	-	2	3	5,913	-	-	2,185	-	-	180	5,618	(810)	**13,091**
Capital grants and contributions	-	-	1	3,789	-	-	-	-	-	296	282	-	**4,368**
Total program revenues	**2,741**	**447**	**830**	**14,920**	**2,837**	**3,931**	**2,202**	**1,897**	**115**	**781**	**8,709**	**(2,523)**	**36,887**
Net program revenue (expenses)	**55**	**(358)**	**(298)**	**(3,736)**	**(131)**	**(66)**	**(297)**	**(110)**	**(179)**	**219**	**(1,377)**	**21**	**(6,257)**
GENERAL REVENUES:													
Non-State grants and contributions													
Not restricted to specific programs	-	-	-	6,914	-	40	-	-	-	-	305	(7)	**7,252**
Investment earnings:													
Restricted	-	-	-	-	-	-	-	918	43	13	470	-	**1,444**
Unrestricted	12	-	1	-	-	36	2	-	-	-	514	(2)	**563**
Miscellaneous	5	320	-	982	128	54	182	37	163	-	1,929	(27)	**3,773**
Total general revenues	**17**	**320**	**1**	**7,896**	**128**	**130**	**184**	**955**	**206**	**13**	**3,218**	**(36)**	**13,032**
Change in net position	**72**	**(38)**	**(297)**	**4,160**	**(3)**	**64**	**(113)**	**845**	**27**	**232**	**1,841**	**(15)**	**6,775**
Net position - beginning of year, as restated	**4,743**	**1,113**	**940**	**4,983**	**89**	**538**	**3,917**	**7,092**	**3,128**	**7,117**	**7,921**	**87**	**41,668**
Net position - end of year	**$ 4,815**	**$ 1,075**	**$ 643**	**$ 9,143**	**$ 86**	**$ 602**	**$ 3,804**	**$ 7,937**	**$ 3,155**	**$ 7,349**	**$ 9,762**	**$ 72**	**$ 48,443**

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS – INDEX

NOTES TO THE BASIC FINANCIAL STATEMENTS
March 31, 2022

NOTE 1 - Summary of Significant Accounting Policies

The accompanying basic financial statements of the State of New York (State) have been prepared in conformity with generally accepted accounting principles (GAAP) for governments. Such principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America.

The basic financial statements have been prepared primarily from accounts maintained by the State Comptroller. Additional data has been derived from reports prescribed by the State Comptroller and prepared by State departments, agencies, public benefit corporations and other entities based on independent or subsidiary accounting systems maintained by them.

a. Reporting Entity

The basic financial statements include all funds of the primary government, which is the State, as well as the component units and other organizational entities determined to be included in the State's financial reporting entity.

The decision to include a component unit in the State's reporting entity is based on several criteria, including legal standing, fiscal dependency and financial accountability. A brief review of certain entities included in the State's reporting entity follows.

Blended Component Units – The New York Local Government Assistance Corporation (LGAC) was created by Chapter 220 of the Laws of 1990. LGAC is administered by seven directors consisting of the State Comptroller and the Director of the Division of the Budget, serving ex officio, and five directors appointed by the Governor. LGAC was created to issue long-term debt on behalf of the State to finance certain local assistance aid payments plus amounts necessary to fund a capital reserve fund and other issuance costs. LGAC is legally separate but provides services exclusively to the State, and therefore is reported as part of the primary government as a blended component unit.

The Tobacco Settlement Financing Corporation (TSFC) was created by Part D3 of Chapter 62 of the Laws of 2003. TSFC was created as a subsidiary of the State of New York Municipal Bond Bank Agency (MBBA). The directors of the MBBA are members of TSFC. TSFC is governed by a seven-member board, consisting of the Chairman of the MBBA, the Secretary of State, the Director of the Budget, the State Comptroller or his appointee, and three directors appointed by the Governor. TSFC was created to issue long-term debt on behalf of the State to finance State operations plus amounts necessary to fund a capital reserve fund and other issuance costs. TSFC is legally separate but provides services exclusively to the State, and therefore is reported as part of the primary government as a blended component unit.

Discretely Presented Component Units – The public benefit corporations (Corporations) listed in Note 14 were established by State statute with full corporate powers. The Governor, with the approval of the State Senate, appoints most members of the board of directors of most Corporations and either the Governor or the board of directors selects the chairman and chief executive officer. Corporations generally submit annual reports to the Governor, the Legislature and the State Comptroller on their operations and finances, accompanied by an independent auditors' report thereon. Corporations also submit to the Governor and the Legislature annual budget information on operations and capital construction. The State Comptroller is empowered to conduct financial and management audits of the Corporations. Financial assistance was provided in the fiscal year ended March 31, 2022 to certain Corporations, and such assistance is expected to be required in future years. Accordingly, the fiscal condition of the State is related to the fiscal stability of the Corporations. Since the Corporations are legally separate organizations for which the Governor and the Legislature are financially accountable, they are discretely presented as component units of the State.

Related Organizations and Joint Ventures – The State's officials are also responsible for appointing the members of the boards of various related organizations (e.g., the Nassau County Interim Finance Authority), but the State's accountability for these organizations does not extend beyond making the appointments. As discussed in more detail in Note 15, the State participates in several joint ventures but only reports on one due to materiality considerations.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effects of interfund activity within governmental and business-type activities have been eliminated from these statements. However, balances due and resource flows between governmental and business-type activities have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been allocated and are reported as direct program expenses of individual functions or programs. Program revenues include: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not included as program revenues are reported as general revenues, as required.

Separate financial statements are provided for Governmental Funds, Enterprise Funds and Fiduciary Funds, even though the latter are excluded from the government-wide financial statements. Major individual Governmental Funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the Enterprise Funds, the Component Units and the Fiduciary Funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year in which they are earned. Grants, entitlements and donations are recognized as revenues as soon as all eligibility requirements have been met.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or collectible within 12 months of the end of the current fiscal period. Tax revenues are recorded by the State as taxpayers earn income (personal income, general business and other taxes), as sales are made (consumption and use taxes), and as the taxable event occurs (miscellaneous taxes), net of estimated overpayments (refunds). Receivables not expected to be collected within the next 12 months are recorded as deferred inflows of resources. Expenditures and related liabilities are generally recorded in the accounting period the liability is incurred, to the extent it is expected to be paid within the next 12 months, with the exception of items covered by GASB Interpretation 6 (GASBI 6), *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. GASBI 6 modified the recognition criteria of certain expenditures and liabilities. GASBI 6 requires that expenditures and liabilities such as debt service, compensated absences, and claims and judgments be recorded in the governmental fund statements only when they mature or become due for payment within the period. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other grant requirements have been met and amounts are considered available. Other nonexchange grants and subsidies, such as local assistance grants and public benefit corporation subsidies, are recognized as expenditures when all requirements of the grant and/or subsidy have been satisfied.

The State reports the following major and other governmental funds:

General Fund – is the primary operating fund of the State and is used to account for all financial transactions not required to be accounted for in another fund.

Federal Special Revenue Fund – accounts for federal grants received by the State that are earmarked for specific programs. In order to comply with federal accounting and reporting requirements, certain federal grants are accounted for in a number of accounts that are combined and reported as the Federal Special Revenue Fund. Accounts that are combined include the Federal USDA-Food and Nutrition Services Account (Federal USDA-FNS), the Federal Health and Human Services Account (Federal DHHS), the Federal Education Account, the Federal Operating Grants Account, the Unemployment Insurance Administration Account, the Unemployment Insurance Occupational Training Account and the Federal Employment and Training Grants Account.

General Debt Service Fund – accounts for the payment of principal and interest on the State's general obligation debt, and payments on certain lease/purchase and other contractual obligations.

Other Governmental Funds – is a summarization of all the nonmajor governmental funds.

The governmental fund financial statements include a reconciliation between the fund statements and the government-wide statements. Differences that make a reconciliation necessary include the differences in measurement focus and basis of accounting between the statements. The Statement of Activities reflects the net costs of each major function of State operations, which differs from the presentation of expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds, which matches the State's budgetary (financial plan) presentation.

The State reports the following major Enterprise Funds:

Lottery Fund – accounts for lottery revenues that are earmarked for education assistance to local school districts, lottery administrative costs of the New York State Gaming Commission, and payment of lottery prizes.

Unemployment Insurance Benefit Fund (UIB Fund) – accounts for unemployment contributions from employers that are utilized for the payment of unemployment compensation benefits.

SUNY Fund – accounts for the operations of the State University of New York (SUNY). Information reported in this fund is obtained from the audited financial statements prepared by SUNY for the fiscal year ended June 30, 2021.

CUNY Fund – accounts for the operations of the City University of New York (CUNY) Senior Colleges. Information reported in this fund is obtained from the audited financial statements of the Senior Colleges prepared by CUNY for the fiscal year ended June 30, 2021.

Enterprise Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with an Enterprise Fund's principal ongoing operations. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds are used to report assets held in a trustee or custodial capacity for others, which therefore cannot be used to support the government's own programs. The types of Fiduciary Funds maintained by the State consist of the following:

Pension Trust Fund – accounts for the activities of the New York State and Local Retirement System, which accumulates resources for pension benefit payments to qualified public employees.

OPEB Trust Fund – accounts for the activities of Retiree Health Benefit Trust Fund, which accumulates resources for other postemployment benefits (OPEB), such as retiree health benefits for retired state employees and their dependents.

Private Purpose Trust Funds – account for resources held in trust to facilitate savings for higher education expenses and disability-related expenses, pursuant to New York's 529 College Savings and New York ABLE Savings programs, respectively. There is no requirement that any portion of these resources be preserved as capital. Information reported for the savings programs is obtained from the audited financial statements prepared by the programs for the fiscal year ended December 31, 2021.

Custodial Funds – report fiduciary activities that are not required to be reported in another fiduciary fund type. This includes funds that are held for the benefit of individuals, organizations, or other governments that are not part of the State's reporting entity, such as sales taxes and NYC real estate taxes collected on behalf of other governments.

Additionally, the State includes discretely presented component units:

Component Units – the public benefit corporations' financial statements, except for the State Insurance Fund and the Aggregate Trust Fund, are prepared using the economic resources measurement focus and are accounted for on the accrual basis of accounting. The State Insurance Fund and the Aggregate Trust Fund prepare financial statements in conformity with accounting practices prescribed or permitted by the New York State Department of Financial Services. The Department of Financial Services recognizes only New York Statutory Accounting Practices for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under New York State Insurance Law. The impact of variances from GAAP is not material to the Corporations in total.

d. Cash and Investments

Cash balances of funds held in the State Treasury are commingled in a general checking account and several special purpose bank accounts. The available cash balance in the general checking account beyond immediate need is pooled for short-term investment purposes. The balances pooled are limited to legally stipulated investments, which are reported at cost, including accrued interest, which approximates fair value. Non-interest-bearing compensating balances of $843 million are included in cash and investments at March 31, 2022. At various times during the year, compensating balances could be substantially higher. Cash balances not held in the State Treasury and controlled by various State officials are generally deposited in interest-bearing accounts or other legally stipulated investments. Additional information about the State's cash and investments is provided in Note 2.

Generally, for purposes of reporting cash flows, cash includes cash and cash equivalents. Cash equivalents are liquid assets with maturities of 90 days or less. The Enterprise Funds' Statements of Cash Flows use the direct method of reporting cash flows.

All investments with a maturity of more than one year are recorded on the Statements of Net Position and the balance sheet at fair value and all investment income, including changes in the fair value of investments, is reported as revenue. Fair values were determined using market values at the applicable entities' year-end. Investments of the short-term investment pool have a maturity of one year or less and are recorded at cost.

e. Receivables

Receivables are stated net of estimated allowances for uncollectible amounts, which are determined based upon past collection experience and current economic conditions. The Due from federal government category represents amounts owed to the State to reimburse it for expenditures incurred pursuant to federally funded programs. The Other receivables category represents amounts owed to the State, including Medicaid drug rebates, financial service settlements, tobacco settlements, patient fees of SUNY and Health Department hospitals and various mental hygiene facilities, student loans and lottery ticket sales. Additional information about receivables is provided in Note 4.

f. Internal Balances

All outstanding balances between funds at the end of the fiscal year are referred to as "due to/from other funds" on the fund financial statements. Generally, the effects of interfund activity within the governmental funds have been removed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." For the most part, the remaining difference is a result of SUNY and CUNY having a different fiscal year than the State.

g. Other Assets

Other assets in governmental activities and business-type activities include payments for costs applicable to future accounting periods, and other types of assets not reported on other lines. Inventories reported by the governmental funds are recorded as expenditures when they are purchased. Inventories reported by the Enterprise Funds are valued at cost using the first-in/first-out (FIFO) method.

In response to the COVID-19 pandemic in 2020, the State received approximately $46 million in donations of goods and services. At March 31, 2022, $13 million of donated goods remain in inventory. These donations included items such as Personal Protective Equipment (PPE), personal hygiene products and cleaning products. Donated services were provided by licensed medical professionals registered in the Roll Up Your Sleeves and ServNY program, administered by the Department of Health, throughout the pandemic relief effort.

h. Capital Assets

Capital assets are reported in the Statement of Net Position for government-wide and enterprise funds and further disclosed in Note 5. Capital assets include land in urban centers, rural areas and forest preserves; land improvements; land preparation for roads; buildings which house State offices, correctional facilities, hospitals and educational facilities; equipment used in construction work, hospitals, offices, etc.; construction in progress; intangible assets (i.e., easements and internally generated software); and infrastructure assets such as roads and bridges. Capital assets are reported at historical cost or estimated historical cost, and donated capital assets are valued at their acquisition value at the date of donation.

For governmental activities, equipment that has a cost in excess of $40,000 at the date of acquisition and has an expected useful life of two or more years is capitalized. All initial building costs and building improvements and land and land improvements in excess of $100,000 are capitalized. Infrastructure assets in excess of $1 million are also capitalized. Software is capitalized when the costs exceed $1 million.

The costs of normal repairs and maintenance that do not add to the value or extend lives of assets materially are not capitalized, but are reported as expenses in the year incurred. All maintenance and preservation costs relating to roads and bridges are expensed in the year incurred and not capitalized. Expenses relating to roads and bridges that add to the capacity and efficiency of the road and bridge networks are capitalized rather than expensed.

Capital assets in business-type activities and Enterprise Funds are from SUNY and CUNY. These capital assets are stated at cost, or in the case of gifts, acquisition value at the date of receipt. SUNY capitalizes building renovations and additions costing over $100,000, equipment items with a unit cost of $5,000 or more, and intangible assets, including internally generated computer software, costing $1 million or more. CUNY capitalizes renovations and improvements that significantly increase the value or extend the useful lives of the structures and equipment with a cost of more than $5,000 and useful lives of two or more years. CUNY reports intangible assets with a unit cost of more than $5,000.

Buildings, land improvements, equipment and intangible assets of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities (Years)	Business-Type Activities (Years)
Buildings and building improvements......	12-60	2-50
Equipment and vehicles...........................	4-30	2-50
Land improvements.................................	12-30	2-50
Intangibles – easements...........................	20	2-50
Intangibles – computer software..............	10-12	2-50

Land preparation reflects the costs of preparing the land for the construction of roads. Since land preparation has an indefinite life, associated costs are not depreciated.

The State has elected to use the modified approach for reporting and accounting for its highways and bridges, which are reported by the State Department of Transportation (DOT). The modified approach requires the State to commit to preserving and maintaining these infrastructure assets at levels established by DOT. No depreciation expense is reported for these assets, and no amounts are capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their capacity or efficiency. DOT maintains an inventory of these assets and performs periodic condition assessments to ensure that the predetermined condition level is maintained. The Required Supplementary Information (RSI) contains additional information regarding infrastructure reported using the modified approach.

Capital asset reporting does not include historical artifacts, artwork and collections that are maintained by various State agencies, the State Archives, the State Museum and the State Library with the exception of SUNY and CUNY. These items are protected, preserved, and held for public exhibition and educational purposes, and the proceeds from any sale of such items are used to acquire new items for the collection. SUNY reports all artwork, historical treasures and library books. CUNY reports artwork, historical treasures and library books with a unit cost of more than $5,000.

i. Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets, and deferred inflows of resources decrease net position, similar to liabilities.

The components of the deferred outflows of resources and deferred inflows of resources related to the primary government at March 31, 2022 are as follows (amounts in millions):

	Governmental Activities	Business-Type Activities	Primary Government
Deferred outflows of resources:			
Pension activities	$ 10,912	$ 1,350	$ 12,262
Other postemployment benefits activities	6,713	2,054	8,767
Derivative instruments	-	38	38
Loss on refunding of debt	246	183	429
Other	-	8	8
Total deferred outflows of resources	**$ 17,871**	**$ 3,633**	**$ 21,504**
Deferred inflows of resources:			
Pension activities	$ 12,948	$ 2,448	$ 15,396
Other postemployment benefits activities	10,555	3,699	14,254
Deferred gain on refunding	278	8	286
Federal grants	204	-	204
Other	-	34	34
Total deferred inflows of resources	**$ 23,985**	**$ 6,189**	**$ 30,174**

The components of the deferred inflows of resources related to the governmental funds at March 31, 2022 are as follows (amounts in millions):

	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Funds
Deferred inflows of resources:					
Public health/patient fees	$ -	$ -	$ -	$ 2	$ 2
Taxes considered unavailable	1,297	-	410	47	1,754
Medicaid receivables	92	247	-	-	339
Medicaid liabilities	-	173	-	-	173
Financial settlements	33	-	-	689	722
Oil spill	-	-	-	75	75
Miscellaneous agency	30	-	-	158	188
Federal grants	-	204	-	-	204
ENCON* collections	-	-	-	6	6
Other	9	-	-	-	9
Total	**$ 1,461**	**$ 624**	**$ 410**	**$ 977**	**$ 3,472**

* State Department of Environmental Conservation

j. Long-Term Obligations

In the Government-wide Statement of Net Position and in the Enterprise Funds Statement of Net Position, long-term debt and other long-term obligations are reported as liabilities. For governmental activities, bond premiums and discounts are reported as a component of the related bonds payable, and gains and losses on refunding are reported as deferred inflows of resources or deferred outflows of resources. Both are amortized over the life of the bonds using the straight-line method. For business-type activities, SUNY losses on refunding are reported as deferred outflows of resources and amortized over the life of the related debt. CUNY bond premiums and discounts are reported as a component of the related bonds payable, and gains and losses on refunding are reported as deferred inflows of resources or deferred outflows of resources. Both are amortized over the life of the bonds using the straight-line method. Issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as non-personal service expenditures in the period incurred.

k. Compensated Absences

The estimated vacation leave liability for State employees at March 31, 2022 is $1.2 billion, which represents an increase of $96 million over the prior year. State employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 25 days per year, but may accumulate no more than a maximum of 40 days.

SUNY employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 21 days per year and may accumulate no more than a maximum of 40 days. CUNY employees accrue vacation leave based upon the number of years employed, with the maximum accumulation generally ranging from 45 to 50 days. The liability for vacation leave approximated $360 million and $199.4 million for SUNY and CUNY, respectively, at June 30, 2021.

CUNY employees may receive payments of up to 50 percent of the value of their accumulated sick leave as of the date of retirement from CUNY. CUNY reported a liability of $66.9 million for sick leave credits in other postemployment benefits liabilities at June 30, 2021.

Lottery's employees, upon termination, may receive vacation pay benefits up to a maximum of 30 days. Lottery recognizes employees' compensated absence benefits when earned. The liability for employees' compensated absences was approximately $1.2 million as of March 31, 2022.

l. Accounting for Lease/Purchase and Other Financing Arrangements

The construction of certain State office buildings, campus facilities and other public facilities has been financed through bonds and notes issued by public benefit corporations pursuant to lease/purchase and other financing arrangements with the State. The State has also entered into financing arrangements with public benefit corporations that have issued bonds to finance past State budgetary deficits and grants to local governments for both capital and operating purposes (Note 7).

These lease/purchase and other financing arrangements, which the State will repay over the duration of the agreements, constitute long-term liabilities. The amount included in obligations under lease/purchase and other financing arrangements consists of total future principal payments and equals the outstanding balance of the related bonds and notes.

m. State Lottery

The State Lottery is accounted for as an Enterprise Fund. The revenues, administrative costs, aid to education and expenses for amounts allocated to prizes are reported, and uncollected ticket sales at March 31, 2022 are accrued. Prize monies to meet long-term prize payments are invested in United States government-backed obligations, New York City Transitional Finance Authority municipal bonds and U.S. Agency for International Development (AID) bonds, and are recorded at fair value. Lottery prize liabilities are recorded at a discounted value equivalent to the related investments. At March 31, 2022, the prize liabilities of approximately $1.5 billion were reported at a discounted value of approximately $1.1 billion (at interest rates ranging from 0.01 percent to 7.58 percent).

n. Net Position

On the government-wide, enterprise fund, component unit and fiduciary fund financial statements, "Net Position" is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

Net position is reported as restricted when constraints placed on net position use are either:

a. Externally imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments; or

b. Imposed by law through constitutional provisions or enabling legislation.

Enabling legislation, which restricts net position, authorizes the State to assess, levy, charge or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable requirement is one that an outside party (such as citizens, public interest groups or the judiciary) can compel the government to honor. When both restricted and unrestricted resources are available for use, it is the State's policy to use restricted resources first, then unrestricted resources as they are needed.

At March 31, 2022, the Governmental Activities reported restricted net position of $15.5 billion due to restrictions externally imposed by creditors or enabling legislation. This included $8.5 billion restricted for debt service payments from various billion capital reserve funds, $4.35 billion restricted for insurance and administrative requirements, $669 million restricted for health and patient care, $267 million restricted for economic development, housing and transportation, $4 million restricted for education and research programs, $23 million restricted for environmental projects and energy programs, and $1.7 billion restricted for other purposes (details of fund balance classification are available in Note 1.o.).

The following terms are used in the reporting of net position:

Net Investment in Capital Assets

Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Debt Service

Net position restricted for the payment of future debt service payments from various capital reserve funds.

Health and Patient Care

Net position restricted for funding of medicaid and health care delivery programs, and patient care.

Education and research programs

Net position restricted for funding of various education programs for instruction, scholarships, and operations, and various types of research initiatives

Environmental Projects and Energy Programs

Net position restricted for funding of various environmental projects and energy programs.

Economic Development, Housing and Transportation

Net position restricted for funding of various economic development, housing-related and transportation-related programs.

Insurance and Administrative Requirements

Net position restricted for funding certain insurance payments and administrative costs.

Unemployment Benefits

Net position restricted for the payment of unemployment benefits.

Future Lottery Prizes

Net position restricted for future lottery prize payments.

Pensions

Net position restricted for pension payments.

Other Government Programs

Net position restricted for the funding of legal and law enforcement programs, various gifts, grants or bequests received by the State, and other legally restricted programs.

Unrestricted

Unrestricted net position (deficit) is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position described above.

o. Fund Balance

On governmental fund financial statements, "Fund Balance" is the difference between (a) fund assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

Fund Balance Hierarchy

Fund balance for governmental funds is reported in the following classifications, which describe the relative strength of the constraints that control how specific amounts in the funds can be spent:

Nonspendable fund balance includes amounts that cannot be spent because they either: (a) are not in spendable form; or (b) are legally or contractually required to remain intact.

Restricted fund balances have constraints placed on the use of resources that are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balances can only be used for specific purposes pursuant to constraints imposed by formal action of the State's highest level of decision-making authority, which includes establishment of laws of the State, and by bills passed by the Legislature and approved by the Governor, or any contracts approved by authorized State officials that are known to have their liability satisfied with the current fund balance. Commitments may be changed or lifted only by the State's highest level of decision-making authority taking the same formal action that originally imposed the constraint.

Assigned fund balances are constrained by the intent to use amounts for specific purposes, but are neither restricted nor committed. The Director of the Budget is authorized to assign amounts to a specific purpose through the approval of budget certificates as required by statute.

Unassigned fund balance is the residual classification for the General Fund. Other governmental funds cannot report a positive unassigned fund balance but can report negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts restricted or committed to those purposes.

For classification of governmental fund balances, the State considers expenditures to be made from restricted resources first, then in the following order: committed, assigned, and unassigned resources.

Reserve Accounts

Tax Stabilization Reserve Account

The authority for establishing the Tax Stabilization Reserve Account is in State Finance Law Section 92. The account was established in 1984.

At the close of each fiscal year, any surplus funds up to 0.2 percent of 1 percent of the "norm" shall be transferred to the Tax Stabilization Reserve Account, which shall not cumulatively exceed 2 percent of the "norm." The norm is the aggregate amount disbursed from the State Purposes Account during the fiscal year.

In any given fiscal year, when receipts fall below the norm, funds shall be transferred from the Tax Stabilization Reserve Account to the State Purposes Account, in an amount equal to the difference between the norm and the receipts, to the extent that funds are available in the Tax Stabilization Reserve Account. Money in the Tax Stabilization Reserve Account may be temporarily loaned to the State Purposes Account during the year in anticipation of the receipt of revenues, but these funds must be repaid within the same fiscal year.

The balance in the Tax Stabilization Reserve Account at March 31, 2022 is $1.4 billion, and is included in the unassigned fund balance of the General Fund. (See General Fund - Combining Schedule of Balance Sheet Accounts in the Other Supplementary Information section).

Rainy Day Reserve Account

The authority for establishing the Rainy Day Reserve Account is in State Finance Law Section 92-cc. The account was established in 2007.

Funds deposited to this account are transferred from the State Purposes Account. The maximum balance in this account shall not exceed 15 percent of the aggregate amount projected to be disbursed from the General Fund during the fiscal year immediately following the current fiscal year.

The amounts in this account can be spent for two reasons:

a. In the event of an economic downturn, as evidenced by a composite index of business cycle indicators prepared by the Commissioner of Labor. If the index declines for five consecutive months, the Commissioner of Labor shall notify the Governor, the Speaker of the Assembly, the Temporary President of the Senate and the minority leaders of the Assembly and the Senate. Upon such notification, the Director of the Budget may authorize the State Comptroller to transfer funds from the Rainy Day Reserve Account to the State Purposes Account.

b. A catastrophic event, e.g., the need to repel invasion, suppress insurrection, defend the State in war, or to respond to any other emergency resulting from a disaster, including but not limited to a disaster caused by an act of terrorism.

The balance in the Rainy Day Reserve Account at March 31, 2022 is $1.9 billion, and is included in the committed fund balance of the General Fund (See General Fund - Combining Schedule of Balance Sheet Accounts in the Other Supplementary Information section).

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for future expenditures are established in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. These amounts generally will become liabilities in future periods.

Significant encumbrances at March 31, 2022 include (amounts in millions):

Fund Type	Amount
General	$ 1,271
Federal Special Revenue*	1,569
Other Special Revenue	36
Federal Capital Projects*	4,241
Other Capital Projects	6,743

*Spending in federal funds is typically reimbursed by the federal government

Fund Balances

Fund balances at March 31, 2022 are as follows (amounts in millions):

	Major Funds			
	General Fund	Federal Special Revenue	General Debt Service	Other Governmental Funds
Restricted for:				
Education	$ -	$ -	$ -	$ 6
Public health	148	-	-	1
Health care initiatives	-	-	-	221
Environment and recreation	-	-	-	34
Transportation	-	-	-	293
Workers' Compensation	4,351	-	-	-
General administration	-	-	-	189
Debt service	-	-	7,847	96
Capital purposes	-	-	-	107
Committed to:				
Education	12	-	-	584
Public health	-	-	-	157
Mental hygiene	5	-	-	-
Health care initiatives	-	-	-	1,830
Environment and recreation	1	-	-	49
Public safety	-	-	-	717
Transportation	-	-	-	1,288
Economic development	-	-	-	24
General administration	500	-	-	469
Debt service	-	-	110	441
Capital purposes	-	-	-	6,429
Fund reserves	23,191	-	-	-
Assigned to:				
Education	200	-	-	729
Public health	1,622	-	-	-
Mental hygiene	5	-	-	-
Public welfare	12	-	-	-
Environment and recreation	8	-	-	18
Public safety	243	-	-	-
Workers' Compensation	-	-	-	3,012
Insurance	-	-	-	580
General administration	1,229	-	-	-
Support and regulate business	124	-	-	-
Unassigned	-	-	-	(1,426)
Total fund balance	**$ 31,651**	**$ -**	**$ 7,957**	**$ 15,848**

p. Pensions

The State is the largest participating employer of the New York State and Local Retirement System (System), consisting of the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are cost-sharing, multiple-employer, defined benefit pension plans. Consequently, the State has recorded the largest proportionate share of the net pension liability and related deferred inflows and outflows from pension activities, which are reflected in the reported amounts on the balance sheet. For purposes of determining net pension liability and other pension-related amounts, information about the fiduciary net position of ERS and PFRS and additions to and deductions from the fiduciary net position of ERS and PFRS have been determined on the same basis reported by the System.

q. Postemployment Benefits

Other postemployment costs are measured and disclosed using the accrual basis of accounting in the government-wide and enterprise funds financial statements (Note 13). In addition to providing pension benefits, the State is statutorily required to provide health insurance coverage and survivor benefits for retired employees and their survivors. Postemployment benefits other than pensions are recognized on an actuarially determined basis as employees earn benefits that are expected to be used in the future. Substantially all of the State's employees may become eligible for these benefits if they reach normal retirement age while working for the State. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the State and the retired employee. The amounts earned include employee sick leave credits expected to be used to pay for a share of post-retirement health insurance. The State, including the Lottery, recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the respective fund in the year paid. Additionally, the survivor's benefit program provides for a death benefit to be paid by the State to a retiree's designated beneficiary.

The State has an established trust for its future other postemployment benefits (OPEB) obligations that is separate from the State and is held in a short-term investment pool (STIP), in joint custody between the State Comptroller and the Commissioner of the Department of Civil Service for the exclusive benefit of the Retiree Health Benefit Trust Fund (the OPEB Trust) beneficiaries. All OPEB Trust assets are irrevocably dedicated to, and are used for the exclusive purpose of, making payments of benefits to or for the benefit of the OPEB Plan and the OPEB Trust and will not be available to any creditors of the State. The OPEB Trust does not issue a stand-alone financial report and its financial statements are reported as a fiduciary fund in the State's financial report.

r. Deficit Fund Balances

As of March 31, 2022, a $5.7 billion fund deficit was reported in the General Fund Local Assistance Account, and a $6.3 billion fund deficit was reported in the General Fund State Purposes Account. In addition, Capital Projects Funds reported fund deficits in the Housing Program Fund ($419 million), the Mental Hygiene Facilities Capital Improvement Fund ($357 million), Correctional Facilities Capital Improvement Fund ($275 million), and the Hazardous Waste Remedial Fund ($98 million). The deficits related to the Capital Projects Funds are the result of differences in cash flow timing relating to the reimbursement of capital project costs and contractual commitments from bond proceeds and are routinely resolved during subsequent fiscal years.

s. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

t. Adoption of New Accounting Pronouncements

During the fiscal year ended March 31, 2022, the State adopted the following new accounting standards as issued by GASB.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* (GASBS 89). The purpose of GASBS 89 is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 92, paragraphs 8-9, *Omnibus 2020,* (GASBS 92). GASBS 92, paragraph 8 states how liabilities are recognized when assets are accumulated for defined benefit pensions or other postemployment benefits (OPEB) plans that are not administered through trusts. Paragraph 9 relates to financial statement presentation requirements for fiduciary defined contribution pension or OPEB plans. Implementation of the remainder of GASBS 92 is planned for State fiscal year 2023.

GASB Statement No. 93, paragraphs 11b, 13 and 14, *Replacement of Interbank Offered Rates* (GASBS 93). The objective of GASBS 93 is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate. All other paragraphs were implemented in State fiscal year 2021.

GASB Statement No. 98, *The Annual Comprehensive Financial Report* (GASBS 98). GASBS 98 establishes the Annual Comprehensive Financial Report and (ACFR) in generally accepted accounting principles (GAAP) for state and local governments and eliminates the prior name and acronym.

Except for GASB 98, which changed the name of the financial statements, none of the other accounting standards had an impact on the financial statements.

u. Restatements

The restatements of beginning net position in the governmental activities, business-type activities and discretely presented component units of the State were as follows (amounts in millions):

	Net Position at March 31, 2021	Restatement	Net Position at April 1, 2021
Governmental Activities:			
General Fund			
Miscellaneous Special	$ 20,338	$ (26)	**$ 20,312**
Business-Type Activities/Enterprise Funds:			
SUNY	$ (11,519)	$ (44)	**$ (11,563)**
Fiduciary Funds:			
Private Purpose Trusts			
Tuition Savings Program	$ 40,728	$ 26	**$ 40,754**
Discretely Presented Component Units:			
Non-Major Component Units	$ 7,942	$ (21)	**$ 7,921**

The restatement in governmental funds is due to the reclassification of the Tuition Savings account from a General Fund account to a Private Purpose Trust, included within the Fiduciary Funds financial statements.

The restatement for the business-type activities is a result of a change in accounting policy related to the timing of recording certain asset and debt activity from March 31 to June 30.

New York State Bridge Authority and New York State Higher Education Service Corporation, non-major component units, were restated for the correction of an error in the calculation of the other postemployment benefits obligations and due to a prior year correction, respectively.

NOTE 2 - Cash and Investments

Governmental Activities, Private Purpose and Custodial Funds

Deposits

The State maintains approximately 1,700 bank accounts for various purposes at locations throughout the State. Cash deposits in the State Treasury are under the joint custody of the State Comptroller and the Commissioner of Taxation and Finance. Cash balances not required for immediate use are invested in a short-term investment pool (STIP) administered by the State Comptroller or by the fund custodian to maximize interest earnings. Cash is invested in repurchase agreements involving United States (U.S.) Treasury obligations, U.S. Treasury bills, commercial paper, government-sponsored agency bonds, and certificates of deposit. Cash deposits not held in the State Treasury are under the sole custody of a specified State official and are generally held in interest-bearing accounts. Both the State Comptroller and the Commissioner of Taxation and Finance are sole custodians of certain accounts.

The custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or collateral securities that are in the possession of an outside party.

For demand accounts, checking accounts and certificates of deposit, the State requires that its depository banks pledge collateral or provide a surety bond based on actual and average daily available bank balances. All securities pledged as collateral are held by the State's fiscal agent in the name of the State and are valued on a monthly basis. Surety bonds will be accepted only from companies with the highest ratings issued by nationally recognized statistical rating organizations (NRSROs). The use of average daily available balances to determine collateral requirements may result in the available balances being undercollateralized at various times during the fiscal year. The State's cash management policy is to invest all major revenues as soon as the monies are available within the banking system, which limits undercollateralization. The State's cash deposits with financial institutions had a book and bank balance of $16 billion and were fully collateralized at the end of the 2022 fiscal year. Included in these balances were certificates of deposit held in the STIP with a book and bank balance of $3.2 billion. Also included are deposits with a book and bank balance of $378 million held by the State's fiscal agent, of which $377 million were exposed to custodial credit risk because they were uninsured and uncollateralized. The remaining $1 million in deposits were fully insured and collateralized.

For the fiscal year ended March 31, 2022, the average daily balance of the STIP was $51.2 billion, with an average annual yield of 0.1 percent and total investment income of $44.4 million.

Investments

The State holds investments both for its own benefit and as an agent for other parties. Major investment programs conducted for the direct benefit of the State include STIP, which is used for the temporary investment of funds not required for immediate payments, and sole custody funds administered by the Department of Taxation and Finance.

Investments are made in accordance with State Finance Law and vary by fund but generally include: obligations of, or guaranteed by, the United States; obligations of New York State and its political subdivisions; certificates of deposit; savings bank trust company notes; bankers' acceptances; repurchase agreements; corporate bonds; and commercial paper.

As of March 31, 2022 (except for New York's 529 College Savings Program, which is as of December 31, 2021), the State had the following investments and maturities (amounts in millions):

		Investment Maturities (in Years)		
Investment Type	**Carrying Value**	**Less than 1**	**1–5**	**6–10**
Government-sponsored agency bonds	$ 37,068	$ 36,992	$ -	$ 76
Commercial paper	17,673	17,673	-	-
U.S. Treasury bills	7,007	7,007	-	-
U.S. Treasury notes/bonds	1,836	1,050	754	32
Municipal bonds	253	-	228	25
Other	4	4	-	-
Subtotal	**63,841**	**$ 62,726**	**$ 982**	**$ 133**
Investments held in an agent or trust capacity	47,965			
Total	**$ 111,806**			

Included in the table are securities which either were not acquired for investment purposes or cannot be classified or categorized, and are being held by the State in an agent or trust capacity. Parents, grandparents and other parties wishing to save for a child's college education may deposit money into the College Savings Program. Individuals with blindness or a disability wishing to save for disability-related expenses without jeopardizing other assistance programs like Social Security or Medicaid may deposit money into the NY Achieving a Better Life Experience (ABLE) Program. The State administers these programs on behalf of the account owners and holds the investment portfolios in a trust. The fair market value of the College Savings Program and ABLE Program portfolios were $46.7 billion and $13 million, respectively, at December 31, 2021. Employers seeking self-insurer status for workers' compensation purposes may deposit securities specified by Section 235 of the New York State Banking Law with the Chairman of the Workers' Compensation Board. Acting as an agent for the employers, the State holds these securities (carrying amount $323 million at March 31, 2022, which approximates fair value) only as an agent for the employers. Securities that are unclaimed at financial institutions are transferred periodically to the State and are held temporarily by the State until they can be liquidated. The securities or proceeds can be claimed by the owners under established procedures. These securities had a carrying amount and fair value of $905 million at March 31, 2022. The State holds cash and securities deposited by contractors in lieu of retainage on contract payments (carrying amount and fair value of $6 million).

In addition to the securities held by the Workers' Compensation Board noted above, the State holds $3.7 billion in surety bonds and letters of credit that are not included in the table above.

Credit Risk

State law limits investments in commercial paper, repurchase agreements, government-sponsored agency bonds and municipal bonds to securities with the highest ratings issued by two NRSROs. Investments in commercial paper and repurchase agreements are limited to a rating of A-1 by S&P Global Ratings (S&P) and P-1 by Moody's Investors Service, Inc. (Moody's). Investments in government-sponsored agency bonds and municipal bonds are limited to AAA by S&P and Aaa by Moody's. If an investment in commercial paper drops in rating below the legal requirements during the year, the State's investment staff would consult with appropriate advisors to determine what action, if any, should be taken. Repurchase agreements are collateralized with U.S. Treasury obligations.

The portfolios of the College Savings Program, a Private Purpose Trust Fund, have underlying fixed income mutual funds which are not rated by any NRSRO.

Custodial Credit Risk

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. The risk is that the State will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party if the counterparty fails. The State's policy is to hold all of its investments in the State's name; however, the investments listed below are exposed to custodial credit risk because they are not held by the State but are held by a public benefit corporation in the public benefit corporation's name or administered by a fiscal agent on behalf of New York State. The following table presents the amortized costs, which approximate fair value of investments by type (amounts in millions):

Investment Type	Fair Value
U.S. Treasury bills	$ 5,100
Government-sponsored agency bonds	1,837
U.S. Treasury notes	958
Total	**$ 7,895**

Interest Rate Risk

The fair values of the State's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest-rate-sensitive instruments may be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument and other general market conditions.

The State manages its interest rate risk by limiting the majority of its investments to a maturity structure of one year or less. Additionally, the State holds its investments to maturity, which minimizes the occurrence of a loss on an investment.

The State's investments in mutual funds and equity securities have no stated maturity and have not been allocated to a time period on the preceding table.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the State's investment in a single issuer (which may not exceed 5 percent of total investments). To mitigate this risk, it is the policy of the State to maintain a diversified portfolio among a variety of investment instruments in which it is legally permitted to invest.

Foreign Currency Risk

The State Finance Law, Section 98-a, does not expressly permit investment in foreign currency and there is no formal policy related to foreign currency; however, the College Savings Plan has certain underlying mutual funds which invest in foreign securities. There are certain additional risks involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign currency exchange rate fluctuations, adverse political and economic developments, and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

Fair Value

GASB Statement No. 72, *Fair Value Measurement and Application* (GASBS 72), establishes a three-level valuation hierarchy of fair value measurements. This valuation hierarchy is based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions and other inputs subject to management judgment. These inputs are incorporated in the following fair value hierarchy:

- **Level 1** inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2** inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.
- **Level 3** inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority.

The State's Level 1 investments in mutual funds and equity securities are reported at fair value using prices quoted in active markets for those securities. The Level 2 mutual funds, Treasury investments, municipal bonds, government-sponsored agency bonds, equity securities and debt securities are reported at fair value using quoted prices for similar assets or quoted prices for identical items that are not actively traded. The State's Level 3 investments in equity securities include delisted, restricted, and fractional securities and securities with no value; Level 3 investments, except for those with no value, are reported at cost.

As of March 31, 2022, the State's composition of investments by levels within the fair value hierarchy were as follows (amounts in millions):

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 46,960	$ 46,747	$ 213	$ -
U.S. Treasury notes	786	-	786	-
Equity securities	676	672	-	4
Municipal bonds	253	-	253	-
Government-sponsored agency bonds	76	-	76	-
Debt securities	6	-	6	-
Subtotal	**48,757**	**$ 47,419**	**$ 1,334**	**$ 4**
Workers' Compensation portfolio	323			
Investments valued at amortized cost	62,726			
Total	**$ 111,806**			

Business-Type Activities

Deposits

SUNY does not have a formal policy for collateral requirements for cash deposits. At June 30, 2021, SUNY had $2.9 billion in deposits held by the State Treasury and invested in the STIP, and $160 million held by other local depositories. Deposits not held in the State Treasury that are not covered by depository insurance are: uncollateralized ($97 million) and collateralized with securities held by a pledging financial institution ($123 million). In addition, SUNY has $59 million in cash and cash equivalents deposited with bond trustees, which are registered in SUNY's name and held by an agent or in trust accounts in SUNY's name.

CUNY's cash and cash equivalents were held by depositories and amounted to $867 million (carrying value of $838 million), of which $195 million was insured and $672 million was uninsured and uncollateralized, or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in CUNY's name.

Lottery deposits are made in accordance with State Finance Law and State Tax Law. At March 31, 2022, Lottery had $1.3 billion in deposits held by the State Treasury, which were invested in the STIP.

The Unemployment Insurance Benefit Fund has a total of $88 million in a sole custody bank account, which is on deposit with the State Comptroller and invested in the STIP, and is subject to the same collateralization requirements as the State's investments.

Investments

Generally, SUNY and CUNY are allowed to invest in a diverse investment portfolio. Permitted investments include, but are not limited to, obligations of the U.S. Government and its agencies, municipal debt securities, repurchase agreements, corporate bonds, commercial paper, equity securities, mutual funds, asset-backed securities, money market funds and security lending transactions.

The Lottery is authorized by State statute to invest in U.S. Government-backed obligations and New York City Transitional Finance Authority municipal bonds that provide for payment of prizes payable.

As of June 30, 2021 (except for the State Lottery, which is as of March 31, 2022), the business-type activities had the following investments and maturities (amounts in millions):

		Investment Maturities (in Years)			
Investment Type	**Carrying Value**	**Less than 1**	**1-5**	**6-10**	**More than 10**
U.S. Treasury notes/bonds	$ 777	$ 211	$ 192	$ 146	$ 228
U.S. Treasury bills	665	665	-	-	-
Municipal bonds	404	-	100	23	281
AID bonds	143	-	115	28	-
Mutual funds non-equities	91	6	6	64	15
Fixed income	76	1	33	18	24
Government-sponsored agency bonds	66	66	-	-	-
Certificates of deposit	51	51	-	-	-
U.S. fixed income	14	1	13	-	-
Corporate bonds	13	3	10	-	-
U.S. Treasury STRIPS	6	-	-	6	-
U.S. Treasury inflation-protected securities	5	-	2	2	1
International bonds	2	-	2	-	-
Subtotal	**2,313**	**$ 1,004**	**$ 473**	**$ 287**	**$ 549**
External investment pools	1,437				
Cash and cash equivalents	305				
Global equities	173				
Hedge funds	116				
Multi-strategy funds	86				
U.S. equities	83				
Private equity	43				
Limited partnership	34				
Foreign equities	32				
Equity mutual funds	17				
Credit securities	9				
U.S. money market fund	2				
Other	62				
Total	**$ 4,712**				

Credit Risk

Generally, SUNY individual fixed income investment securities must be of investment grade. Parameters exist that allow some limited investments in non-investment grade securities; however, investments rated below B3 by Moody's or B- by S&P are prohibited.

CUNY's investment policy for the CUNY Investment Pool includes specific guidelines for investment managers with a target allocation to fixed income, as well as reference to specific guidelines for each investment manager.

As of June 30, 2021 (except for the State Lottery, which is as of March 31, 2022), the business-type activities had the following investments with ratings (amounts in millions):

Investment Type	Total	AAA	AA	A	BBB	Not Rated
Municipal bonds	$ 404	$ 404	$ -	$ -	$ -	$ -
AID bonds	143	-	-	-	-	143
Fixed income	76	39	5	8	24	-
Government-sponsored agency bonds	66	66	-	-	-	-
Mutual funds non-equities	55	55	-	-	-	-
Corporate bonds	13	-	1	3	9	-
International bonds	2	-	-	-	2	-
Total	**$ 759**	**$ 564**	**$ 6**	**$ 11**	**$ 35**	**$ 143**

Custodial Credit Risk

At June 30, 2021, SUNY had $825 million in cash and investments held by the Dormitory Authority of the State of New York (DASNY), which represents bond proceeds needed to finance capital projects and to establish required building and equipment replacement and debt service reserves. These cash and investments are registered in SUNY's name and held by an agent or in a trust in SUNY's name. SUNY's investment policy does not formally address custodial credit risk.

At June 30, 2021, CUNY had $217 million in investments held by DASNY or the bond trustee, and not in CUNY's name. CUNY's investment policy does not formally address custodial credit risk.

Interest Rate Risk

SUNY has policies in place that limit fixed income investment duration within certain benchmarks, and a highly diversified portfolio is maintained which limits interest rate exposure. SUNY does not formally address any interest rate risk related to its investment pools. CUNY's investment policy does not formally limit investment maturities as a means of managing exposure to fair market value losses arising from increased interest rates. The Lottery's policy for managing interest rate risk is to hold investment securities to maturity, at which time the fair value of the investment is equal to the stated maturity value.

Investment Pool

SUNY has certain assets included in its financial statements that are attributable to the statutory colleges at Cornell University and Alfred University, and are held as a portfolio of investments in external investment pools. The fair value of the investments is primarily based on the unit value of the pools and the number of shares owned in each pool. The unit values of the pools, as well as their fair values at June 30, 2021, are presented in the table below (fair value amounts in millions):

Pool Type	Unit Value	Fair Value
Cornell Statutory Colleges:		
Endowments:		
Long-term Investment Pool	$ 75.29	$ 1,352
Charitable Gift Annuities Master Trust Units	2.76	9
Charitable Trusts:		
Endowment Strategy	71.38	34
Common Trust Fund – Growth	60.1	7
Common Trust Fund – Income	13.2	3
Pooled Life Income Funds (PLIF):		
PLIF A	1.52	1
PLIF B	3.05	1
Alfred Ceramics:		
Endowment Long-term Investment Pool	9.29	30
Total External Investment Pools		**$ 1,437**

Fair Value

Except for investments reported at net asset value (NAV) or its equivalent, as described in the table below, SUNY reports its investments at fair value. For investments in mutual funds and exchange-traded funds, fair value is determined based on quoted market prices as of balance sheet date June 30, 2021. Investments in limited liability partnerships and corporations represent investments measured at NAV or its equivalent and include hedge funds, real estate, domestic and foreign equity funds, fixed income securities, and private equity funds in various investment vehicles. These investments, which are not exchange-traded and for which fair values are not readily determinable, are typically redeemable at NAV under the terms of the investment agreements.

CUNY's investments in debt and equity securities and certain other investments with readily determinable fair values are reported at fair value, which is based upon values provided by CUNY's custodian or current market quotations. Notable investments in hedge funds, or other investment funds are reported at NAV as determined by the fund managers, without adjustment when assessed as reasonable, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2021, CUNY had no plans or intentions to sell such investments at amounts different from NAV.

Lottery investments are measured based upon quoted prices for the security in active markets, or based upon quoted prices for identical or similar assets in markets that are not active or upon other observable inputs such as interest rates and yield curves observable at commonly quoted intervals.

As of June 30, 2021 (except for the State Lottery, which is as of March 31, 2022), the composition of investments for the State's business-type activities by levels within the fair value hierarchy were as follows (amounts in millions):

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury notes/bonds	$ 777	$ 565	$ 212	$ -
U.S. Treasury bills	665	80	585	-
Municipal bonds	404	-	404	-
Cash equivalents	198	197	1	-
AID bonds	143	-	143	-
Mutual fund non-equities	91	91	-	-
U.S. equities	83	83	-	-
Global equity	78	13	65	-
Fixed income	76	76	-	-
Government-sponsored agency bonds	66	-	66	-
Certificates of deposit	51	-	51	-
Foreign equities	32	32	-	-
Equity mutual funds	17	17	-	-
U.S. fixed income	14	-	14	-
Corporate bonds	13	-	13	-
U.S. Treasury STRIPS	6	6	-	-
U.S. Treasury inflation-protected securities	5	5	-	-
International bonds	2	-	2	-
U.S. money market fund	2	2	-	-
Other	41	36	-	5
Total	**$ 2,764**	**$ 1,203**	**$ 1,556**	**$ 5**

SUNY investments at June 30, 2021, measured at the NAV were as follows (amounts in millions):

Investment Type	Fair Value	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
External investment pools	$ 1,437	Monthly for funds functioning as endowments only	Two months
Global equities	95	Monthly, Quarterly, Annually	30-90 days
Hedge funds (equities)	93	Quarterly	90 days
Multi-strategy funds	72	Monthly, Quarterly	45-95 days
Private equity	43	N/A – See below	N/A
Credit securities	9	Monthly, Quarterly	30-45 days
Other	21	N/A	N/A
Total	**$ 1,770**		

External investment pools represent ownership in Cornell University's and Alfred University's long-term investment pools (LTIP) or other split-interest agreement pools. The objective of the LTIP investment policy is to maximize total return within a reasonable risk parameter; specifically, to achieve a total return, net of investment expenses, of at least 5 percent in excess of inflation as measured by a rolling average of the Consumer Price Index.

Private equity fund investments include non-controlling shares or interests in funds where the controlling general partner serves as the investment's manager. Such investments are generally not eligible for redemption from the fund or general partner but can potentially be sold to third-party buyers in private transactions. It is SUNY's intent to hold these investments until the fund has fully distributed all proceeds to the investors. SUNY has unfunded commitments to private equity investments as of June 30, 2021 of approximately $49.4 million.

CUNY investments at June 30, 2021, measured at the NAV were as follows (amounts in millions):

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Limited partnership	$ 34	$ 24	Illiquid, Monthly	N/A, 90 days
Multi-strategy funds	14	-	Illiquid, Quarterly	N/A, 90 days
Systematic trading hedge fund	9	-	Daily	1 day
Global macro hedge funds	8	-	Monthly	60 days
Global equity long/short hedge funds	6	-	Monthly	30 days
Total	**$ 71**	**$ 24**		

CUNY's limited partnership investments include credit, debt, and private real assets funds, including private limited partnership investments in several funds that are diverse by sector (transportation, energy, metal/mining, commodities, middle market, and financial assets), type/structure, and geography (North/America, Western Europe, Australia). The systematic trading hedge funds invest in various security instruments which include futures and foreign exchange contracts. Global equity long/short hedge funds utilize over-the-counter (OTC) long-dated options as well as short options for investment purposes across several asset classes, such as equities, interest rates, commodities, and currencies. Global macro hedge funds generate returns through global macro, tactical, and relative value trading strategies based on fundamental data, price changes, and asset convergence. The multi-strategy funds category includes funds that invest in a diversified group of investment strategies utilizing both long and short positions in an unlimited range of financial instruments throughout the world.

Fiduciary Activities

Retirement System - New York State and Local Retirement System

Investments of the New York State and Local Retirement System (System) are reported at fair value. Equity securities traded on a national or international exchange are valued at quoted fair value. Investments that do not have an established market are reported at estimated fair value as determined by the general partner or by the investment manager. The System trades in foreign exchange contracts in the normal course of its investing activities in order to manage exposure to market risks. Such contracts, which are generally for a period of less than one year, are used to purchase and sell foreign currency at a guaranteed future price. These contracts are recorded at fair value using foreign currency exchange rates. The System is exposed to various investment risks, which are discussed in the remainder of this Note.

Custodial Credit Risk

Equity and fixed income investments owned directly by the System which trade in the United States markets are generally held by the System's custodian, in separate accounts, in the name of the Comptroller of the State of New York in Trust for the Common Retirement Fund. These securities are typically held in electronic form through the Federal Book Entry System and by the Depository Trust Company (DTC) and its subsidiaries, acting as an agent of the System's custodian bank. Securities held directly by the System which trade in markets outside the U.S. are held by a subsidiary of the System's custodian bank in the local market, by a bank performing custodial services in the local market acting as an agent for the System's custodian bank, or, in some foreign markets, by a DTC subsidiary or an organization similar to DTC, which holds the securities in electronic format. Equity investments held indirectly by the System via limited partnerships, commingled investment funds, joint ventures, and other similar vehicles are held in custody by an organization contracted with by the general partner and/or the investment management firm responsible for the management of each investment organization. Title to real estate invested in by the System is either held by a real estate holding company or a real estate investment fund. Ownership of mortgage assets is documented by the System's holding of original mortgage and note documents by the Division of Pension Investment and Cash Management in the Office of the State Comptroller.

Credit Risk

New York State statutes and the System's investment policies provide investment guidance on credit risk. Approximately $32 billion or 61 percent of the System's $52.5 billion long-term bond portfolio is rated AAA by NRSROs. For the balance of the portfolio: 37.98 percent is rated BBB to AA; 0.35 percent is rated C to BB; and 0.67 percent is not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the System's fixed income securities. The price volatility of the System's fixed income holdings is measured by duration. The average duration of the System's core fixed income portfolio is 6.65 years.

Concentration of Credit Risk

Issuer limits for investments held by the System are established for each investment area by New York State Retirement and Social Security Law (RSSL), Article 2, Section 13 and Article 4A, Sections 176, 177, 178, and 313, and by policy guidelines adopted by the Comptroller.

Restrictions are placed on short-term fixed income investments, such that any one issuer of commercial paper must have the highest rating by two NRSROs and a maximum of $1 billion of the short-term portfolio can be invested in any one issuer. In addition, simultaneous purchase and sales of U.S. Treasury obligations may be executed with primary government dealers; however, no more than $200 million may be invested with any one primary dealer.

Restrictions are placed on fixed income investments with maturities longer than one year. These investments are generally limited to obligations payable in U.S. dollars issued by: any department, agency or political subdivision of the U.S. government; any corporation, company or other issuer of any kind or description created or existing under the laws of the U.S.; any state of the U.S.; the District of Columbia; the Commonwealth of Puerto Rico; and Canada or any province or city of Canada, provided each obligation is rated investment grade by two NRSROs. The aggregate investment by the System in the obligations of any one issuer should not exceed 2 percent of the assets of the System or 5 percent of the direct liabilities of the issuer. In addition, the aggregate amount invested in interest-bearing obligations payable in U.S. dollars (which at the time of investment are rated one of the three highest grades by each NRSRO approved by the New York State Department of Financial Services) may not exceed 1 percent of the assets of the System; and bonds issued or guaranteed by the State of Israel, payable in U.S. dollars, may not exceed 5 percent of the assets of the System; and obligations issued or guaranteed by the International Bank for Reconstruction and Development may not exceed 5 percent of the assets of the System.

As of March 31, 2022, the System did not hold any investments in any one issuer that totaled 5 percent or more of fiduciary net position. Investments issued or explicitly guaranteed by the U.S. government and pooled investments are excluded from the above referenced aggregate investment policy.

Securities Lending

Section 177-d of the RSSL authorizes the System to enter into security loan agreements with broker/dealers and New York State or national banks. The System has two providers to manage a securities lending program. These programs are subject to written contracts between the System and the Contractor, who acts as security lending agent for the System. The Custodian is authorized to lend securities within the borrower limits and guidelines established by the System. Types of collateral received from borrowers for securities loaned are cash, government securities and federal agency obligations. The securities lending providers are authorized to invest the cash collateral in short-term investments that are legal for the System. These include domestic corporate and bank notes, U.S. Treasury obligations, obligations of federal agencies, repurchase agreements and specific asset-backed securities. All rights of ownership to securities pledged as collateral remain with the borrower except in the event of default. The System has not experienced any losses resulting from the default of a borrower or lending agent during the year ended March 31, 2022.

The System lends fixed income, domestic equity, and international equity securities to approved broker/dealers. Collateral for securities loaned equals 102 percent of fair market value for domestic securities and 105 percent for international securities. Credit risk associated with the investment of cash collateral pledged by borrowers is mitigated by the maturity restrictions, percentage limitations, and rating requirements for individual asset classes included in the System’s reinvestment guidelines. Each Contractor acknowledges responsibility to reimburse the System for any losses that might arise from managing the program in a manner inconsistent with the contract. The System manages its market risk by recording investments at market value daily and maintaining the value of the collateral held by the System in excess of the value of the securities loaned.

As of March 31, 2022, the fair value of securities on loan was $23.6 billion. The associated collateral was $24.1 billion, of which $22.5 billion was cash collateral and $1.6 billion was securities held as collateral. The fair value of the invested cash collateral, as of March 31, 2022, was $22.5 billion and the securities lending obligations were $22.5 billion. The unrealized loss in invested cash collateral on March 31, 2022 was $28 million, which is included in the Statement of Changes in Fiduciary Net Position as part of “Net increase in the fair value of investments.”

All open security loans can be terminated on demand by either the System or the borrower. To provide sufficient liquidity, the policy of the System is to maintain a minimum of 5 percent of collateral in overnight investments, 10 percent must mature within seven days, and 20 percent must mature within 30 days. While the Securities Lending Investment Guidelines allow investments up to a maximum of three years for U.S. Treasury and federal agency obligations and up to one full year for all other investments, the average term of open security loans at March 31, 2022 was 23 days. All loans were open loans. There were no direct matching loans. The collateral pool is valued at fair value as obtained from independent pricing services.

Foreign Currency Risk

As of March 31, 2022, the System's current position in publicly traded international equity securities, invested in directly or through commingled funds, is approximately $33.7 billion. The System also has foreign investments held in U.S. dollars of $17.5 billion; $22.3 billion in private equity, opportunistic, absolute return strategy, real asset and credit funds; and $4.9 billion in real property owned, made, or located outside the United States. The approximate total market value of the System's investments made outside of the United States is $78.4 billion.

Fair Value

Investments classified in Level 1 of the fair value hierarchy are valued from predetermined external pricing vendors or primary dealers who source quoted prices in active markets, which are readily attainable exit values of these securities. Investments classified in Level 2 are subject to alternative pricing sources, including a combination of price sources, descriptive data and pricing models based on attributes such as spread data, sector, quality, duration, and prepayment characteristics. Investments classified as Level 3 are valued using best available sources such as property appraisals, discounted cash flow models and public market comparables of similar assets where applicable. The values are supplied by advisors or general partners who hold those or similar assets in investment vehicles they oversee. These pricing sources may or may not be indicative of realizable exit value attainable for the assets.

As of March 31, 2022, the composition of the System's investments by levels within the fair value hierarchy as of March 31, 2022 were as follows (amounts in billions):

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic equities	$ 89	$ 89	$ -	$ -
Global fixed income securities	52	-	52	-
International equities	36	36	-	-
Securities lending collateral, invested	18	-	18	-
Short-term instruments	4	-	4	-
Real estate	2	-	-	2
Mortgage loans	1	-	-	1
Other	1	-	-	1
Subtotal	**203**	**$ 125**	**$ 74**	**$ 4**
Investments valued at amortized cost	4			
Total	**$ 207**			

The System's investments at March 31, 2022, measured at the NAV were as follows (amounts in billions):

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity	$ 37	$ 15	N/A	N/A
Real Estate	21	8	N/A	N/A
Credit assets	9	6	N/A, Monthly	N/A, 1-30 days, 18 months
Opportunistic/ARS investments	6	1	N/A, Monthly, Quarterly	N/A, 5-120 days
Domestic equities	6	-	N/A, Weekly, Monthly, Annually	N/A, 2-90 days
Real assets	6	6	N/A	N/A
International equity funds	3	-	Daily, Monthly, Quarterly	15-120 days
Total	**$ 88**	**$ 36**		

Domestic equities consist of two commingled investment vehicles and one fund for which the System is the only investor. The funds invest primarily in publicly traded domestic equity securities. The investments are valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments.

International equity funds consist of six commingled investment vehicles and one fund for which the System is the only investor. The funds invest primarily in publicly traded global equity securities. The funds are valued at the NAV of units held at the end of the period based upon the fair value of the underlying investments.

The System's alternative investments portfolio includes private equity, opportunistic/absolute return strategy funds, real assets, credit and real estate through various fund structures. Private equity (12.6 percent of the System's total investments and securities lending collateral invested at March 31, 2022) consists of buyout, growth equity, co-investments, special situations, distressed debt and turnaround funds, venture capital, and funds of funds. Opportunistic/absolute return strategy investments (1.9 percent) consist of investments in strategies including hedged equity, credit, global macro, closed-end funds, and investments that do not meet the mandates of the other asset classes. Real assets (2 percent) consist of commodities, farmland, capital assets, infrastructure, and renewables. Credit (3.1 percent) consists of non-investment grade public and private credit strategies in direct lending, distressed and special situations, specialty finance, structured credit and real assets credit through closed-end and open-end funds, co-investments, separately managed accounts, and funds of funds. The real estate private equity funds (7.8 percent) consist of investments in separate accounts, joint ventures, and commingled funds. The fair values of the alternative investments have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partner's capital. The private equity, real assets, and real estate are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over a span of 5-10 years.

Retiree Health Benefit Trust Fund

Retiree Health Benefit Trust Fund (the OPEB Trust) deposits are made in accordance with State Finance Law. At March 31, 2022, the OPEB Trust had $320 million in cash deposits held by the State Treasury, which were invested in the STIP.

The money-weighted rate of return is calculated as the internal rate of return on OPEB Trust investments, net of OPEB Trust investment expense. A money-weighted rate of return expresses investment performance, net of OPEB Trust investment expense, adjusted for the changing amounts actually invested. Inputs to the money-weighted rate of return calculation are determined monthly. The annual money-weighted rate of return, net of investment expense calculated in accordance with the provisions of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* was 0.22 percent for the fiscal year ended March 31, 2022.

NOTE 3 - Taxes Receivable, Tax Refunds Payable and Tax Abatements

Taxes Receivable

Taxes receivable represent amounts owed by taxpayers for the 2021 calendar year and the first quarter of the 2022 calendar year, including prior year assessments for underpayments, penalties and interest. Taxes receivable are recognized as revenue when they become both measurable and available, based on actual collections or estimates of amounts to be collected during the next 12 months.

Personal income tax (PIT) revenues are reported as income when earned by the taxpayers. The primary components of the PIT receivable are the estimated and withholding payments that relate to the first quarter of the 2022 calendar year, payments with final returns which relate to the 2021 calendar year, and assessments which relate to prior tax periods.

Consumption and use tax revenues are reported in the fiscal period when the sale is made. The principal component of this receivable is sales tax receivables, which include sales taxes due through March 31, 2022 and assessments which relate to prior tax periods.

General business tax revenues are reported as businesses earn income. General business tax receivables comprise estimated tax payments, payments remitted with final returns, and assessments.

Other taxes receivable comprises estate and gift taxes, real property gains taxes, real estate transfer taxes, metropolitan commuter transportation mobility taxes and assessments.

Net taxes receivable at March 31, 2022 for the governmental funds totaled approximately $26 billion. The following table summarizes taxes receivable by major tax type for the governmental funds (amounts in millions):

	General	General Debt Service	Other Governmental Funds	Total Governmental Funds
Current taxes receivable:				
Personal income	$ 9,924	$ 10,557	$ 634	$ 21,115
Consumption and use	334	553	434	1,321
Business	661	-	106	767
Other	1,052	-	230	1,282
Subtotal	**11,971**	**11,110**	**1,404**	**24,485**
Long-Term taxes receivable:				
Personal income	342	363	22	727
Consumption and use	23	47	25	95
Business	209	-	-	209
Other	723	-	-	723
Subtotal	**1,297**	**410**	**47**	**1,754**
Allowance for uncollectibles	(211)	(74)	(17)	(302)
Total	**$ 13,057**	**$ 11,446**	**$ 1,434**	**$ 25,937**

Tax Refunds Payable

Tax refunds payable primarily represent amounts owed to taxpayers because of overpayments of their 2021 calendar year and first quarter 2022 calendar year tax liabilities. Tax refunds payable, which reduce respective tax revenues, are accrued to the extent they are measurable based on payments and estimates. The amount of PIT refunds payable includes estimates of overpayments of the first calendar quarter 2022 tax liability and payments of 2021 calendar and prior year refunds. The remaining portion of tax refunds payable comprise payments made subsequent to the end of the fiscal year and estimates of a remaining refund liability. Tax refunds payable at March 31, 2022 are summarized as follows (amounts in millions):

Governmental Activities:

	Current			Total	
	General	General Debt Service	Other Governmental Funds	Current	Long-term
Personal income	$ 19,521	$ 4,832	$ 290	$ 24,643	$ 411
Consumption and use	47	93	77	217	494
Business	2,387	-	189	2,576	841
Other	88	-	277	365	37
Total	**$ 22,043**	**$ 4,925**	**$ 833**	**$ 27,801**	**$ 1,783**

Tax Abatements

For financial reporting purposes, a tax abatement is defined as an agreement between the government and an individual or entity through which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development in the taxing entity's jurisdiction or otherwise benefits the government or its citizens.

As of March 31, 2022, the State provided tax abatements through the following programs:

Program Name	Film and Commercial Production Credit	Brownfields
Program Purpose	The program is designed to increase the presence and overall positive impact of the film production and post-production industry on the State's economy.	The program encourages cleanup and development of brownfield sites across the State to revitalize economically blighted communities.
Taxes being abated	Personal income tax and Corporate franchise tax.	Personal income tax, Corporate franchise tax, Insurance tax, and Corporate tax.
Authority under which abatements are entered into	State tax law: Article 22, Sections 606(gg), 606(jj) and 606(qq) Article 9-A, Sections 210-B(20), 210-B(23) and 210-B(32) Article 1, Sections 24, 28 and 31	State tax law: Article 22, Sections 606(dd), 606(ee) and 606(ff) Article 9-A, Sections 210-B(17), 210-B(18) and 210-B(19) Article 33, Sections 1511(u), 1511(v) and 1511(w) Article 9, Sections 187-G, 187-H and 187-I Article 1, Section 21, 22 and 23
Criteria to be eligible to receive abatements and commitment of the taxpayer	The program is limited to feature films, television series, relocated television series, television pilots, and films for television. The filming must be substantially in the State or the post-production work must be completed by a State company.	The program requires an application with the project description, purpose, and start and end date of remediation. The applicant commits to undertake remedial activities under the direction of the Department of Environmental Conservation.
How taxes are reduced	Allowance of credit against taxes. Taxpayer receives the full amount of the credit regardless of its tax liability Refundable credit.	Allowance of credit against taxes. Refundable credit.
How amount of abatement is determined	The credit is 25 percent of qualified production and post-production costs. It increases by 5 percent if post-production costs are incurred upstate and increases an additional 10 percent of any qualified labor expenses that are incurred in specific counties.	Credits result from various percentages of costs associated with three components of cleanup and development: site preparation, tangible property, and on-site groundwater remediation.
Provisions for recapturing abated taxes	N/A	N/A
Type of commitments other than taxes	N/A	N/A
Total revenue estimated to be reduced for calendar year 2021	$711 million	$130 million

Program Name	Empire Zones (EZ)	Qualified Empire Zone Enterprise (QEZE)
Program Purpose	The program is designed to bring new businesses and jobs to the State in areas that need revitalization.	This program is designed to create jobs and prevent loss of employment in the Empire Zone and to enhance economic climate in EZ areas.
Taxes being abated	Personal income tax, Corporate franchise tax, Bank and Insurance taxes, and Corporate tax.	Personal income tax, Sales and use tax, Corporate franchise tax, Bank and Insurance taxes, and Corporate tax.
Authority under which abatements are entered into	State tax law: Article 22, Sections 606(j)(j-1), 606(k) and 606(l) Article 9-A, Sections 210-B(3 & 4) and 210-B(46) Article 33, Sections 1511(g) and 1511(h) Article 9, Sections 187-K, 187-L and 187-M	State tax law: Article 22, Sections 606(bb) and 606(cc) Article 28, Sections 1119(d) Article 9-A, Sections 210-B(5) and 210-B(6) Article 9, Sections 187-J Article 33, Sections 1511(r) and 1511(s) Article 1, Sections 14, 15 and 16
Criteria to be eligible to receive abatements and commitment of the taxpayer	An agreement is made between the State and a local government to designate an area as an EZ. Businesses will apply to be certified, and then will conduct business and make investments in the EZ to create new jobs or prevent loss of employment.	Businesses in the EZ apply to be certified as QEZEs. QEZEs are certified businesses that meet the employment test (increase level of employment between tax year and base year).
How taxes are reduced	Allowance of credit against taxes. Taxpayer receives the amount of the credit only up to the amount of their liability (nonrefundable credit) and can carry forward the credit against future tax liability. Refundable credit available for new businesses.	Allowance of credit against taxes. Refundable credit.
How amount of abatement is determined	The Investment Tax Credit and Employment Incentive Credit are equal to a percentage of the cost or other basis of tangible personal property for federal income tax purposes, including buildings and structural components of buildings located within a designated EZ. The Wage Tax Credit is calculated on the average number of newly hired employees. It is $3,000 per targeted and $1,500 per nontargeted employee. The Capital Credit equals 25 percent of the sum of each type of investment.	A credit is available for tax paid on tangible personal property and certain services purchased by a QEZE and used or consumed in an EZ. The Real Property Tax Credit equals 25 percent of the wages plus health and retirement benefits of net new employees. The Tax Reduction Credit is based on benefit period, employment increase, zone allocation, and tax factors.
Provisions for recapturing abated taxes	N/A	N/A
Type of commitments other than taxes	N/A	N/A
Total revenue estimated to be reduced for calendar year 2021	$53 million	$28 million

Program Name	Industrial Development Agencies (IDAs)	New York Youth Jobs Program (Formerly Urban Youth Jobs Program)
Program Purpose	The program is intended to foster economic development in specific localities.	The program is designed to provide employment for at-risk youth in full-time and part-time positions.
Taxes being abated	Sales and use tax.	Personal income tax and Corporate franchise tax.
Authority under which abatements are entered into	State tax law: Article 28, Section 1116(a)(1) General municipal law: Article 18-A	State tax law: Article 22, Section 606(tt) Article 9-A, Section 210-B(36)
Criteria to be eligible to receive abatements and commitment of the taxpayer	The IDA is an exempt government organization and receives all the benefits of that status. To extend the sales tax exemption benefit, the IDA can appoint an agent or project operator to make purchases for its project.	The taxpayer applies to be a qualified employer and receives a certificate of eligibility indicating the maximum amount of credit allowed to be claimed. The employer is required to hire high school students on a part-time or full-time basis and to retain those students for a period of time.
How taxes are reduced	Sales tax exemption on purchases.	Allowance of credit against taxes. Refundable credit.
How amount of abatement is determined	Purchases to acquire, build, and equip the project are exempt from sales taxes, including the 3/8 percent sales tax in the Metropolitan Commuter Transportation District (MCTD), to the extent provided by the terms of the IDA project agreement.	The credit is $375 to $1,500 per qualified employee, either part-time or full-time high school student, and additional amounts can be received if the employee is retained for additional time.
Provisions for recapturing abated taxes	N/A	N/A
Type of commitments other than taxes	N/A	N/A
Total revenue estimated to be reduced for calendar year 2021	$85 million	$40 million

Program Name	Excelsior Jobs Program and Empire State Job Retention Program Credit	Low-Income Housing Credit
Program Purpose	The program encourages businesses to expand in and relocate to the State while maintaining a guarantee to deliver on job and investment commitments to better the economy in selected regions. It includes three programs: Job Tax Credit, Investment Tax Credit, and Research and Development Tax Credit.	The program is designed to promote the development of and facilitate investment in low-income housing.
Taxes being abated	Personal income tax, Corporate franchise tax, Bank and Insurance taxes.	Personal income tax, Corporate franchise tax and Insurance tax.
Authority under which abatements are entered into	State tax law: Article 22, Section 606(qq) and Section 606(tt) Article 9-A, Section 210-B(31) and Section 210-B(37) Article 33, Section 1511(y) and Section 1511(bb) Article 1, Section 31 and Section 36	State tax law: Article 22, Section 606(x) Article 9-A, Section 210-B(15) Article 33, Section 1511(n) Article 1, Section 18 Article 2, N.Y.S. Public Housing Law
Criteria to be eligible to receive abatements and commitment of the taxpayer	The taxpayer applies for a credit and, if approved, is issued a certificate entitling it to the credit. The taxpayer in return creates jobs or invests in the region as specified in the application submitted.	The participant makes a long-term commitment to offer low-income housing where the buildings must serve households whose incomes are at or below 90 percent of the area median income.
How taxes are reduced	Allowance of credit against taxes. Refundable credit.	Allowance of credit against taxes. Non-refundable credit, can be carried forward.
How amount of abatement is determined	The Job Tax Credit is 6.85 percent of wages per net new job. The Investment Tax Credit is 2 percent of the qualified investments. The Research and Development Tax Credit is 50 percent of the federal research and development credit, and up to 6 percent of research expenditures in the State.	The credit is determined by the Division of Housing and Community Renewal and depends on the applicable percentage of the qualified basis of each low-income building. The credit amount allocated is allowed as a credit for the next 10 tax years.
Provisions for recapturing abated taxes	N/A	N/A
Type of commitments other than taxes	N/A	N/A
Total revenue estimated to be reduced for calendar year 2021	$168 million	$51 million

The State had additional tax abatement programs each amounting to $10 million or less in revenue estimated to be reduced in calendar year 2021. In total, these programs resulted in $21.5 million in estimated tax abatements. These include the Musical and Theatrical Production Credit, the Employee Training Incentive Program, Workers with Disabilities Tax Credits, the Historic Homeownership Rehabilitation Tax Credit, the Excelsior Business Program (formerly START-UP NY Tax Elimination Credit) and the Recovery Tax Credit.

NOTE 4 - Other Receivables

Other receivables at March 31, 2022 are summarized as follows (amounts in millions):

Governmental Activities:

	General	Federal Special Revenue	Other Governmental Funds	Total Governmental Activities
Other current receivables:				
Public health/patient fees	$ 3	$ -	$ 815	$ 818
Medicaid	1,356	1,865	-	3,221
Financial settlements	67	-	1,009	1,076
Tobacco settlement	-	-	401	401
Miscellaneous agency	132	44	166	342
Oil spill	-	-	9	9
Public authorities	71	-	-	71
Casino	20	-	-	20
Other	871	15	205	1,091
Subtotal	**2,520**	**1,924**	**2,605**	**7,049**
Other long-term receivables:				
Medicaid	92	170	-	262
Miscellaneous agency	56	221	836	1,113
Oil spill	-	-	117	117
Other	-	-	30	30
Subtotal	**148**	**391**	**983**	**1,522**
Gross receivables	**2,668**	**2,315**	**3,588**	**8,571**
Allowance for uncollectibles	(377)	(943)	(1,020)	(2,340)
Total other receivables	**$ 2,291**	**$ 1,372**	**$ 2,568**	**$ 6,231**

Business-Type Activities:

	Lottery	Unemployment Insurance Benefit	June 30, 2021 SUNY	CUNY	Total
Other current receivables:					
Ticket sales	$ 465	$ -	$ -	$ -	$ 465
Public health/patient fees	-	-	1,827	-	1,827
Student loans	-	-	104	15	119
Contributions	-	3,094	-	-	3,094
Benefit overpayments	-	840	-	-	840
State agencies/municipalities	-	12	-	-	12
Other	14	47	427	507	995
Subtotal	**479**	**3,993**	**2,358**	**522**	**7,352**
Allowance for uncollectibles	(1)	(1,671)	(687)	(115)	(2,474)
Net current receivables	**478**	**2,322**	**1,671**	**407**	**4,878**
Other long-term receivables:					
Accounts, notes and loans	-	-	82	5	87
Contributions	-	-	44	-	44
Other	-	-	-	-	-
Subtotal	-	-	**126**	**5**	**131**
Allowance for uncollectibles	-	-	(27)	(1)	(28)
Net long-term receivables	-	-	**99**	**4**	**103**
Total other receivables	**$ 478**	**$ 2,322**	**$ 1,770**	**$ 411**	**$ 4,981**

NOTE 5 - Capital Assets

Capital asset activity for the year ended March 31, 2022 was as follows (amounts in millions):

Governmental Activities:

	Balance April 1, 2021	Additions	Retirements	Balance March 31, 2022
Depreciable and amortizable assets:				
Buildings and building improvements	$ 13,954	$ 596	$ 40	$ 14,510
Land improvements	853	42	2	893
Infrastructure	512	29	-	541
Equipment	1,046	122	40	1,128
Intangible assets – easements	201	4	-	205
Intangible assets – computer software	1,066	78	9	1,135
Total depreciable and amortizable assets	**17,632**	**871**	**91**	**18,412**
Less accumulated depreciation and amortization:				
Buildings and building improvements	(8,666)	(401)	(10)	(9,057)
Land improvements	(522)	(28)	(1)	(549)
Infrastructure	(170)	(21)	-	(191)
Equipment	(715)	(81)	(36)	(760)
Intangible assets – easements	(103)	(10)	-	(113)
Intangible assets – computer software	(577)	(100)	(3)	(674)
Total accumulated depreciation and amortization	**(10,753)**	**(641)**	**(50)**	**(11,344)**
Total depreciable and amortizable assets, net	**6,879**	**230**	**41**	**7,068**
Nondepreciable and nonamortizable assets:				
Land	4,273	31	1	4,303
Land preparation	4,227	72	-	4,299
Construction in progress (buildings)	826	467	407	886
Construction in progress (roads and bridges)	1,363	1,011	580	1,794
Infrastructure (roads and bridges)	74,477	601	91	74,987
Total nondepreciable and nonamortizable assets	**85,166**	**2,182**	**1,079**	**86,269**
Governmental activities, capital assets, net	**$ 92,045**	**$ 2,412**	**$ 1,120**	**$ 93,337**

Business-Type Activities:

	Balance July 1, 2020, as Restated	Additions	Retirements	Balance June 30, 2021
SUNY:				
Depreciable assets:				
Infrastructure and land improvements	$ 1,549	$ 95	$ -	$ 1,644
Buildings	15,878	712	23	16,567
Equipment and library books	3,514	223	120	3,617
Total depreciable assets	**20,941**	**1,030**	**143**	**21,828**
Less accumulated depreciation:				
Infrastructure and land improvements	(748)	(69)	-	(817)
Buildings	(5,871)	(472)	(11)	(6,332)
Equipment and library books	(2,697)	(186)	(89)	(2,794)
Total accumulated depreciation	**(9,316)**	**(727)**	**(100)**	**(9,943)**
Total depreciable assets, net	**11,625**	**303**	**43**	**11,885**
Nondepreciable assets:				
Land	792	14	1	805
Construction in progress	1,211	629	826	1,014
Artwork	36	-	-	36
Total nondepreciable assets	**2,039**	**643**	**827**	**1,855**
SUNY capital assets, net	**13,664**	**946**	**870**	**13,740**
CUNY:				
Depreciable and amortizable assets:				
Buildings and building improvements	6,703	49	-	6,752
Land improvements	56	-	-	56
Equipment	469	10	1	478
Infrastructure	164	-	-	164
Intangible assets	252	-	-	252
Total depreciable and amortizable assets	**7,644**	**59**	**1**	**7,702**
Less accumulated depreciation and amortization:				
Buildings and building improvements	(3,344)	(174)	-	(3,518)
Land improvements	(53)	-	-	(53)
Equipment	(430)	(21)	(1)	(450)
Infrastructure	(99)	(8)	-	(107)
Intangible assets	(84)	(16)	-	(100)
Total accumulated depreciation and amortization	**(4,010)**	**(219)**	**(1)**	**(4,228)**
Total depreciable and amortizable assets, net	**3,634**	**(160)**	**-**	**3,474**
Nondepreciable assets:				
Land	321	-	-	321
Construction in progress	1,229	166	40	1,355
Artwork and historical treasures	11	-	-	11
Total nondepreciable assets	**1,561**	**166**	**40**	**1,687**
CUNY capital assets, net	**5,195**	**6**	**40**	**5,161**
Business-type activities, capital assets, net	**$ 18,859**	**$ 952**	**$ 910**	**$ 18,901**

For the year ended March 31, 2022, depreciation and amortization expense was charged to the following governmental functions (amounts in millions):

Allocation of depreciation and amortization:	**Governmental Activities**
Education	$ 4
Public health	236
Public welfare	26
Public safety	157
Transportation	60
Environment and recreation	38
Support and regulate business	10
General government	110
Total depreciation and amortization expense	**$ 641**

For the year ended June 30, 2021, depreciation and amortization expense was charged to the following business-type functions (amounts in millions):

Allocation of depreciation and amortization:	**Business-Type Activities**
SUNY	$ 727
CUNY	219
Total depreciation and amortization expense	**$ 946**

NOTE 6 - Bonds Payable

General obligation bonds are backed by the full faith and credit of the State, and constitutionally must be repaid in equal annual principal installments or substantially level or declining debt service payments beginning not more than one year after issuance of such bonds and must mature within 40 years after issuance. The Debt Reform Act of 2000 further limits the maximum term of new State-supported debt issued on and after April 1, 2000, including general obligation bonds, to a maximum term of 30 years. Refer to Note 7 for further discussion of the Debt Reform Act of 2000. Changes for the year in bonds payable were as follows (amounts in millions):

Purpose	**Outstanding April 1, 2021**	**Issued**	**Redeemed**	**Outstanding March 31, 2022**
Accelerated capacity and transportation improvements of the 1990s	$ 10	$ -	$ 2	$ 8
Clean water/clean air	326	-	32	294
Environmental quality (1986):				
Land acquisition, development, restoration, and forests	2	-	1	1
Solid waste management	83	-	15	68
Environmental quality (1972):				
Land and wetlands	4	-	1	3
Water	5	-	2	3
Housing:				
Low income	3	-	1	2
Middle income	3	-	1	2
Pure waters	14	-	1	13
Transportation capital facilities:				
Aviation	1	-	1	-
Energy conservation through improved transportation	2	-	-	2
Rebuild New York transportation infrastructure renewal:				
Highways, parkways, and bridges	1	-	-	1
Rapid transit, rail, and aviation	2	-	-	2
Rebuild and Renew New York transportation:				
Highway facilities	563	-	49	514
Canals and waterways	8	-	2	6
Aviation	41	-	2	39
Mass transit - DOT	14	-	2	12
Mass transit - MTA	690	-	26	664
Rail and port	90	-	5	85
Smart Schools Bond Act	308	-	31	277
Total	**$ 2,170**	**$ 0**	**$ 174**	**$ 1,996**

Debt service expenditures (principal and interest) related to the above general obligation bonds during the year were approximately $239 million. Federal subsidies related to the interest payments made during the year on Build America Bonds were $1.5 million. The total amount of general obligation bonds authorized but not issued at March 31, 2022 was $2.2 billion.

Debt service requirements for general obligation bonds in future years, which are financed by transfers from the General Fund to the General Debt Service Fund, are as follows (amounts in millions):

Fiscal Year	Principal	Interest	Total
2023	$ 160	$ 60	$ 220
2024	147	55	202
2025	172	50	222
2026	164	46	210
2027	175	40	215
2028-2032	621	135	756
2033-2037	337	66	403
2038-2042	206	20	226
2043-2047	14	1	15
Total	**$ 1,996**	**$ 473**	**$ 2,469**

Debt service requirements were calculated based upon actual rates ranging from 0.35 percent to 5.62 percent.

NOTE 7 - Obligations Under Lease/Purchase and Other Financing Arrangements

Governmental Activities Debt

The State has entered into contractual financing arrangements with certain public benefit corporations and other entities for various capital assets, local assistance payments and deficit financing. Under these agreements, generally, construction costs are initially paid by the State from appropriations (reported as capital construction expenditures in the governmental funds). These appropriations are then repaid to the State from the proceeds of bonds issued by the public benefit corporations or other entities (reported as financing arrangements in the governmental funds). The State becomes the tenant of the facility under a lease/purchase agreement, which provides for the payment of rentals sufficient to cover the related bond debt service and for the passage of title to the State after the bonds have been repaid.

The State has also entered into contractual obligation financing arrangements (also referred to as "service contract bonds") with certain public benefit corporations that have issued bonds to finance past State budgetary deficits, grants to local governments and various special project initiatives undertaken in partnership with private entities, including commercial enterprises, for both capital and operating purposes. The terms of these arrangements require the State to fund the debt service requirements of the specific debt issued by these entities.

Chapter 59 of the Laws of 2000 enacted the Debt Reform Act (Act) which applies to all new State-supported debt issued on and after April 1, 2000. The Act imposes statutory limitations which restrict the issuance of State-supported debt to capital purposes only and establishes a maximum term of 30 years for such debt. The Act also imposes phased-in caps that ultimately limit the amount of State-supported debt issued on and after April 1, 2000 to 4 percent of State personal income, and limit State-supported debt service on debt issued on and after April 1, 2000 to 5 percent of total governmental funds receipts. The Act requires that the limitations be calculated by October 31st of each year using the State-supported debt outstanding and State-supported debt service amounts from the previous fiscal year. As of March 31, 2021, the cumulative debt outstanding and debt service caps were at 4 and 5 percent, and there was $46.7 billion of State-supported debt outstanding applicable to the debt reform cap, which was about $11.0 billion below the statutory debt outstanding limitation. The debt service cost on this new debt was $5.1 billion, about $4.5 billion below the statutory debt service limitation. The Act does not apply to debt that is not considered State-supported and therefore does not encompass State-guaranteed debt, moral obligation debt, and contingent-contractual obligation financing.

State legislation enacted in connection with the Enacted Budgets for the 2020-21 and 2021-22 fiscal years suspended the Debt Reform Act as part of the State response to the COVID-19 pandemic. Accordingly, any State-supported debt issued in the 2020-21 and 2021-22 fiscal years is not limited to capital purposes and is not counted towards the statutory caps on debt outstanding and debt service. In addition, debt issuances undertaken by the State for MTA capital projects in the 2021-22 fiscal year may be issued with maximum maturities longer than 30 years. This change allows bonds to be issued over the full useful life of the assets being financed, subject to federal tax law limitations, and is consistent with the rules that would have been in effect if the projects had been directly financed by the MTA. Current projections anticipate that State-supported debt outstanding and State-supported debt service will continue to remain below the limits imposed by the Debt Reform Act due to the suspension of the debt cap during the 2020-21 and 2021-22 fiscal years.

The State and some of its public authorities which issue debt on behalf of the State have purchased letters of credit and standby purchase agreements from various providers to ensure that the liquidity needs of certain variable rate demand bonds can be met. As of March 31, 2022, these agreements covered $75 million of variable rate demand bonds outstanding, with costs of 45 basis points of the amount of credit provided and an expiration date of June 5, 2026.

In 2003, the State enacted legislation creating the TSFC to finance a portion of its future revenues expected to be received under the 1998 Master Settlement Agreement (MSA) with the settling cigarette manufacturers. The MSA revenues were intended to compensate the State for all claims for past, present, and future health care costs originating from health care expenses incurred by the State from the effects of cigarette smoking by its citizens. In accordance with the legislation, TSFC issued $4.6 billion in bonds to finance a payment of $4.2 billion to the State's General Fund, enabling the State to finance a portion of the budget deficits occurring in fiscal years ending March 31, 2003 through March 31, 2005, to establish $449 million in debt service reserves, and to provide $129 million to finance a portion of the first debt service payments due on TSFC bonds. In accordance with the legislation, all future revenues from the 1998 MSA would be used to repay the debt until it was fully retired, after which all MSA revenues would revert to the State. The State agreed to make additional payments for TSFC debt service, subject to annual appropriation, from other sources if the future revenues proved insufficient to meet TSFC debt service requirements of the State. However, the State was never called upon to make any payments related to this contingency agreement. In the fiscal year ended March 31, 2018, bonds secured by annual payments from tobacco manufacturers under the MSA were retired, with no remaining debt service requirements to be paid on these bonds. The fiscal year 2018 Enacted Budget authorized and directed that MSA payments be used to help defray costs of the State's takeover of Medicaid costs for counties and New York City. During the fiscal year, pledged MSA revenues of $401 million were recognized and the State plans to make $362 million of Medicaid payments in March 2023.

Prior to 1996, certain payments due to the State's local government units in the first quarter of the State's fiscal year exceeded available State funds. To meet these payments in the past, the State issued short-term tax and revenue anticipation notes called the annual "Spring Borrowing." LGAC was established in 1990 to issue up to $4.7 billion in long-term debt to finance certain local assistance aid payments, plus amounts necessary to fund a capital reserve fund and other issuance costs. Issuance of the entire $4.7 billion bond authorization as of March 31, 1996 eliminated the need for the State's annual Spring Borrowing. Pursuant to the legislation establishing LGAC, the State deposits an amount equal to a 1 percent rate of taxation of the total State sales and use tax collected into Other Governmental Funds (Local Government Assistance Tax Fund) to make payments to LGAC for debt service on its bonds and other expenses of LGAC. Amounts in excess of LGAC's needs are subsequently transferred to the General Fund. Payments to LGAC are subject to annual appropriations by the Legislature. LGAC's bondholders do not have a lien on monies deposited in the Local Government Assistance Tax Fund. On April 1, 2021, LGAC bonds were fully retired. The Local Government Assistance Tax Fund will be terminated on October 1, 2022 after all liabilities from LGAC have been met.

Chapter 62 and Chapter 63 of the Laws of 2003 enacted, among other provisions, the Municipal Assistance Refinancing Act (Refinancing Act), effective July 1, 2003 and deemed repealed July 1, 2034. The Refinancing Act created an incentive for the State to seek an appropriation to provide $170 million per year, from Other Governmental Funds (Local Government Assistance Tax Fund (Fund)) to the City of New York (City) for each of the City's fiscal years beginning July 1, 2003 and ending June 30, 2034. The Refinancing Act requires LGAC to annually certify $170 million so that the State, subject to annual

State appropriation by the Legislature, can provide for a series of payments to the City or the Mayor's assignee in each City fiscal year, beginning July 1, 2003 and ending June 30, 2034, totaling $5.3 billion. From the City's fiscal year 2005 to 2020, each year the Legislature enacted an appropriation of $170 million and LGAC certified the release of the funds before the $170 million State payment was made. During the fiscal year ended March 31, 2022, pursuant to Chapter 59 of the Laws of 2021 enacted provisions, LGAC certified the release for the State payment of $46 million to the City and the remaining outstanding bonds under the Refinancing Act were satisfied by the State-supported bond proceeds.

Chapter 56 of the Laws of 1993 authorized the New York State Thruway Authority to issue up to $2.93 billion in bonds for State highway and bridge projects (the amount of authorized bonds has been raised five times, most recently in 2022, up to $19.8 billion). The bonds are secured and funded by a dedication of portions of the State's petroleum business tax, motor fuel tax, highway and fuel use tax, motor vehicle registration fees, auto rental tax, transmission and transportation tax and certain miscellaneous revenues.

In 2001, the State enacted legislation providing for the issuance of State Personal Income Tax Revenue Bonds (PIT bonds) to be issued by several State public benefit corporations. The original legislation provided that 25 percent of personal income tax receipts, excluding refunds owed to taxpayers, be deposited to the Revenue Bond Tax Fund (RBTF), which is an account of the General Debt Service Fund. These deposits are used to make debt service payments on PIT bonds, with excess amounts returned to the General Fund. In the event that the State Legislature fails to appropriate amounts required to make debt service payments on the PIT bonds, or if required payments have not been made when due, the original legislation required that deposits continue to be made to the RBTF until amounts on deposit equal the greater of 25 percent of personal income tax receipts or $6 billion. Amounts in excess of that needed for current debt service are subsequently transferred to the General Fund. Effective April 1, 2018 enacted legislation amends the State Finance Law provisions to increase the level of personal income tax receipts to be deposited into the RBTF to 50 percent, in addition to a requirement that 50 percent of the Employer Compensation Expense Program (ECEP) receipts and 50 percent of the Pass-Through Entity Tax (PTET) receipts are deposited into the RBTF for the purposes of making debt service payments on PIT bonds. The legislation also provides that personal income tax receipts, ECEP and PTET receipts continue to be deposited to the RBTF equal to 40 percent of the aggregate annual receipts or $12 billion, whichever is greater, in the event the State Legislature fails to appropriate amounts required to make debt service payments on the PIT bonds, or if required payments have not been made when due. The first PIT bonds were issued on May 9, 2002 and approximately $46.7 billion issued for both governmental and business-type activities were outstanding as of March 31, 2022.

In 2013, the State enacted legislation providing for the issuance of State Sales Tax Revenue Bonds to be issued by certain State public benefit corporations. The legislation created the Sales Tax Revenue Bond Tax Fund, an account of the General Debt Service Fund, to provide for the debt service payments on these bonds. The bonds are secured by the pledge of payments from this fund, which will receive 25 percent of the State's sales and use tax receipts. Upon the satisfaction of all of the obligations and liabilities of LGAC on April 1, 2021, this share increases to 50 percent of the State's sales tax receipts. Amounts in excess of that needed for current debt service will be transferred to the General Fund. The first sales tax bonds were issued on October 24, 2013 and approximately $12.4 billion issued for both governmental and business-type activities were outstanding as of March 31, 2022.

During the fiscal year ended March 31, 2021, the State adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASBS 88). GASBS 88 requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements, GASBS 88 also requires that existing and additional information for direct borrowings and direct placements of debt be presented separate from other debt.

Governmental Activities Long-Term Debt

Changes in long-term lease/purchase and other financing arrangements for the year were as follows (amounts in millions):

Issuer	Outstanding April 1, 2021	Issued	Redeemed	Outstanding March 31, 2022
Public Benefit Corporations:				
Dormitory Authority	$ 22,478	$ 5,303	$ 3,771	$ 24,010
Environmental Facilities Corporation	-	-	-	-
Housing Finance Agency	2	-	2	-
Local Government Assistance Corporation	90	-	90	-
Municipal Bond Bank Agency	68	-	38	30
Thruway Authority	1,167	1,955	423	2,699
Urban Development Corporation - Direct Placement	231	-	112	119
Urban Development Corporation - Other	18,249	1,932	1,366	18,815
Total	**$ 42,285**	**$ 9,190**	**$ 5,802**	**$ 45,673**

Debt service expenditures (principal and interest) for the aforementioned obligations during the fiscal year were $7.7 billion. These expenditures were financed primarily by the revenues reported in the governmental funds. Federal subsidies related to the interest payments made during the year on Build America Bonds and Qualified School Construction Bonds were $68.3 million ($32.1 million related to governmental activities and $36.2 million for business-type activities related to SUNY and CUNY).

Certain of the underlying bond indentures require the maintenance of various reserves. Such amounts totaled $81 million at March 31, 2022 and are reported as cash and investments in the General Debt Service Fund and appropriate Other Governmental Funds, with a corresponding restriction of fund balance.

Following are summaries of the future minimum rental payments for long-term lease/purchase and contractual obligation financing arrangements, presenting direct placements of debt separately from all other forms of debt in compliance with GASBS 88. The actual amounts of future interest to be paid are affected by changes in variable interest rates. Fixed rate interest ranges from 0.27 percent to 5.88 percent and variable rate interest is at 0.52 percent (amounts in millions):

Direct Placement

Fiscal Year	Principal	Interest	Total
2023	$ 78	$ 1	$ 79
2024	37	1	38
2025	4	-	4
Total	**$ 119**	**$ 2**	**$ 121**

All Other Debt

Fiscal Year	Principal	Interest	Total
2023	$ 2,222	$ 1,937	$ 4,159
2024	2,083	1,848	3,931
2025	2,237	1,761	3,998
2026	2,801	1,670	4,471
2027	2,577	1,555	4,132
2028-2032	11,712	6,129	17,841
2033-2037	8,021	3,889	11,910
2038-2042	5,284	2,362	7,646
2043-2047	5,095	1,292	6,387
2048-2052	3,000	341	3,341
2053-2057	357	72	429
2058-2062	165	14	179
Total	**$ 45,554**	**$ 22,870**	**$ 68,424**

Summarized by bond type/purpose, the schedule below details outstanding bonds that have assets pledged as collateral for debt and contain terms specified in debt agreements related to events of default, termination events and subjective acceleration clauses that have finance-related consequences.

	Bonds Outstanding	Assets Pledged as Collateral	Events of Default	Termination Events	Subjective Acceleration Clauses
Dormitory Authority:					
Personal Income Tax (Multiple Purposes) .... $	18,121	(1)	(7)	(9)	(10)
Sales Tax (Multiple Purposes).........	5,785	(2)	(7)	(9)	(10)
Upstate Community Colleges	15	(3)	(8)	(9)	(11)
City University Community Colleges	1	(4)	(8)	(9)	(11)
Department of Health	88	(5)	(8)	(9)	(11)
Urban Development Corporation:					
Personal Income Tax (Multiple Purposes)	15,483	(1)	(7)	(9)	(10)
Sales Tax (Multiple Purposes).........	3,451	(2)	(7)	(9)	(10)
Thruway Authority:					
Personal Income Tax (Multiple Purposes)	2,112	(1)	(7)	(9)	(10)
Dedicated Highway & Bridge..........	587	(6)	(7)	(9)	(10)

Footnotes for the column identified as Assets Pledged as Collateral:

(1) Effective April 1, 2018, a statutory allocation of 50 percent (previously 25 percent) of State of New York personal income tax receipts are deposited into the Revenue Bond Tax Fund which is held jointly by the State's Commissioner of Taxation and Finance and the State Comptroller. Also added was a requirement to deposit 50 percent of the New York State Employer Compensation Expense Program receipts and 50 percent of New York State Pass-Through Entity Tax receipts as additional revenue sources. Annual State appropriations are required prior to any payments out of the account.

(2) Initially a statutory allocation of 1 percent rate of New York State sales taxation receipts are deposited in the Sales Tax Revenue Bond Tax Fund which is held jointly by the State's Commissioner of Taxation and Finance and the State Comptroller. The 1 percent rate allocation of sales taxation receipts are increased to 2 percent after all New York Local Government Assistance Corporation bonds were retired on April 1, 2021. Annual State appropriations are required prior to any payments out of the account. Should the balance be insufficient to make financing agreement payments that have been appropriated, the State Comptroller is required to transfer from the State's General Fund amounts necessary to meet the cash requirements.

(3) Community College Tuition and Instructional Income Fund held by the State's Commissioner of Taxation and Finance where all monies appropriated annually by the State are to be deposited.

(4) Secured by a pledge of all revenues received by the City University Construction Fund and an annual State and City appropriation. Certain bonds are also secured by a direct pay letter of credit.

(5) Health Income Fund held by the State Comptroller where all patient care revenues are required to be deposited, as well as an annual State appropriation. The State Comptroller is required to maintain an amount sufficient to meet the next succeeding six months financing obligations before transferring the balance to the medical care facilities.

(6) Secured by a pledge of Cooperative Agreement Payments to be made by the State to the Authority from funds in the Dedicated Highway and Bridge Trust Fund held in the joint custody of the State's Commissioner of Taxation and Finance and the State Comptroller.

Footnotes for the column identified as Events of Default:

(7) There are no events of default that cause additional financial consequences. Bondholders continue to be entitled to receive all principal and interest that is due.
(8) Failure of timely payment of amounts due and meeting all bond covenants, conditions, agreements, and provisions in the respective resolutions; or tax exempt bonds have been deemed taxable.

Footnotes for the column identified as Termination Events:

(9) There are no termination events with financial consequences.

Footnotes for the column identified as Subjective Acceleration Clauses:

(10) The bond resolution does not permit the trustee or bondholders to declare the bonds immediately due and payable. Bondholders of not less than a majority in aggregate principal amount of bonds outstanding may bring an action or suit to enforce the rights of the bondholders.
(11) Upon the written request of bondholders of not less than 25 percent in principal outstanding, the Trustee may declare all principal and interest on the outstanding bonds to be due immediately after a thirty day notice period.

The State is also committed under numerous Customer Installation Commitments with the New York Power Authority (NYPA) for energy efficiency projects, and other capital leases for computer network and telecommunications equipment. Debt service expenditures for capital lease obligations during the year were $4.1 million. Following is a summary of the debt service payments for the remaining lease periods of these capital leases (amounts in millions):

Fiscal Year	Principal	Interest	Total
2023......................	$ 12	$ 1	$ 13
2024......................	4	1	5
2025......................	3	-	3
2026......................	3	-	3
2027......................	3	-	3
2028-2032	7	-	7
Total...................	**$ 32**	**$ 2**	**$ 34**

Refunding

During the fiscal year ended March 31, 2022, the State, acting through certain public authorities, refunded $1.5 billion in existing fixed and variable rate bonds related to lease/purchase and other financing arrangements by issuing refunding bonds in a par amount of $1.2 billion at a $257 million premium and releasing a net amount of $74 million from reserves and debt service accounts. The result will produce an estimated gain of $220 million in future cash flow, with an estimated present value gain of $216 million. The differences between the reacquisition prices and the net carrying values of the refunded bonds generated deferred accounting gains and losses, resulting in deferred inflows and outflows of resources. The accounting gain was $109.6 million, of which $102 million was deferred and will be amortized as an adjustment to interest expense in future years. The accounting loss was $57.6 million, of which $52.7 million was deferred and will be amortized into interest expense in future years. The impact of the refunding issues is presented in the following table (amounts in millions):

Issue Description	Refunding Amount	Refunded Amount	Cash Flow Gain (Loss)	Present Value Gain (Loss)
Dormitory Authority PIT General Purpose Bond Series 2021E	$ 445	$ 538	$ 88	$ 90
Dormitory Authority PIT General Purpose Bond Series 2021F	128	137	39	32
Dormitory Authority PIT General Purpose Bond Series 2022A	95	103	10	14
Thruway Authority PIT Transportation Bonds Series 2021A-1	232	286	82	78
Thruway Authority PIT Transportation Bonds Series 2021A-2	43	42	(4)	(1)
Urban Development Corporation Sales Tax Bond Series 2021A	271	294	3	3
Urban Development Corporation Sales Tax Bond Series 2021B	28	52	2	-
Total	**$ 1,242**	**$ 1,452**	**$ 220**	**$ 216**

In prior years, the State defeased certain of its obligations under lease/purchase and other financing arrangements, whereby proceeds of new obligations were placed in an irrevocable trust to provide for all future debt service payments on the defeased obligations. At March 31, 2022, no such defeased obligations were outstanding.

Business-Type Activities Debt

The State has issued bonds for educational facilities for SUNY and CUNY Senior Colleges through DASNY. Such debt, totaling $15.6 billion, is funded by payments from the State's General Fund. The remainder of the debt of SUNY and CUNY ($664 million) is funded from student fees and other operating aid provided by the State.

The following represents year-end principal balances (at June 30, 2021 for SUNY and CUNY) for lease/purchase and other financing arrangements for business-type activities (amounts in millions):

	Beginning Outstanding	Issued	Redeemed	Ending Outstanding
Dormitory Authority:				
SUNY educational facilities*	$ 9,736	$ 959	$ 867	$ 9,828
Unamortized premium	881	177	89	969
SUNY residence halls	47	-	42	5
Unamortized premium	5	-	4	1
CUNY educational facilities	4,500	502	601	4,401
Unamortized premium	430	67	48	449
Total Dormitory Authority	**15,599**	**1,705**	**1,651**	**15,653**
SUNY capital lease commitments	359	124	57	426
SUNY certificates of participation	1	-	1	-
SUNY other long-term debt	102	32	39	95
CUNY capital lease commitments	76	-	-	76
CUNY mortgage loan commitments	61	-	-	61
CUNY certificates of participation	2	-	2	-
Total (See Note 8)	**$ 16,200**	**$ 1,861**	**$ 1,750**	**$ 16,311**

*SUNY Educational facilities restated as discussed in Note 1u.

The following represents a year-end summary at June 30, 2021 of future minimum debt service payments on the bonds issued by DASNY for SUNY, including interest rates ranging from .55 percent to 5.63 percent (amounts in millions):

Fiscal Year	Principal	Interest	Total
2022	$ 346	$ 463	$ 809
2023	445	449	894
2024	458	425	883
2025	502	403	905
2026	417	377	794
2027-2031	1,690	1,606	3,296
2032-2036	1,708	1,211	2,919
2037-2041	1,898	787	2,685
2042-2046	1,704	340	2,044
2047-2051	665	48	713
Total	**$ 9,833**	**$ 6,109**	**$ 15,942**

The following represents a year-end summary at June 30, 2021 of future minimum debt service payments on the bonds issued by DASNY for CUNY Senior Colleges, including interest rates ranging from 2 percent to 6.1 percent (amounts in millions):

Fiscal Year	Principal	Interest	Net Swap Amount	Total
2022	$ 145	$ 202	$ 9	$ 356
2023	83	195	9	287
2024	182	191	8	381
2025	140	183	6	329
2026	153	177	5	335
2027-2031	939	758	9	1,706
2032-2036	933	543	-	1,476
2037-2041	936	338	-	1,274
2042-2046	857	104	-	961
2047-2051	33	2	-	35
Total	**$ 4,401**	**$ 2,693**	**$ 46**	**$ 7,140**

Future debt service on the bonds issued by DASNY for CUNY Senior Colleges, together with the net swap amount, is calculated assuming current interest rates remain the same. The actual amounts of future interest to be paid are affected by changes in variable interest rates. The actual amounts of future net swap payments are also affected by changes in published indexes – the LIBOR and the SIFMA floating rate.

The following represents a year-end summary at June 30, 2021 for SUNY and CUNY of future minimum debt service payments on capital lease commitments, mortgage loan commitments, certificates of participation, other State-supported debt and other long-term debt for business-type activities (amounts in millions):

	SUNY		CUNY		Total	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 66	$ 23	$ 2	$ 3	$ 68	$ 26
2023	63	21	2	3	65	24
2024	60	18	2	4	62	22
2025	57	15	2	4	59	19
2026	55	12	2	4	57	16
2027-2031	145	24	57	21	202	45
2032-2036	41	8	15	16	56	24
2037-2041	31	3	28	8	59	11
2042-2046	3	-	19	4	22	4
2047-2051	-	-	8	1	8	1
Total	**$ 521**	**$ 124**	**$ 137**	**$ 68**	**$ 658**	**$ 192**

The liabilities for lease/purchase debt, capital leases, mortgage loans, certificates of participation, other State-supported debt and other long-term debt are reported as obligations under lease/purchase and other financing arrangements in the Enterprise Funds.

Debt service expenditures (principal and interest) for all of the aforementioned obligations during the year ended June 30, 2021 totaled $1.6 billion.

During SUNY's fiscal year ending June 30, 2021, Personal Income Tax (PIT) Bonds were issued with a par amount of $959 million at a premium of $177 million for the purpose of financing capital construction and major rehabilitation for educational facilities as well as to refund $604 million of SUNY's existing educational facilities obligations. The refunding will produce an estimated savings of $147 million in future cash flows, with an estimated present value gain of $151 million.

In prior years, SUNY defeased various obligations, whereby proceeds of new obligations were placed in an irrevocable trust to provide for all future debt service payments on the defeased obligations. Accordingly, the trust account assets and liabilities for the defeased obligations are not included in SUNY's financial statements. As of June 30, 2021, outstanding educational facility obligations of $1.2 billion and outstanding residence halls obligations of $753.1 million were considered defeased.

During CUNY's fiscal year ending June 30, 2021, DASNY issued refunding bonds with a par value of $501.9 million and original issue premium of $66.9 million on behalf of CUNY Senior Colleges. Bond proceeds of $328.8 million were used to defease $326.1 million of existing debt. Under the terms of the resolutions for the defeased bonds, bond proceeds were paid directly to the bondholders of the defeased bonds. As a result, the refunded debt is considered defeased. The remaining unamortized premium and discount of $20.7 million are deferred and amortized in a systematic and rational manner over the remaining life of the old debt or new debt, whichever is shorter. There were no remaining unamortized bond issue costs, underwriter discounts, or any other related costs affiliated with the refunded debt.

At June 30, 2021, a total of $568.1 million of previously outstanding CUNY Senior Colleges debt was defeased.

Interest Rate Exchange Agreements (Swaps)

Article 5-D of the State Finance Law authorized the use of a limited amount of swaps equal to 15 percent of statutorily defined State-supported debt. Starting in November 2002, the State began to enter into swap agreements to "synthetically" change the interest cost associated with bonds it had issued from either variable rate to fixed rate or from fixed rate to variable rate. The intention of each of the swaps was to lower the cost of borrowing to the State below what could have been achieved on bonds without the use of the associated swap agreements and to reduce the risks associated with the variability of cash flows or fair values of the underlying debt.

The statutory authorization for the use of swaps also requires that each of the swaps entered into meet the following requirements:

- Counterparties have a credit rating from at least one NRSRO that is within the two highest investment grade categories;
- An independent financial advisor certifies that the terms and conditions of all swaps reflect a fair value;

- A standardized interest rate exchange agreement is utilized;
- Monthly reports are issued by the public benefit corporations to provide monitoring and swap performance assessment; and
- The agreements comply with uniform interest rate exchange guidelines.

The State manages the swaps as a single portfolio, although they relate to debt reported under both governmental activities as of March 31, 2022 and business-type activities as of June 30, 2021.

Swap Activity and Terms

The State has a notional amount of approximately $258 million of swaps outstanding related to business-type activities as of June 30, 2021 that were issued to synthetically create fixed rate debt from variable rate debt. The portfolio includes pay-fixed, receive-variable interest rate swap agreements with three counterparties. The maturities of the synthetic fixed rate swaps are coterminous with the underlying debt.

The table below summarizes fair value balances and notional amounts of derivative instruments outstanding on March 31, 2022 for governmental activities and on June 30, 2021 for business-type activities, and the changes in fair value of those derivative instruments for the years then ended as reported in the State's 2022 financial statements (amounts in millions):

		Changes in Fair Value		Fair Value	
Issuer/Type	**Notional Amount**	**Classification**	**Amount**	**Classification**	**Amount**
Governmental Activities (as of March 31, 2022):					
Cash Flow Hedges:					
Dormitory Authority Pay-fixed interest rate swaps*.........	$ -	Deferred Outflow	$ 26	Derivative Instruments	$ -
Urban Development Corporation Pay-fixed interest rate swaps**.......	-	Deferred Outflow	58	Derivative Instruments	-
Housing Finance Agency Pay-fixed interest rate swaps***.....	-	Deferred Outflow	-	Derivative Instruments	-
Subtotal	**-**		**84**		**-**
Business-Type Activities (as of June 30, 2021):					
Cash Flow Hedges:					
Dormitory Authority - CUNY Pay-fixed interest rate swaps...........	258	Deferred Outflow	14	Derivative Instruments	(38)
Total...	**$ 258**		**$ 98**		**$ (38)**

* Swaps were terminated on December 9, 2021; underlying variable rate bonds were refunded by DASNY PIT Revenue Bonds Series 2021E and 2021F bonds.
** Swaps were terminated on October 14, 2021; underlying variable rate bonds were refunded by UDC Sales Tax Revenue Bonds Series 2021A and 2021B bonds.
*** Swaps matured on September 15, 2021 along with the underlying bonds.

The fair values were calculated utilizing an income approach based on Level 2 (observable) inputs. These inputs include mid-market valuation and then incorporate the credit risk of the State and the bid/offer spread that would be charged to the State in order to transact. The mid-market values of the swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement date.

The table below summarizes the terms of the State's derivative instruments outstanding at June 30, 2021 for business-type activities (amounts in millions):

Issuer/Type	Underlying Debt	Notional Amount	Effective Date	Final Maturity Date	Terms
Business-Type Activities (as of June 30, 2021):					
Dormitory Authority – CUNY:					
Pay-fixed interest rate swaps............................	CUNY 5th Res. Series 2008C, D Bonds	258	4/10/2003	1/1/2025-7/1/2031	Pay 3.36%; Receive 65% LIBOR
Total		**$ 258**			

Risks

Credit Risk – The State is exposed to credit risk on interest rate swap agreements in asset positions (positive fair values). To minimize its exposure to loss related to credit risk, it is the State's policy to require each counterparty to have credit ratings from at least one NRSRO within the two highest investment grade categories and ratings from any other NRSRO within the three highest investment grade categories, or the counterparty's payment obligations shall be unconditionally guaranteed by an entity with such credit ratings. The swap agreements and Article 5-D of the State Finance Law also require that should the credit rating of a counterparty or an entity unconditionally guaranteeing the counterparty's payment obligations, if so secured, fall below the rating required, that the obligations of such counterparty shall be fully and continuously collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, with a net market value of at least 102 percent of the net market value of the contract to the issuer, and such collateral shall be deposited with the issuer or its agent. The following table presents the counterparty credit ratings as of June 30, 2021 related to business-type activities (amounts in millions):

Counterparty	Notional Amount	Credit Ratings Moody's	S&P	Fitch
Citibank	$ 120	Aa3	A+	A+
Merrill Lynch	69	Aa3	AA	-*
UBS	69	Aa3	A+	AA-
Total	**$ 258**			

* Not rated

Certain of the State's swap agreements contain set-off provisions. Under the terms of the agreements, should an agreement terminate, close-out set-off provisions permit all outstanding transactions with the related counterparty to terminate and net the transaction's fair values so that a single sum will be owed by, or owed to, the State.

There were no interest rate swap agreements in asset positions at March 31, 2022; therefore, the State was not exposed to credit risk and no collateral was required to be posted by counterparties. However, should interest rates change and the fair values of interest rate swap agreements become positive, the State would be exposed to credit risk in the amount of those swaps' fair value.

Basis Risk – The State is exposed to basis risk on its pay-fixed interest rate swaps, which is the possibility that the variable rate payments received by the State in the swap are less than the variable rate payments made by the State on the underlying bonds issued. Because the swaps are based on a percentage of LIBOR, there is a possibility that this floating rate will not match the actual interest rates set in the tax-exempt market on the underlying bonds. Times when the mismatch may be out of favor to the State are in very low interest rate environments or if major changes in the tax code were to be enacted, causing tax-exempt floating-rate bonds to trade less favorably in comparison to taxable floating rate bonds. Should the relationship between LIBOR and the actual variable rate payments converge, the expected cost savings may not materialize.

Termination Risk – The swap contracts use the International Swap Dealers Association Master Agreement (Master Agreement), which includes standard termination events, such as failure to pay and bankruptcy. The schedule to the Master Agreement includes "additional termination events," providing that the swaps may be terminated if either the State or a counterparty's credit quality rating falls below certain levels. The State or the counterparties may terminate the swap agreements if the other party fails to perform under the terms of the contract. The State may also terminate the swaps at its option. If a swap agreement is terminated, the synthetically created fixed or variable interest rate will cease to exist and the State's interest payment will be based solely upon the rate required by the related bonds as issued. When a termination occurs, a mark-to-market (or fair market value) calculation is performed to determine whether the State is owed money or must pay money to close out a swap position. A negative fair market value means the State would incur a loss and need to make a termination payment to settle the swap position. A positive fair market value means the State would realize a gain and receive a termination payment to settle the swap position.

Rollover Risk – The State is exposed to rollover risk on interest rate swap agreements that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these swap agreements terminate, or in the case of a termination option, when the option is exercised, the State will be re-exposed to the risks being hedged by the swap agreement. Currently, the maturity dates of the State's interest rate swap agreements and hedged debt are coterminous.

Operating Leases

The State is also committed under numerous operating leases covering real property and equipment. Rental expenditures, reported for the year ended March 31, 2022 under such operating leases, were approximately $394 million and were financed primarily from the General Fund. The following is a projection of future minimum rental commitments under real property and equipment leases with terms exceeding one year (amounts in millions):

Fiscal Year	Governmental Activities
2023	$ 348
2024	317
2025	293
2026	263
2027	251
2028-2032	943
2033-2037	409
2038-2042	57
2043-2047	14
2048-2052	15
2053-2057	17
2058-2062	6
Total	**$ 2,933**

Business-type activities reported rental expenditures of $142 million and the following future minimum rental commitments under real property and equipment leases with terms exceeding one year at year-end (June 30, 2021 for SUNY and CUNY and March 31, 2022 for Lottery) (amounts in millions):

Fiscal Year	Business-Type Activities
2022	$ 119
2023	106
2024	102
2025	86
2026	81
2027-2031	330
2032-2036	151
2037-2041	72
2042-2046	41
2047-2051	24
2052-2056	21
2057-2061	18
Total	**$ 1,151**

Governmental Activities - Collateralized Borrowings

In December 2013, $370 million of Employer Assessment Revenue Bonds, Series 2013A, were issued by DASNY. These bonds are special revenue obligations of DASNY. Principal and interest on the Series 2013A Bonds are payable from employer assessments to be assessed and collected by the Chair of the Workers' Compensation Board. At March 31, 2022, principal and interest outstanding were $268 million and $95 million, respectively. Annual principal and interest payments will continue through December 1, 2034.

The State determined that these transactions meet the criteria for collateralized borrowings under GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, since the pledged revenues are formally committed to directly collateralize or secure debt of a component unit. These Employer Assessment Revenue Bonds are reported as collateralized borrowings in the State's financial statements (amounts in millions):

Fiscal Year	Principal	Interest	Total
2023	$ 16	$ 12	$ 28
2024	17	11	28
2025	17	11	28
2026	18	10	28
2027	19	9	28
2028-2032	105	34	139
2033-2037	76	8	84
Total	**$ 268**	**$ 95**	**$ 363**

Business-Type Activities - Collateralized Borrowings

In March 2013, the State enacted legislation that authorized SUNY to assign all its rights, title and interest in revenues of certain residence halls to DASNY, and authorized DASNY to issue SUNY Dormitory Facilities Revenue Bonds payable from and secured by the residence hall revenues assigned to it by SUNY. The legislation also created a special fund to be held by the State's Commissioner of Taxation and Finance on behalf of DASNY. All residence hall revenues collected by SUNY are required to be deposited in this special fund.

The outstanding obligations under these bonds are reported as a collateralized borrowing, since these bonds are not payable from any money of SUNY or the State and neither SUNY nor the State has any obligation to make any payments with respect to the debt service on the bonds. The pledged revenues recognized during SUNY's fiscal year ended June 30, 2021 amounted to $330.9 million. There were principal payments of $65.7 million and interest payments of $76.3 million during the fiscal year ending June 30, 2021. During 2021, bonds with a par amount of $328.5 million were issued for the purpose of refinancing existing residence hall obligations bonds. These bonds are special obligations of DASNY payable solely from the dormitory facilities revenues collected by SUNY as agent for DASNY. At June 30, 2021, total principal and interest outstanding on the bonds were $1.9 billion and $868 million, respectively. Annual principal and interest payments will continue through July 1, 2049 (amounts in millions):

Fiscal Year	Principal	Interest	Total
2022	$ -	$ 74	$ 74
2023	-	74	74
2024	89	72	161
2025	92	69	161
2026	96	63	159
2027-2031	518	255	773
2032-2036	480	158	638
2037-2041	426	77	503
2042-2046	150	23	173
2047-2051	41	3	44
Total	**$ 1,892**	**$ 868**	**$ 2,760**

NOTE 8 - Liabilities

Changes in Long-Term Liabilities

The following table summarizes changes in long-term liabilities for both governmental activities and business-type activities (amounts in millions):

Changes in Long-Term Liabilities – Governmental Activities

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax refunds payable	**$ 1,364**	**$ 419**	**$ -**	**$ 1,783**	**$ -**
Accrued liabilities:					
Payroll and fringe benefits	$ 167	$ 12	$ -	$ 179	-
Compensated absences	1,096	178	82	1,192	63
Medicaid	260	120	54	326	105
Health insurance	192	-	-	192	-
Litigation	97	589	87	599	589
Workers' compensation reserve	3,552	-	568	2,984	556
Secured hospitals	21	-	21	-	-
Due to component unit	86	-	43	43	43
Miscellaneous	323	11	323	11	3
Total	**$ 5,794**	**$ 910**	**$ 1,178**	**$ 5,526**	**$ 1,359**

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Payable to local governments:					
Education aid	$ 285	$ 7	$ -	$ 292	-
Medicaid	662	513	-	1,175	-
Miscellaneous	63	52	63	52	-
Total	**$ 1,010**	**$ 572**	**$ 63**	**$ 1,519**	-
Due to federal government	**$ 600**	**$ -**	**$ 100**	**$ 500**	**100**
Pension contributions payable	**$ 92**	**$ -**	**$ 92**	**$ -**	-
Net pension liability	**$ 11,582**	**$ -**	**$ 11,193**	**$ 389**	-
Other postemployment benefits	**$ 60,284**	**$ 3,820**	**$ 12,042**	**$ 52,062**	-
Pollution remediation	**$ 1,082**	**$ 124**	**$ 151**	**$ 1,055**	**171**
Collateralized borrowings	**$ 283**	**$ -**	**$ 15**	**$ 268**	**16**
General obligation bonds payable:					
General obligation bonds payable	$ 2,170	$ -	$ 174	$ 1,996	160
Deferred amounts:					
Unamortized premiums	104	-	10	94	9
Total	**$ 2,274**	**$ -**	**$ 184**	**$ 2,090**	**169**
Other financing arrangements:					
Capital leases	$ 28	$ 8	$ 4	$ 32	12
Other financing arrangements-Direct Placements	231	-	112	119	78
Other financing arrangements-Other	42,054	9,190	5,690	45,554	2,222
Deferred amounts:					
Unamortized premiums	5,613	1,029	714	5,928	327
Unamortized discounts	(3)	-	-	(3)	(1)
Total	**$ 47,923**	**$ 10,227**	**$ 6,520**	**$ 51,630**	**2,638**
Derivative instruments	**$ 84**	**$ -**	**$ 84**	**$ -**	-
Total due within one year					**$ 4,453**

Changes in Long-Term Liabilities – Business-Type Activities

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Accrued liabilities:					
Compensated absences	$ 496	$ 252	$ 188	$ 560	$ 340
Litigation	848	-	17	831	25
Miscellaneous	403	33	51	385	1
Total	**$ 1,747**	**$ 285**	**$ 256**	**$ 1,776**	**366**
Due to Federal government (UIB Fund)	**$ 10,672**	**$ 2,864**	**$ 3,363**	**$ 10,173**	**-**
Lottery prizes payable	**$ 1,140**	**$ 60**	**$ 128**	**$ 1,072**	**131**
SUNY pension contributions payable	**$ 95**	**$ 4**	**$ 85**	**$ 14**	**4**
Net pension liability:					
SUNY (June 30, 2021)	$ 1,584	$ 168	$ 1,701	$ 51	-
CUNY (June 30, 2021)	683	-	610	73	-
Lottery	12	-	12	-	-
Total	**$ 2,279**	**$ 168**	**$ 2,323**	**$ 124**	**-**
Other postemployment benefits:					
SUNY (June 30, 2021)	$ 15,531	$ -	$ 1,977	$ 13,554	-
CUNY (June 30, 2021)	1,971	141	65	2,047	-
Lottery	75	5	14	66	-
Total	**$ 17,577**	**$ 146**	**$ 2,056**	**$ 15,667**	**-**
Collateralized borrowings:					
SUNY (June 30, 2021)	$ 1,786	$ 329	$ 223	$ 1,892	-
Unamortized premiums	176	-	27	149	7
Total	**$ 1,962**	**$ 329**	**$ 250**	**$ 2,041**	**7**
Other financing arrangements:					
SUNY (June 30, 2021)*	$ 10,245	$ 1,115	$ 1,006	$ 10,354	412
CUNY (June 30, 2021)	4,639	502	603	4,538	147
Unamortized premiums:					
SUNY (June 30, 2021)	886	177	93	970	54
CUNY (June 30, 2021)	430	67	48	449	-
Total	**$ 16,200**	**$ 1,861**	**$ 1,750**	**$ 16,311**	**613**
*Restated as discussed in Note 1u.					
Derivative instruments	**$ 52**	**$ -**	**$ 14**	**$ 38**	-
Total due within one year					**$ 1,121**

Litigation and workers' compensation liabilities will be liquidated by the General Fund. Medicaid accrued liabilities and amounts payable to local governments will be liquidated by the General Fund and the Federal Special Revenue Fund. Payroll and related fringe benefits, compensated absences, health insurance, pension contributions, other postemployment benefits, pollution remediation, secured hospitals and miscellaneous accrued liabilities will be liquidated by the General Fund, Federal Special Revenue Fund, General Debt Service Fund and Other Governmental Funds.

Accrued Liabilities – Governmental Activities

The following table summarizes accrued liabilities at March 31, 2022 for governmental activities (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Activities
Payroll	$ 581	$ 28	$ -	$ 48	$ 657
Fringe benefits	361	3	-	3	367
Medicaid	4,174	8,936	-	-	13,110
Health programs	365	-	-	-	365
Public school aid	74	30	-	-	104
Public welfare	-	135	-	-	135
Miscellaneous	1,136	129	16	709	1,990
Total Governmental Funds	**$ 6,691**	**$ 9,261**	**$ 16**	**$ 760**	**16,728**
Claimant liability for escheated property					2,935
Total					**$ 19,663**

Payable to Local Governments – Governmental Funds

The following table summarizes amounts payable to local governments at March 31, 2022 for governmental funds (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total
Education programs	$ 2,051	$ 416	$ -	$ 78	$ 2,545
Temporary and disability assistance	464	1,584	-	3	2,051
Local health programs	1,106	587	-	48	1,741
Mental hygiene programs	43	44	-	-	87
Criminal justice programs	5	8	-	-	13
Child and family services programs	14	-	-	-	14
Local share of tax revenues	-	-	1,002	-	1,002
Public safety	13	25	-	15	53
Emergency management	27	2,589	-	-	2,616
Transportation	-	-	-	313	313
Miscellaneous	299	370	-	156	825
Total	**$ 4,022**	**$ 5,623**	**$ 1,002**	**$ 613**	**$ 11,260**

Accrued Liabilities – Business-Type Activities

The following table summarizes current accrued liabilities at March 31, 2022 for business-type activities (June 30, 2021 for SUNY and CUNY) (amounts in millions):

Description	Lottery	Unemployment Insurance Benefit	SUNY	CUNY	Total
Payroll	$ -	$ -	$ 380	$ 147	$ 527
Fringe benefits	-	-	237	67	304
Employer overpayments	-	138	-	-	138
Benefits due claimants	-	89	-	-	89
Unclaimed and future prizes	539	-	-	-	539
Miscellaneous	-	-	772	180	952
Total	**539**	**227**	**1,389**	**394**	**2,549**
Long-term accrued liabilities - due within one year	1	-	239	126	366
Total	**$ 540**	**$ 227**	**$ 1,628**	**$ 520**	**$ 2,915**

NOTE 9 - Interfund Transactions and Other Transfers

Interfund Transfers

Interfund transfers for the year ended March 31, 2022 consisted of the following (amounts in millions):

	Transfers To						
Transfers From	**General**	**General Debt Service**	**Other Govern-mental**	**Elimi-nation**	**Total Govern-mental Funds**	**Business-Type Activities**	**Total**
General	$ -	$ 359	$ 7,481	$ -	**$ 7,840**	$ 4,958	**$ 12,798**
Federal Special Revenue	215	-	1,489	-	**1,704**	531	**2,235**
General Debt Service	45,020	-	-	-	**45,020**	1,780	**46,800**
Other Governmental	9,399	168	141	-	**9,708**	570	**10,278**
Elimination	-	-	-	(64,272)	**(64,272)**	-	**(64,272)**
Total Governmental Funds	**54,634**	**527**	**9,111**	**(64,272)**	-	**7,839**	**7,839**
SUNY	26	-	144	-	**170**	-	**170**
Lottery	-	-	3,608	-	**3,608**	-	**3,608**
Governmental Activities	-	-	-	-	-	(115)	**(115)**
Total	**$ 54,660**	**$ 527**	**$ 12,863**	**$ (64,272)**	**$ 3,778**	**$ 7,724**	**$ 11,502**

Transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Significant transfers include transfers to the General Fund from other funds representing excess revenues not needed in those funds. Transfers to the General Fund from the General Debt Service Fund for excess funds not needed for debt service on revenue bonds backed by personal income and sales tax revenues totaled approximately $45 billion. Transfers to the General Fund from Other Governmental Funds are primarily due to: excess sales tax receipts not needed for LGAC debt service requirements of $4.3 billion; mental health patient fees in excess of debt service and rental reserve requirements of $1.7 billion; excess real property transfer tax receipts from clean water and clean air programs of $1.6 billion; $1.2 billion from the Dedicated Highway and Bridge Trust Fund to make required service contract payments; and $350 million for health care-related expenditures. Transfers from the General Fund to the General Debt Service Fund are primarily due to State debt service payments of $340 million. Transfers from the Other Governmental Funds to the General Debt Service Fund include $74 million to the Dedicated Highway and Bridge Trust Fund. Transfers from the General Fund to Other Governmental Funds include: $5.9 billion to the State Capital Project Fund for capital projects; $532 million to the Dedicated Highway and Bridge Trust Fund; $396 million to the MTA Financial Assistance Fund; and $235 million to the Dedicated Infrastructure Investment Fund. Transfers from the General Fund to the Enterprise Funds comprise State support to the Lottery, SUNY and CUNY Funds ($5 billion). Transfers from the Federal Special Revenue Fund to Other Governmental Funds comprise the federal share of Medicaid payments for a variety of purposes, including transfers to the Mental Health Services Fund for recipients residing in State-operated facilities ($1.4 billion). Transfers from the Lottery to Other Governmental Funds represent Lottery support for school aid payments ($3.6 billion). The eliminations of $64.3 billion represent transfers made between the governmental funds.

Transfers from the governmental funds to the SUNY and CUNY Funds are reported as transfers to other funds by the governmental funds and as State appropriations by the SUNY and CUNY Funds. As explained in Note 1, the amounts reported for the SUNY and CUNY Funds are derived from their annual financial statements for the fiscal year ended June 30, 2021. Therefore, because of the different fiscal year-end for the SUNY and CUNY Funds, total transfers from other funds exceed total transfers to other funds by $1.6 billion. The following is a reconciliation of transfers resulting from different year-ends (amounts in millions):

Governmental Activities transfers:	
SUNY	$ (5,351)
CUNY	(2,113)
Lottery (State transfers)	(90)
Lottery (Education aid)	3,608
Total Governmental Activities transfers	**(3,946)**
Business-Type Activities transfers:	
State	4,999
Federal and State hospital support transfers	522
Education aid	(3,608)
Capital	463
Total Business-Type Activities transfers	**2,376**
Total transfers	**$ (1,570)**

Due To/From Other Funds

The following is a summary of the amounts due to other funds and due from other funds at March 31, 2022 (amounts in millions):

	Due To Other Funds								
Due From Other Funds	**General**	**Federal Special Revenue**	**General Debt Service**	**Other Govern-mental**	**Elimin-ation**	**Total Govern-mental Funds**	**Business-Type Activities**	**Govern-mental Activities**	**Total**
General	$ -	$ 1,624	$ 5,215	$ 2,073	$ -	**$ 8,912**	$ 11	$ -	**$ 8,923**
Federal Special Revenue	25	-	-	-	-	**25**	-	-	**25**
Other Governmental	143	271	1	-	-	**415**	1,394	-	**1,809**
Elimination	-	-	-	-	(9,352)	**(9,352)**	-	-	**(9,352)**
Total Governmental Funds	**168**	**1,895**	**5,216**	**2,073**	**(9,352)**	-	**1,405**	-	**1,405**
Business-Type Activities	366	5	-	36	-	**407**	-	732	**1,139**
Total	**$ 534**	**$ 1,900**	**$ 5,216**	**$ 2,109**	**$ (9,352)**	**$ 407**	**$ 1,405**	**$ 732**	**$ 2,544**

The more significant balances in due to/from other funds include $1.8 billion due to the General Fund to cover cash overdrafts in the short-term investment pool. These temporary interfund loans include $84 million to the Federal Special Revenue Fund and $1.7 billion to Other Governmental Funds. Due to other funds in the General Debt Service Fund includes $5.2 billion for amounts owed to the General Fund for excess personal income revenues.

As explained in Note 1, the amounts reported for the SUNY and CUNY Funds are derived from their annual financial statements for the fiscal year ended June 30, 2021. Therefore, because the fiscal year-end of the SUNY and CUNY Funds differs from the State's fiscal year-end, the total amount reported as due to other funds exceeds the total amount reported as due from other funds by $732 million. Of this amount, $699 million is related to ongoing litigation between SUNY and other parties as discussed in Note 11.

NOTE 10 - Commitments and Contingencies

The State receives significant financial assistance from the federal government in the form of grants and entitlements. Receipt of grants is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for eligible purposes. Substantially all federal grants are either subject to the Federal Single Audit Act or to financial and compliance audits by grantor agencies of the federal government or their designees. Disallowances by federal program officials as a result of these audits may become liabilities of the State.

Pursuant to legislation enacted in 1985, the State entered into service contracts establishing a contingent-contractual obligation with respect to financings related to the DASNY Secured Hospital Program for the purpose of enabling certain financially distressed not-for-profit hospitals to gain access to the capital markets. The State service contracts obligate the State to pay debt service, subject to annual appropriations, on bonds in the event of shortfalls in hospital resources. The bonds mature annually through February 15, 2028, with semiannual interest payments. During the fiscal year ended March 31, 2022, pursuant to legislation enacted in 2021, the remaining bonds of $95 million were refunded by the State-supported bonds issuances.

Health care providers have a right to appeal Medicaid reimbursement rates. Based on an analysis of appeals, a liability of $113 million has been recognized in the government-wide Statement of Net Position.

The Centers for Medicare and Medicaid Services (CMS) disallowed Medicaid claims for services provided by the New York State Office for People With Developmental Disabilities in fiscal years 2011, 2012 and 2013. The State and CMS reached a settlement agreement on March 20, 2015 on this matter, whereby the State agreed to pay a total of $1.95 billion to CMS. The agreement called for the State to adjust the federal and State shares of Medicaid costs over 12 years to yield repayments of $850 million in fiscal year 2016, and $100 million in fiscal years 2017 through 2027. Through March 31, 2022, the State has reimbursed the federal government $1.45 billion and, accordingly, has reported the remaining liabilities of $500 million in the governmental activities.

In 1977-78, the State required that reserve funds held by insurance companies that underwrite the State employee health insurance programs be paid to the General Fund. The State is liable to replenish these reserve funds if needed to pay insured benefits or if the contracts with the insurance companies are terminated. Accordingly, based on actuarial calculations, the State has recorded a liability of $192 million, which is reported as accrued liabilities due in more than one year on the government-wide Statement of Net Position.

The State recognizes the increasing cost related to other postemployment benefits (Note 13). The contribution requirements of NYSHIP members and the State are established and may be amended by the Legislature. The State is not required to provide funding above the PAYGO (paying the costs as they become due) amount necessary to provide current benefits to retirees. The State continues to fund these costs, along with all other employee health care expenses, on a PAYGO basis.

Generally, the State does not insure its buildings, contents or related risks and does not insure its State-owned automobiles for bodily injury and property damages, but the State does have fidelity insurance on State employees. A liability is estimated for unpaid automobile claims based on an analysis of property loss and claim settlement trends. Routine uninsured losses are recorded as expenditures in the

General Fund as paid, while significant uninsured losses usually are the result of litigation that is discussed further in Note 11. Insured losses incurred by the State did not exceed coverage for any of the three preceding fiscal years. Litigation losses are estimated based on an assessment of pending cases conducted by the Office of the Attorney General.

Workers' compensation is provided with the State Insurance Fund acting as the State's administrator and claims processing agent. Under an agreement with the State Insurance Fund, the State pays only what is necessary to fund claims. Based on actuarial calculations, discounted at 2.34 percent as of March 31, 2022, the State is liable for unfunded claims and incurred but not reported claims totaling $3 billion, which are reported as accrued liabilities in the government-wide Statement of Net Position.

Changes in the State's liability relating to workers' compensation claims, litigation and incurred but not reported loss estimates related to medical malpractice claims (Note 11), and auto claims in fiscal years 2021 and 2022 were (amounts in millions):

Fiscal year	Claim Liability Beginning of Year	Increase in Liability Estimate	Payments and Decrease in Liability Estimate	Claim Liability End of Year
2020-2021	$ 4,563	$ 526	$ 651	$ 4,438
2021-2022	$ 4,438	$ 513	$ 666	$ 4,285

The State Finance Law requires the Abandoned Property Fund (Fund), a General Fund Account, to have a maximum cash balance of $750,000 at fiscal year-end. All Fund receipts are recorded in the State Purposes Account (Account) and receipts recorded in the Fund are for payment upon approval of a claim. At March 31, 2022, the Fund included $905 million of securities not yet liquidated and not subject to the State Finance Law's cash provisions. Net collections from inception (1942) to March 31, 2022 of approximately $17.7 billion, excluding interest, represent a contingent liability to the State since the owners of such property may file claims for refunds.

Restricted net position at March 31, 2022 of $2.9 billion, representing the probable amount of escheat property that will be reclaimed and paid to claimants, is reported in the State's Statement of Net Position. To the extent that assets in the Fund are less than the claimant liability, a receivable (due from other funds) is reported in the Fund and an equal liability (due to other funds) is reported in the Account. At March 31, 2022, the amount reported was $1.8 billion due from the Fund to the Account. Since receipts in the Fund are expected to be adequate to pay current claims, it is not expected that the Account will be required to support the Fund for that purpose. Claims paid from the Fund during the year totaled $371 million.

The State is liable for costs relating to the closure and post-closure of landfills totaling $4 million, which is recorded in accrued liabilities. Closure and post-closure requirements are generally governed by Title 6, Part 360 of the New York Code of Rules and Regulations. Since most landfills are inactive, the liability reflects the total estimated closure and post-closure cost at year-end. Liability estimates are based on engineering studies or on estimates by agency officials that are updated annually.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASBS 49), provides guidance for state and local governments in estimating and reporting the potential costs of pollution remediation. While GASBS 49 does not require the State to search for pollution, it does require the State to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the State is compelled to take action;
- The State is in violation of a pollution-related permit or license;
- The State is named or has evidence that it will be named as responsible party by a regulator;
- The State is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- The State commences or legally obligates itself to conduct remediation activities.

Site investigation, planning and design, cleanup and site monitoring are typical remediation activities underway across the State. Several State agencies have dedicated programs, rules and regulations that routinely deal with remediation-related issues; others become aware of pollution conditions in the fulfillment of their missions. The State has the knowledge and expertise to estimate its remediation obligations based upon prior experience in identifying and funding similar remediation activities. The standard requires the State to calculate pollution remediation liabilities using the expected cash flow technique. Where the State cannot reasonably estimate a pollution remediation obligation, it does not report a liability; however, the State has not identified any such situation.

The State's estimated pollution remediation obligations are subject to change over time. Costs may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to these estimated obligations. Prospective recoveries from responsible parties may reduce the State's obligation. Capital assets may be created when pollution remediation outlays are made under specific circumstances.

During the fiscal year, the State recognized estimated additional liabilities of $124 million, spent $121 million in activities related to pollution remediation obligations and recognized adjustments decreasing the liability by $30 million. The State recovered $67 million from other responsible parties. At March 31, 2022, the State had an outstanding pollution remediation liability of $1.06 billion, with an estimated potential recovery of $91 million from other responsible parties.

Several unions have not reached labor settlement agreements with the State at this time. Settlements may result in added costs to the State.

Business-Type Activities

State funds support a significant portion of SUNY and CUNY operations. In the FY 2023 Enacted Budget Financial Plan, which includes projections up to FY 2026, the State provides more than $1 billion annually for SUNY campus operations through a General Fund transfer and more than $2 billion to fully support fringe benefit costs of SUNY employees at State-operated campuses. The State is also projected to pay $1.2 billion in FY 2023 for debt service on bond financed capital projects at SUNY and CUNY.

SUNY has entered into contracts for the construction and improvement of various projects. At June 30, 2021, these outstanding contractual commitments totaled approximately $680 million. CUNY Senior Colleges have also entered into contracts for the construction and improvement of various capital assets. At June 30, 2021, these outstanding contractual commitments totaled approximately $315.5 million.

SUNY and CUNY Senior Colleges have insurance coverage for residence halls, but in general, do not insure educational facilities, contents or related risks and do not insure vehicles and equipment for claims and assessments arising from bodily injury, property damages, and other perils. Unfavorable judgments, claims, or losses incurred by SUNY and CUNY Senior Colleges are covered by the State on a self-insured basis. The fidelity insurance the State has on State employees includes SUNY and CUNY Senior Colleges employees.

The Lottery is party to a number of contracts with vendors relating to maintaining the traditional lottery gaming network, supplying instant game tickets, maintaining instant game ticket self-service terminals, supplying video lottery gaming machines to nine video lottery gaming facilities, and providing a central processing system for the operation of video lottery gaming.

During fiscal year 2021-22, the State Department of Labor (Department) continued to receive a significantly higher amount of unemployment claim filings due to the COVID-19 pandemic. Due to the significant increase in claims over the past two years, there is an inherent increase in the risk of fraudulent claims thereby increasing the risk of improper unemployment benefit payments compared to the pre-pandemic years. To mitigate this risk, the Department was deliberate in maintaining its existing controls over processing and implemented enhanced identity verification procedures, which at the onset resulted in a backlog and delay in processing and payment of unemployment claims. The Department continues to process and pay unemployment claims with the enhanced procedures; however, the backlog and delays have decreased.

NOTE 11 – Litigation

The State is a defendant in numerous legal proceedings pertaining to matters incidental to the performance of routine governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings, and other alleged violations of State and federal laws.

Included in the State's outstanding litigation are a number of cases challenging the legality or the adequacy of a variety of significant social welfare programs, primarily involving the State's Medicaid and mental health programs. Adverse judgments in these matters generally could result in injunctive relief coupled with prospective changes in patient care that could require substantial increased financing of the litigated programs in the future.

With respect to pending and threatened litigation, the State has reported $1.3 billion in the primary government; $599 million is related to governmental activities and $699 million pertains to SUNY. SUNY reported $831 million as of December 31, 2021 for awarded claims, anticipated unfavorable judgments, and incurred but not reported loss estimates related to medical malpractice claims. The difference of $132 million is due to a timing difference between the State's and SUNY's fiscal year end. In addition, the State is party to other claims and litigation that its legal counsel has advised may result in possible adverse court decisions with estimated potential losses of approximately $295 million.

NOTE 12 - Retirement Systems

New York State and Local Retirement System

The Office of the State Comptroller administers the following plans: the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. ERS and PFRS are cost-sharing, multiple-employer, defined benefit pension plans. The Public Employees' Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. For financial reporting purposes, GLIP amounts are apportioned to and included in ERS and PFRS.

The System issues a publicly available Annual Comprehensive Financial Report that includes financial statements, expanded disclosures, and required supplementary information for the System. The report may be obtained by writing to the New York State and Local Retirement System, Office of the State Comptroller, 110 State Street, Albany, New York, 12244-0001 or at *www.osc.state.ny.us/retire.*

Plan Benefits

The System provides retirement benefits as well as death and disability benefits. System benefits are established by the New York State Retirement and Social Security Law (RSSL) and are dependent upon the point in time at which the employees last joined the System. The RSSL has established distinct classes of membership. The System uses a tier concept within ERS and PFRS to distinguish these groups, as follows:

ERS

Tier 1 .... Those persons who last became members before July 1, 1973.

Tier 2 .... Those persons who last became members on or after July 1, 1973, but before July 27, 1976.

Tier 3 .... Generally, those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.

Tier 4 .... Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.

Tier 5 .... Those persons who last became members on or after January 1, 2010, but before April 1, 2012.

Tier 6 .... Those persons who first became members on or after April 1, 2012.

PFRS

Tier 1	Those persons who last became members before July 31, 1973.
Tier 2	Those persons who last became members on or after July 31, 1973, but before July 1, 2009.
Tier 3	Those persons who last became members on or after July 1, 2009, but before January 9, 2010.
Tier 4	N/A
Tier 5	Those persons who last became members on or after January 9, 2010, but before April 1, 2012, or who were previously PFRS Tier 3 members and elected to join Tier 5.
Tier 6	Those persons who first became members on or after April 1, 2012.

Generally, members of ERS and PFRS must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Full benefits may be collected at age 55 for Tier 1 members. Members of Tiers 2, 3 and 4 must generally have five years of service to be eligible to collect a retirement benefit. The full benefit age for members of Tiers 2, 3 and 4 is 62. Members in Tiers 3 and 4 with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. Tier 5 members must generally have ten years of service to be eligible to collect a retirement benefit. The full benefit age for Tier 5 members is 62. Tier 6 members must generally have ten years of service to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members. Members in Tiers 5 and 6 with less than ten years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. Members who joined the System prior to January 1, 2010 generally need five years of service to be 100 percent vested. As of April 9, 2022, members who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) need 5 years of service credit to be 100 percent vested; previously, such members needed 10 years of service credit to be 100 percent vested.

Typically, the benefit for members in all Tiers within ERS and PFRS is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a Tier 1 or 2 member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4 or 5 member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4 or 5 member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Final average salary for Tiers 1 through 5 is the average of the wages earned in the three highest-paid consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, earnings in any year included in the final average salary calculation cannot exceed the previous year's earnings by more than 20 percent. For Tier 2 members, earnings in any year included in the final average salary calculation cannot exceed the average of the previous two years by more than 20 percent. For Tier 3, 4 and 5 members, the earnings for any year used in computing final average salary cannot exceed the average of the previous two years by more than 10 percent. The benefit for Tier 6 members who retire with 20 years of service is 1.75 percent of final average salary for each year of service. If a Tier 6 member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. The final average salary for a Tier 6 member is computed as the average of the wages earned in the five highest-paid consecutive years. Earnings for each year used in the final average salary calculation cannot exceed the average of the previous four years by more than 10 percent.

A cost-of-living adjustment is provided annually to: retirees who have attained age 62 and have been retired for five years; retirees who have attained age 55 and have been retired for 10 years; all disability retirees, regardless of age, who have been retired for five years; ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or greater than 3 percent.

Contributions

Employee contribution requirements depend upon the point in time at which an employee last joined the System. Most Tier 1 and Tier 2 members of ERS and most members of PFRS are not required to make employee contributions. Employees in Tiers 3, 4 and 5 are required to contribute 3 percent of their salaries. However, as a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees who have ten or more years of membership or credited service within the System are not required to contribute. The Tier 6 contribution rate varies from 3 percent to 6 percent, depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Members cannot be required to begin contributing or to make increased contributions beyond what was required when their memberships began.

Participating employers are required under the RSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2022 was approximately 16.2 percent of payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2022 was approximately 28.3 percent of payroll. The State's contributions for the fiscal year ended March 31, 2022 were $1.9 billion for ERS and $225 million for PFRS.

Chapter 57 of the Laws of 2010 authorized the State and local employers to amortize a portion of their annual pension costs over ten years during periods when actuarial contribution rates exceed thresholds established by the statute. As of March 31, 2022, the State has paid off all previous amortizations.

Net Pension Liabilities and Other Pension-Related Amounts

For purposes of determining net pension liability and other pension-related amounts, information about the fiduciary net position of ERS and PFRS and additions to and deductions from the fiduciary net position of ERS and PFRS have been determined on the same basis reported by the System. Benefits are recognized when due and payable. Investments are recorded at fair value as further described in Note 2.

The State's proportionate share of the collective net pension liability for ERS and PFRS reported at March 31, 2022, was measured as of March 31, 2021, and was determined using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to

March 31, 2021. The overall State's ERS proportion of the net pension liability measured at March 31, 2021 was 46.34 percent, of which, the State's share net of SUNY hospitals and SUNY Construction Fund (SUCF) was 43.49 percent. The overall State's PFRS proportion of the net pension liability measured at March 31, 2021 was 21.26 percent, of which, the State's share net of SUNY hospitals and SUCF was 21.23 percent. The State's shares related to each plan were determined consistently with the manner in which contributions to the pension plan are determined. The State's total projected long-term contribution effort to ERS and PFRS was compared to the total projected long-term contribution effort from all employers to ERS and PFRS in order to determine the State's proportionate share of the respective plan's net pension liability.

State employees engaged in governmental activities, as well as those employed by the SUNY and Lottery enterprise funds, are generally members of ERS. The State proportion of the ERS collective net pension liability measured at March 31, 2021 of 43.49 percent was allocated 40.48 percent to governmental activities, 2.94 percent to the SUNY enterprise fund, 0.04 percent to the Lottery enterprise fund, and 0.03 percent to New York State Higher Education Services Corporation (HESC). In addition to its allocation of the State proportion, SUNY recognized a proportion of the ERS collective net pension liability of 2.85 percent associated with specific related entities excluded from the State proportion measured at March 31, 2021. The State proportion of the PFRS collective net pension liability measured at March 31, 2021 of 21.23 percent was allocated 20.09 percent to governmental activities and 1.14 percent to the SUNY enterprise fund. In addition to its allocation of the State proportions, SUNY recognized a proportion of the ERS and PFRS collective net pension liabilities of 2.85 percent and 0.03 percent, respectively, associated with specific related entities excluded from the State proportion measured at March 31, 2021.

The State recognized net pension liability of $40 million and $349 million in governmental activities for its respective proportionate shares of the ERS and PFRS collective net pension liabilities. Pension expense recognized by the State in governmental activities was $894 million for ERS and $174 million for PFRS for the year ended March 31, 2022. The State reported the following deferred outflows of resources and deferred inflows of resources in governmental activities for ERS and PFRS at March 31, 2022 (amounts in millions):

	ERS		PFRS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Difference between expected and actual experience	$ 493	$ -	$ 77	$ -
Net difference between projected and actual investment earnings on pension plan investments	-	11,580	-	1,025
Changes in proportion and differences between employer contributions and proportionate share of contributions	75	152	7	51
Changes in assumptions	7,412	140	857	-
Contributions made subsequent to measurement date	1,778	-	213	-
Total	**$ 9,758**	**$ 11,872**	**$ 1,154**	**$ 1,076**

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2023. The remaining cumulative net amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the governmental activities will be recognized in future pension expense as follows (amounts in millions):

Fiscal Year	**ERS**	**PFRS**
2023	$ (731)	$ (55)
2024	(277)	(15)
2025	(652)	(43)
2026	(2,232)	(189)
2027	-	167
Total	**$ (3,892)**	**$ (135)**

SUNY recognized net pension liability of $6 million and $20 million for its proportionate shares of the ERS and PFRS net pension liabilities, respectively, measured on March 31, 2021. For the year ended June 30, 2021, SUNY recognized pension expense of $119 million and $10 million for ERS and PFRS, respectively. Deferred outflows of resources and deferred inflows of resources related to ERS and PFRS are from the following sources (amounts in millions):

	SUNY			
	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 70	$ -	$ 5	$ -
Net difference between projected and actual investment earnings on pension plan investments	-	1,655	-	60
Changes in proportion and differences between employer contributions and proportionate share of contributions	20	50	-	3
Changes in assumptions	1,060	20	50	-
Total	**$ 1,150**	**$ 1,725**	**$ 55**	**$ 63**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for SUNY ERS and SUNY PFRS will be recognized in future pension expense as follows (amounts in millions):

	SUNY	
Fiscal Year	**ERS**	**PFRS**
2022	$ (111)	$ (3)
2023	(45)	(1)
2024	(97)	(3)
2025	(322)	(11)
2026	-	10
Total	**$ (575)**	**$ (8)**

The Lottery recognized a net pension liability of $40 thousand for its proportionate share of the ERS net pension liability. For the year ended March 31, 2022, Lottery recognized pension expense of $1 million related to ERS. Deferred outflows of resources and deferred inflows of resources related to ERS are from the following sources (amounts in millions):

	Lottery	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1	$ -
Net difference between projected and actual investment earnings on pension plan investments	-	12
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Changes in assumptions	7	-
Contributions made subsequent to measurement date	2	-
Total	**$ 10**	**$ 12**

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for Lottery will be recognized in future pension expense over the next five years.

Actuarial Assumptions

The total pension liability for the March 31, 2021 measurement date was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation for both ERS and PFRS used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.7 percent
Salary scale.................................	4.4 percent in ERS; 6.2 percent in PFRS, indexed by service
Investment rate of return, including inflation	5.9 percent compounded annually, net of investment expenses
Cost of living adjustments...........	1.4 percent annually
Active member decrements.........	Based upon fiscal year 2016-2020 experience
Pensioner mortality	Gender/Collar specific tables based upon fiscal year 2016-2020 experience
Mortality improvement	Society of Actuaries Scale MP-2020

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for ERS and PFRS as of April 1, 2021 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic equities	32 %	4.05 %
International equities	15 %	6.30 %
Private equities	10 %	6.75 %
Real estate	9 %	4.95 %
Opportunistic/Absolute return strategies portfolio	3 %	4.50 %
Credit	4 %	3.63 %
Real assets	3 %	5.95 %
Fixed income	23 %	0.00 %
Cash	1 %	0.50 %
Total	**100 %**	

*Real rates of return are net of long-term inflation assumption of 2 percent.

Discount Rate

The discount rate used to measure the ERS and PFRS total pension liabilities as of March 31, 2021 was 5.9 percent, decreased from the discount rate of 6.8 percent for the March 31, 2020 measurement date. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon these assumptions, the ERS and PFRS fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the current period net pension liability of the State's governmental activities, SUNY, and Lottery calculated using the current period discount rate assumption of 5.9 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9 percent) or 1 percentage point higher (6.9 percent) than the current assumption (amounts in millions):

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental activities ERS net pension liability (asset)	$ 11,189	$ 40	$ (10,242)
Governmental activities PFRS net pension liability (asset)	1,483	349	(590)
SUNY - ERS net pension liability (asset)	1,599	6	(1,464)
SUNY - PFRS net pension liability (asset)	86	20	(34)
Lottery - ERS net pension liability (asset)	11	-	(10)

Voluntary Defined Contribution Plan

The Voluntary Defined Contribution Plan (VDCP) is offered though the Teachers Insurance and Annuity Association (TIAA, formerly known as TIAA-CREF). TIAA is an Optional Retirement Program (ORP) and provides retirement and death benefits through annuity contracts to those employees who elected to participate in the ORP. The VDCP is a defined contribution pension plan. The SUNY ORP is the administrator of the VDCP.

Prior to March 16, 2012, a limited number of employees, most notably employees of SUNY and CUNY Senior Colleges, had the option of enrolling in this plan. Legislation signed into law on March 16, 2012, made the existing VDCP available to all eligible State employees who choose the plan as their retirement selection. The VDCP is available to unrepresented employees of New York State public employers who were hired on or after July 1, 2013 and who earn $75,000 or more on an annual basis. The VDCP includes a 366-day vesting period, after which a participant has full and immediate vesting in all retirement benefits provided by the annuities purchased through the employee and employer contributions. The employer and employee contributions are not deposited into accounts until the completion of the 366-day vesting period. Until that time, the funds are held in escrow by the Office of the State Comptroller. A participant who does not complete the vesting period is entitled to a refund of contributions, plus interest, upon request. The VDCP is the employee's personal retirement account, and is supported by employer and employee contributions plus any applicable earnings. A participant's income in retirement will be determined by the account balance. The employee has the opportunity for higher or lower retirement income based on his or her investment decisions and the performance of the investment options selected by the employee. The retirement income benefit will depend on several factors including salary, duration of contributions, investment earnings and age at retirement. Income is not guaranteed.

Contribution rates are established by legislation passed by the State. Currently, the employer contribution of 8 percent of compensable salary is made to participants' accounts while enrolled in this plan. For the first three years of membership, the employee contribution rate is based on the reported annual wage. After the first three years of membership, the employee contribution will be based on annual pensionable salary from two years prior. Legislation signed into law on March 16, 2012 established the contribution rates. Employee contributions increase in a progressive fashion based on salary:

Annual Wage	Employee Contribution Rate
$45,000 or less	3.00 %
$45,000 to $55,000	3.50 %
$55,000 to $75,000	4.50 %
$75,000 to $100,000	5.75 %
More than $100,000	6.00 %

Employer and employee contributions for governmental activities to the VDCP were $5 million and $3 million, respectively, for March 31, 2022.

Other SUNY-Related Pension Plans

New York State Teachers' Retirement System

SUNY participates in the New York State Teachers' Retirement System (TRS). TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is a cost-sharing, multiple-employer, defined-benefit public plan separately administered by a ten-member board to provide pension and ancillary benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System issues a publicly available financial report that includes financial statements, expanded disclosures, and required supplementary information for the System. The report may be obtained at *www.nystrs.org.*

Plan Benefits

Plan benefits for TRS are similar to those for ERS. Benefits vary based on the date of membership, years of credited service and final average salary, vesting of retirement benefits, death and disability benefits, and optional methods of benefit payments.

The RSSL has established distinct classes of membership. The System uses a Tier concept within TRS to distinguish these groups, as follows:

Tier 1...........	Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.
Tier 2...........	Members who last joined on or after July 1, 1973, and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the RSSL.
Tier 3...........	Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.
Tier 4...........	Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.
Tier 5...........	Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.
Tier 6...........	Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

Tier 1 members are generally eligible, beginning at age 55, for a service retirement allowance of approximately 2 percent of final average salary per year of credited service. Tier 2 are eligible for the same benefit but receive a reduced benefit at ages 55 through 61 with less than 30 years of service. Tiers 3 and 4 members are eligible for a service retirement allowance of 1.67 percent of final average salary per year of credit service for years of service less than 20 or 2 percent of final average salary per year for 20 to 30 years of service, plus 1.5 percent of final average salary for years of service in excess of 30 years. Tiers 3 and 4 members receive an unreduced benefit for retirement at age 62 or retirement at ages 55 through 61 with 30 years of service, or a reduced benefit for retirement at ages 55 through 61 with less than 30 years of service. Tier 5 members are eligible for a service retirement allowance of 1.67 percent of final average salary per year of credit service for years of service less than 25 years and 2 percent of final average salary per year of credited service for 25 to 30 years of service, plus 1.5 percent of final average salary per year for years of service in excess of 30 years. Tier 5 members receive an unreduced benefit for retirement at age 62 or retirement at ages 57 through 61 with 30 years of service, or a reduced benefit for retirement at ages 55 and 56 regardless of service credit, or ages 57 through 61 with less than 30 years of service. Tier 6 members are eligible for a service retirement allowance of 1.67 percent of final average salary per year of credit service for years of service less than 20 years and 1.75 percent of final average salary per year of credited service for the first 20 years of service plus 2 percent of final average salary per year for years of service in excess of 20 years. Tier 6 members receive an unreduced benefit for retirement at age 63 and receive a reduced benefit at ages 55 through 62 regardless of service credit. Plan benefits vest after five years of credited service for members of Tiers 1 through 4 who joined. For members of Tiers 5 and 6, benefits generally vest after 10 years of service. Obligations of employers and employees to contribute, and related benefits, are governed by the RSSL and the Education Law and may only be amended by the Legislature with the Governor's approval.

Permanent cost-of-living adjustment (COLA) benefits for both current and future retired members are provided in Section 532-a of the Education Law. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for five years or who have attained age 55 and have been retired for 10 years. Disability retirees must have been retired for five years, regardless of age, to be eligible. The annual COLA percentage is equal to 50 percent of the increase in the consumer price index, not to exceed 3 percent nor be lower than 1 percent. It is applied to the first $18,000 of the annual benefit.

Contributions

Tier 3 and Tier 4 members were required by law to contribute 3 percent of salary to the System until they had reached 10 years of service or membership. Tier 5 members are required by law to contribute 3.5 percent of salary throughout their active membership. Tier 6 members are required by law to contribute between 3 percent and 6 percent of salary throughout their active membership, in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the RSSL, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or less than 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5 percent per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

Employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board, pursuant to Article 11 of the New York State Education Law. The actuarially determined contribution rate applicable to 2020-21 salaries was 9.53 percent. For the fiscal year ended June 30, 2021, SUNY employer contributions were $14 million.

Net Pension Liability (Asset) and Pension-Related Amounts

SUNY’s proportionate share of the collective TRS net pension liability reported at June 30, 2021 of $25 million was measured at June 30, 2020. SUNY’s proportionate share of the collective TRS net pension liability was based on the ratio of the SUNY employer contribution to the total TRS employer contributions for the year ended June 30, 2020. SUNY’s proportionate share of the collective TRS net pension liability was 0.89 percent measured at June 30, 2020.

For purposes of determining net pension liability (asset) and other pension-related amounts, information about the fiduciary net position of TRS and additions to and deductions from the TRS fiduciary net position have been determined on the same basis reported by the System. Plan benefits are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2021, SUNY recognized pension expense of $32 million related to TRS. At June 30, 2021, SUNY reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources (amounts in millions):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 22	$ 1
Net difference between projected and actual investment earnings on pension plan investments	16	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	7
Changes in assumptions	32	11
Employer contributions subsequent to measurement date	14	-
Total	**$ 84**	**$ 19**

The employer contributions of $14 million subsequent to the measurement date will be recognized as an increase of net pension asset in the year ended June 30, 2022. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to TRS will be recognized in pension expense as follows (amounts in millions):

Fiscal Year	
2022	$ 8
2023	18
2024	15
2025	9
2026	-
Thereafter	1
Total	**$ 51**

Actuarial Assumptions

The net pension asset for the June 30, 2020 measurement date was determined by using an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the net pension liability to June 30, 2020. The actuarial valuation used the following actuarial assumptions:

Inflation	2.2 percent
Investment rate of return, including inflation	7.1 percent compounded annually, net of investment expenses
Cost-of-living adjustments	1.3 percent compounded annually

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvement based on Society of Actuaries Scale MP-2019. Rates of projected salary increases differ based on service. They have been calculated based on recent TRS member experience and range from 1.9 percent to 4.7 percent.

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standards of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations* (ASOP No. 27), which provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to the expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of the valuation date of June 30, 2020 are as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic equities	33 %	7.1 %
International equities	16 %	7.7 %
Global equities	4 %	7.4 %
Real estate	11 %	6.8 %
Private equities	8 %	10.4 %
Domestic fixed income securities	16 %	1.8 %
Global fixed income securities	2 %	1.0 %
Private debt	1 %	5.2 %
Real estate debt	7 %	3.6 %
High-yield fixed income securities	1 %	3.9 %
Cash equivalents	1 %	0.7 %
Total	**100 %**	

*Real rates of return are net of long-term inflation assumption of 2.2 percent.

Discount Rate

The discount rate used to measure the total pension asset was 7.10 percent at June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from participating employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability (asset) of SUNY, calculated using the discount rate of 7.10 percent as well as what SUNY's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.10 percent) and 1 percentage point higher (8.10 percent) than the current year rate (amounts in millions):

	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
Net pension liability (asset)	$ 156	$ 25	$ (86)

Upstate Medical University Plan for Former Employees of Community General Hospital

SUNY administers a single-employer defined-benefit plan, the Upstate Medical University Retirement Plan for Former Employees of Community General Hospital (CGH) (Upstate Plan). This plan provides for retirement benefits for former employees of CGH and can be amended subject to applicable collective bargaining and employment agreements. For those who opted out of this plan, benefit accruals were frozen. No new participants can enter this plan. SUNY established a Pension Oversight Committee (Committee) which has the primary fiduciary responsibility for oversight of the Upstate Plan. The Committee is permitted to invest plan assets pursuant to various provisions of State law, including the RSSL.

The Upstate Plan provides retirement, disability, termination, and death benefits to plan participants and their beneficiaries. Pension benefits are generally based on the highest five-year average compensation of the final ten years of employment, and years of credited service as outlined in the plan. Covered employees with five or more years of service are entitled to a pension benefit beginning at normal retirement age (65). Participants become fully vested after five years of service. Participants with less than five years of service are not vested. The funding policy is to contribute enough to the Upstate Plan to satisfy the annual required contribution. Employer contributions for 2021 were $1 million. Employees do not contribute to the plan. At January 1, 2021, membership of the Upstate Plan totaled 1,273 members, comprising 322 active members, 156 inactive vested members, and 795 retirees and beneficiaries currently receiving benefits.

The Upstate Plan issues a stand-alone financial report on a calendar year basis that includes disclosure about the elements of the plan's basic financial statements. These financial statements are prepared on the accrual basis of accounting in accordance with GAAP, with investments reported at fair value and benefits recognized when due and payable in accordance with the terms of the Upstate Plan. The Upstate Plan's fiduciary net position for purposes of determining net pension liability has been determined on the same basis used by the Upstate Plan. The pension plan financial statements may be requested at *FOIL@upstate.edu*.

Net Pension Liability and Other Pension-Related Amounts

SUNY recognized a net pension asset related to the Upstate Plan of $12 million as of June 30, 2021, based on the net pension liability as reported by the plan in their financial statements as of December 31, 2020, as follows (amounts in millions):

Total pension liability	$	106
Plan fiduciary net position		118
Net pension asset	**$**	**12**

Pension expense for the year was ($4) million. At June 30, 2021, SUNY reported deferred outflows of resources and deferred inflows of resources related to the Upstate Plan from the following sources (amounts in millions):

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ -	$ -
Net difference between projected and actual investment earnings on pension plan investments	-	14
Changes in assumptions	-	-
Employer contributions subsequent to measurement date	-	-
Total	**$** -	**$ 14**

There were no employer contributions made subsequent to the measurement date to be recognized in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Upstate Plan will be recognized in pension expense as follows (amounts in millions):

Fiscal Year	
2022	$ -
2023	(5)
2024	(2)
2025	(5)
2026	(2)
Total	**$ (14)**

Actuarial Assumptions

The total pension liability at June 30, 2021 was determined by using an actuarial valuation as of January 1, 2021. The actuarial assumptions included an inflation factor of 3 percent, projected salary increases of 3.5 percent and an investment rate of return of 6.5 percent. Mortality rates were based on the sex-distinct Pri-2012 Mortality Tables with mortality improvements projected using Scale MP-2020 on a fully generational basis.

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with ASOP No. 27, which provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to the expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major class as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the Upstate Plan's target asset allocation as of December 31, 2020 is as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. equities	50 %	4.90 %
Non-U.S. equities	15 %	4.75 %
Fixed income	30 %	0.50 %
Alternatives (Real assets)	5 %	4.00 %
Total	**100 %**	

Discount Rate

The discount rate used to measure the net pension liability measured at January 1, 2021 was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from participating employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability calculated using the discount rate of 6.5 percent, as well as what the net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (5.5 percent) or 1 percentage point higher (7.5 percent) than the current rate (amounts in millions):

	1% Decrease (5.5%)	Current Assumption (6.5%)	1% Increase (7.5%)
Net pension asset	$ (2)	$ (12)	$ (21)

Optional Retirement Program

SUNY employees may also participate in an Optional Retirement Program (ORP) under IRS Section 401(a), which is a multiple-employer, defined contribution plan administered by separate vendors – TIAA, Fidelity, AIG, and Voya. ORP employer and employee contributions are dictated by State law. The ORP provides benefits through annuity contracts and provides retirement and death benefits to those employees who elected to participate in an ORP. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. Employer contributions are not remitted to an ORP plan until an employee is fully vested. As such, there are no forfeitures reported by these plans if an employee is terminated prior to vesting. Employees who joined an ORP between July 27, 1976 and March 31, 2012 and have less than 10 years of service or membership are required to contribute 3 percent of their salary. Those joining on or after April 1, 2012 are required to contribute between 3 percent and 6 percent, dependent upon their salary, for their entire working career. Employer contributions range from 8 percent to 15 percent depending upon when the employee was hired. Employee contributions are deducted from their salaries and remitted on a current basis to the respective ORP. For the year ended June 30, 2021, SUNY recognized a pension expense of $214 million for the ORP.

The Research Foundation

The Research Foundation for SUNY is a separate, private, nonprofit educational corporation that administers the majority of SUNY's sponsored programs. These programs are for the exclusive benefit of SUNY. The Research Foundation maintains a separate noncontributory plan through TIAA for substantially all nonstudent employees. Contributions are based on a percentage of earnings and range from 7 percent to 15 percent, depending on date of hire. Employees become fully vested after completing one year of service. Contributions are allocated to individual employee accounts. The Research Foundation pension contributions, which represents pension expense, were $30 million for the year ended June 30, 2021, which is 100 percent of the required contribution.

CUNY Senior Colleges' Pension Plans

NYCERS and NYCTRS

CUNY Senior Colleges participate in the New York City Employees' Retirement System (NYCERS) and the Teachers' Retirement System of the City of New York (NYCTRS). NYCERS and NYCTRS are cost-sharing, multiple-employer, defined benefit plans administered by the City of New York. NYCERS and NYCTRS provide retirement benefits, as well as death and disability benefits.

NYCERS and NYCTRS provide benefits to members who are in different Tiers. A member's Tier is determined by the date of membership. Subject to certain conditions, members generally become fully vested as to benefits upon the completion of five years of service. Annual pension benefits are calculated as a percentage of final average salary multiplied by the number of years of service and change with the number of years of membership within the plan. Benefits for members can be amended under the RSSL.

Contribution requirements of the active employees and the participating New York City agencies are established and may be amended by the NYCERS and NYCTRS Boards. Employees' contributions are determined by their Tier and number of years of service. They may range between zero and 9.1 percent of their annual pay. Statutorily required contributions to NYCERS and NYCTRS are actuarially determined in accordance with State statues and City laws and are funded by the employer within the appropriate fiscal year. CUNY made its contractually required contributions to both NYCERS and NYCTRS for the year ended June 30, 2021 in the amounts of $41 million and $90 million, respectively.

Each of these retirement plans issue publicly available financial reports that include financial statements and required supplementary information. Please refer to *www.nycers.org* and *www.trsnyc.org* for additional information about NYCERS and NYCTRS, respectively.

Net Pension Liability and Other Pension-Related Amounts

At June 30, 2021, CUNY reported liabilities of $71 million and $2 million for NYCERS and NYCTRS, respectively, for its proportionate share of each plan's net pension liability, measured as of June 30, 2021. CUNY's proportion of the respective net pension liability at June 30, 2021 was based on CUNY's actual contributions to NYCERS and NYCTRS relative to the total contributions of participating employers for each plan for fiscal year 2021, which was 1.1 percent and 2.9 percent for NYCERS and NYCTRS, respectively.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net positions of NYCERS and NYCTRS and additions to and deductions from NYCERS' and NYCTRS' respective fiduciary net positions have been determined on the same basis as they are reported by NYCERS and NYCTRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CUNY's annual pension expense for NYCERS and NYCTRS for the fiscal year ended June 30, 2021 was approximately ($6) million and ($30) million, respectively. The following presents a summary of the deferred outflows of resources and deferred inflows of resources at June 30, 2021 (amounts in millions):

	NYCERS		NYCTRS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 18	$ 8	$ 9	$ 63
Net difference between projected and actual investment earnings on pension plan investments	-	104	-	415
Changes in proportion and differences between employer contributions and proportionate share of contributions	(25)	(4)	49	(3)
Changes in assumptions	-	9	-	23
Total	**$ (7)**	**$ 117**	**$ 58**	**$ 498**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (amounts in millions):

Fiscal Year	NYCERS	NYCTRS
2022	$ (31)	$ (135)
2023	(26)	(121)
2024	(29)	(96)
2025	(33)	(93)
2026	(5)	(3)
Thereafter	-	8
Total	**$ (124)**	**$ (440)**

Actuarial Assumptions

The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to CUNY's measurement date of June 30, 2021 for both NYCERS and NYCTRS. The total pension liability in the June 30, 2020 actuarial valuation for both NYCERS and NYCTRS was determined using the following actuarial assumptions:

Inflation	2.5 percent
Salary increases	Generally 3 percent per year plus increases for merit and promotion
Investment rate of return	7 percent net of investment expenses; actual return for variable funds
Cost-of-living adjustments	1.5 percent and 2.5 percent for various Tiers

Mortality rates and methods used in determination of the total pension liability for both NYCERS and NYCTRS were adopted by the New York City Retirement System (NYCRS) Boards of Trustees during fiscal year 2020. Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially funded NYCRS plans are conducted every two years.

Mortality tables for service and disability pensioners were developed from an experience study of NYCERS and NYCTRS. The mortality tables for beneficiaries were developed from an experience review.

Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class for both NYCERS and NYCTRS are summarized in the following tables:

Asset Class	NYCERS Target Allocation	NYCERS Long-Term Expected Rate of Return
U.S. public market equities	27.0 %	7.1 %
Developed public market equities	12.0 %	7.2 %
Emerging public market equities	5.0 %	9.0 %
Public markets fixed income	30.5 %	1.8 %
Private market equities	8.0 %	11.3 %
Private real estate	7.5 %	6.9 %
Infrastructure	4.0 %	6.0 %
Opportunistic fixed income	6.0 %	7.1 %
Total	**100.0 %**	

Asset Class	NYCTRS Target Allocation	NYCTRS Long-Term Expected Rate of Return
U.S. public market equities	25.0 %	4.9 %
Developed public market equities	10.0 %	6.6 %
Emerging public market equities	9.5 %	9.1 %
Public fixed income	32.5 %	1.5 %
Private market equities	7.0 %	9.5 %
Private real estate	7.0 %	6.7 %
Infrastructure	4.0 %	5.0 %
Opportunistic fixed income	5.0 %	6.0 %
Total	**100.0 %**	

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2021 for both NYCERS and NYCTRS was 7 percent. The projection of cash flow used to determine the discount rate assumed that employee contributions will be made at the rates applicable to the current Tier for each member and that the employer contributions will be made based on rates determined by the New York City Office of the Actuary. Based on those assumptions, the respective fiduciary net positions of NYCERS and NYCTRS were projected to be available to make all projected future benefit payments of current active and non-active NYCERS and NYCTRS members. Therefore, the long-term expected rate of return on NYCERS and NYCTRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents CUNY's proportionate share of the net pension liabilities calculated using the discount rate of 7 percent, as well as what CUNY's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6 percent) or 1 percentage point higher (8 percent) than the current rate (amounts in millions):

	1% Decrease (6%)	Current Assumption (7%)	1% Increase (8%)
NYCERS..................	$ 185	$ 71	$ (27)
NYCTRS..................	$ 249	$ 2	$ (206)

TIAA

CUNY also provides defined contribution pension plans for its employees through the Teachers' Insurance and Annuity Association (TIAA). TIAA provides retirement and death benefits for or on behalf of those full-time professional employees and faculty members electing to participate in this optional retirement program.

TIAA is a privately operated, multi-employer defined contribution retirement plan. The obligations of employers and employees to contribute to TIAA and of employees to receive benefits from TIAA are governed by the New York State Education Law and applicable New York City laws.

Employer and employee contribution requirements to TIAA are determined by the New York State Retirement and Social Security Law. Participating employees in Tiers 1 through 4 with less than 10 years of membership contribute 1.5 percent of salary. Participating employees in Tier 5 with less than 10 years of service contribute 3 percent of salary. Participating employees in Tier 6 contribute between 3 and 6 percent of salary, depending on the employee's compensation. Employer contributions range from 10.5 percent to 13.5 percent for Tiers 1 through 4, depending upon the employee's compensation, and 8 percent to 10 percent of salary for Tiers 5 and 6, depending upon the employee's years of service. Employee contributions for employees with more than 10 years of membership are made by CUNY, not by the employee. Employee contributions for fiscal year 2021 amounted to approximately $73 million. The employer contributions recognized as pension expense for the year ended June 30, 2021 were $89 million.

Primary Government Aggregate Expenses

The table below summarizes the aggregate pension expenses recognized for each pension plan reported within the State, for the period stated. (Amounts in millions.)

Plan	Governmental Activities 3/31/2022	Lottery 3/31/2022	SUNY 6/30/2021	CUNY 6/30/2021	Total by plan
ERS	$ 894	$ 1	$ 119	$ -	$ 1,014
PFRS	174	-	10	-	184
TRS	-	-	32	-	32
Upstate Plan	-	-	(4)	-	(4)
ORP	-	-	214	-	214
TIAA	-	-	30	89	119
NYCERS	-	-	-	(6)	(6)
NYCTRS	-	-	-	(30)	(30)
Total	**$ 1,068**	**$ 1**	**$ 401**	**$ 53**	**$ 1,523**

NOTE 13 - Other Postemployment Benefits (OPEB)

Governmental Activities

The New York State Health Insurance Program (NYSHIP) was established by the State Legislature in 1957 to provide health insurance to New York State employees, retirees and their eligible dependents. Public authorities, public benefit corporations, and other quasi-public entities that choose to participate in NYSHIP are participating employers (PEs). Local government units that choose to participate in NYSHIP are called participating agencies (PAs). At present, there are 442 New York State agencies, 98 PEs, and 804 PAs in NYSHIP. NYSHIP currently covers approximately 600 thousand employees, retirees, and other inactive enrollees. Eligible covered dependents bring the total number of covered individuals to approximately 1.2 million. SUNY participates in NYSHIP; CUNY participates in NYSHIP to a limited extent, which is unrelated to OPEB. Of the State's 43 discretely presented component units, which are considered PEs, a majority participate in NYSHIP. NYSHIP does not issue a stand-alone financial report, but NYSHIP's activities are included within the State's financial statements, reported in the general fund and accounted for on the modified accrual basis of accounting. NYSHIP is classified as a single-employer, defined benefit plan offered by the State to PEs and PAs for their employees. Information related to investment valuations is presented in Note 2.

Enrollment	State(1)	PEs	PAs	Total
Current active participants(2)	164,467	34,024	99,906	298,397
Vestee participants	268	102	180	550
COBRA participants	503	475	356	1,334
Other inactive participants(3)	173,313	22,664	104,151	300,128
Total participants	**338,551**	**57,265**	**204,593**	**600,409**

(1) Includes State, ERS and SUNY participants.
(2) Excludes active employees (7,414 State and 239 Roswell Park PE employees) who have opted out of NYSHIP in return for a biweekly reimbursement - for State employees, equal to $1,000 and $3,000 annually for opting out of individual-only coverage and family coverage, respectively.
(3) Includes retirees, dependent survivors, long-term disability enrollees, extended benefit enrollees, young adult program enrollees and preferred list enrollees.

During the fiscal year ended March 31, 2022, NYSHIP provided health insurance coverage through: the Empire Plan, an indemnity health insurance plan with managed care components; eight Health Maintenance Organizations (HMOs); and the Student Employee Health Plan (SEHP). Generally, these plans include hospital, medical, mental health and substance abuse benefits, and prescription drug benefits.

The benefit design of the Empire Plan is the result of collective bargaining between the State and the various unions representing its employees. Therefore, the benefit design is subject to periodic change. Benefits are administratively extended to nonrepresented State employees, employees of PAs and PEs, and retirees. Each participating employer in the plan is required to disclose additional information with regard to funding policy, the employer's annual costs for other postemployment benefits (OPEB) and contributions made, the funded status and funding progress of the employer's individual plan, and the actuarial methods and assumptions used.

Substantially all of the State's employees may become eligible for postemployment benefits if they reach retirement age while working for the State. The costs of providing postemployment benefits are shared between the State and the retired employee.

Contributions

The authority under which the obligations of the plan members, employers and other contributing entities to contribute to the plan are established or may be amended can be found in Article XI, Section 167 of the Civil Service Law. Contributions are determined in accordance with Civil Service Law – Article XI, Sections 165, 165-a and 167, which assigns the authority to NYSHIP to establish and amend the benefit provisions of the plans and to establish maximum obligations of the plan members to contribute. The costs of administering the plan are charged as part of the health insurance premium to all payors under the authority of Section 163.2 of Civil Service Law. A retiree is generally required to pay on a monthly basis either 12 percent or 16 percent of the health insurance premium for enrollee coverage, or either 27 percent or 31 percent of the health care insurance premium for dependent coverage, which is reduced by the amount of sick leave credits available at the time of retirement, factored by the employee's retirement age. Required employer contribution rates, depending upon enrollee or dependent coverage, are presented in the following table:

Employer Contributions (as Percentages of Premium Rates)

Enrollee Group	Enrollee Coverage	Dependent Coverage
Active Graduate Student Employees Union (GSEU)	88 %	73 %
Active (Union and Management-Confidential [MC]) – Below Grade 10	88 %	73 %
Active (Union and MC) – Grade 10 and above	84 %	69 %
Preferred list	90 %	75 %
Retired before January 1, 1983	100 %	75 %
Retired on/after January 1, 1983 but before January 1, 2012	88 %	73 %
Retired on/after January 1, 2012 - Below Grade 10	88 %	73 %
Retired on/after January 1, 2012 - Grade 10 and above	84 %	69 %
Amended dependent survivors (1)	75 %	75 %
Full share dependent survivors/long-term disability	- %	- %
Dependent survivors	90 %	75 %
Attica dependent survivors	100 %	100 %
Vestees	- %	- %
COBRA	- %	- %
Young Adult Option enrollees	- %	- %
Participating employers and participating agencies (2)	50 %	35 %

(1) State contribution for enrollee and dependent coverage is 75 percent of dependent coverage.

(2) Values reported are minimum employer share. Employers can pay greater percentages of premiums for their retirees.

The State reimburses Medicare eligible enrollees 100 percent of the cost of the monthly Medicare Part B premium. However, the funding of the cost of the Medicare reimbursements is not the sole responsibility of the employer. A Medicare Part B component has been incorporated into the NYSHIP Premium Rates. It is just one component of the NYSHIP premiums in which the above listed employer contribution percentages are applicable. The premium generated from the Medicare Part B NYSHIP rate component is utilized to make the Medicare Part B reimbursement payments to Medicare Primary NYSHIP enrollees.

Funding Policy

The contribution requirements of NYSHIP members and the State are established and may be amended by the State Legislature. For the fiscal year ended March 31, 2022, the State paid $1.9 billion on behalf of the plan. Legislation authorizing the existence of a trust was enacted in 2017; however, the State is not required to fund the plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. The State had not funded a qualified trust or its equivalent as defined in GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASBS 74) and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASBS 75) by the measurement date of March 31, 2021. The State funded the trust for the first time in fiscal year March 31, 2022, which will be reflected in measurements as of March 31, 2022.

Health care Participants [(2)]	**State**[(1)]	**SUNY**
Active Employees	135,483	49,087
Inactive participants entitled to but not yet receiving benefits	160	101
Retirees and beneficiaries receiving benefit payments	137,445	28,662
Total Participants	**273,088**	**77,850**

(1) Includes State, ERS and Lottery participants.
(2) As of the April 1, 2020 actuarial valuation.

Actuarial Methods and Assumptions

The State recognized a total OPEB liability of $52.1 billion for fiscal year ended March 31, 2022. The total OPEB liability as of March 31, 2022 was measured as of March 31, 2021 and was determined using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total OPEB liability to March 2021. The total OPEB liability was calculated using the Entry Age Normal cost method. The actuarial valuations included the following actuarial assumptions:

Assumptions	**March 31, 2021**
Inflation	2.50 %
Discount Rate	2.34 %

The discount rate is based on the Bond Buyer 20-year General Obligation Municipal Bond Index rate at March 31, 2021.

The salary increase rate varies by system. The salary increase rates for ERS vary by years of service, starting at 8.8 percent and decreasing to 3.3 percent after 18 years of service. The salary increase rates for PFRS vary by years of service, starting at 29.7 percent and decreasing to 3.6 percent after 18 years of service. The salary increase rates for TRS vary by duration, starting at 10 percent and decreasing to 1.76 percent after 38 years.

Health care trend rates were split to reflect separate trends for pre-65 and post-65 claims. The pre-65 trend assumption begins at 5.75 percent and decreases to 4.5 percent long-term trend rate for all health care benefits after seven years. The trend assumption for post-65 begins at 5 percent and decreases to a 4.5 percent long-term trend rate for all health care benefits after seven years. The drug assumption begins at 7 percent and decreases to a 4.5 percent long-term trend rate after seven years. Additionally, a trend of 3 percent per year has been assumed for the employer group waiver plan benefits.

Mortality rates used in the valuation assume different pre-retirement and post-retirement mortality assumptions based on the Society of Actuaries public sector specific mortality experience tables, PUB 2010. The assumption was previously based on the experience under the New York State and Local Retirement System and the New York State Teachers' Retirement System. In order to reflect future mortality improvement, the mortality is projected generationally using the Society of Actuaries MP-2020 projection scale.

These actuarial methods and assumptions are used for the State, ERS, SUNY, and Lottery.

In accordance with GASBS 75, the actuarial valuation of OPEB also includes the value of sick leave that will be converted to reduce the retiree's share of health insurance premiums.

Annual OPEB Cost and Net OPEB Obligation

Governmental Activities

The State's changes in total OPEB liability as of March 31, 2022 are as follows (amounts in millions):

Total OPEB Liability, Beginning Balance	$	60,284
Service cost		2,075
Interest		1,745
Difference between expected and actual experience		(1,678)
Changes in assumptions		(8,535)
Changes in proportion and differences between employer contributions and proportionate share of contributions		(29)
Benefit payments		(1,800)
Net changes		(8,222)
Total OPEB Liability, Ending Balance	**$**	**52,062**

Changes in assumptions and other inputs include a change in the discount rate from 2.84 percent in fiscal year 2021 to 2.34 percent in fiscal year 2022. The medical trend assumption was updated based on current anticipation of future costs, and projected claim costs were updated based on the recent claims experience for the Preferred Provider Organization (PPO) plan and premium rates for the Health Maintenance Organization (HMO) plan. There were no other significant changes in assumptions that will have an effect on the total OPEB liability as of March 31, 2022.

Sensitivity of total OPEB liability to changes in discount rate. The following presents the total OPEB liability of the State as of March 31, 2022 using the current year's discount rate, as well as what the total OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease (1.34%)	Current Rate (2.34%)	1% Increase (3.34%)
Total OPEB Liability as of March 31, 2022	$ 61,996	$ 52,062	$ 44,295

Sensitivity of total OPEB liability to changes in health care cost trend rates. The following presents the total OPEB liability of the State as of March 31, 2022 using the current year's health care cost trend rate, as well as what the total OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability as of March 31, 2022	$ 43,304	$ 52,062	$ 63,644

The State recognized $2.2 billion in expenses related to OPEB at March 31, 2022. As of March 31, 2022, the State reported deferred outflows and deferred inflows of resources related to OPEB from the following sources (amounts in millions):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 404	$ 2,683
Changes in assumptions	4,410	7,871
Changes in proportion and differences between employer contributions and proportionate share of contributions	3	1
Employer contributions made subsequent to the measurement date	1,896	-
Total	**$ 6,713**	**$ 10,555**

The amount of deferred outflows of resources resulting from employer contributions made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended March 31, 2023. The net of deferred outflows and inflows of resources related to OPEB as of measurement date will be recognized in future OPEB expense for the fiscal years ending March 31 as follows (amounts in millions):

Fiscal Year:		
2023	$	(1,617)
2024		(1,265)
2025		(618)
2026		(1,177)
Thereafter		(1,061)
Total	**$**	**(5,738)**

Business-Type Activities

Lottery recognized a total OPEB liability of $66 million and expenses related to OPEB of $4 million as of March 31, 2022. The total OPEB liability as of March 31, 2022 was measured as of March 31, 2021 and was determined using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total OPEB liability to March 2021. As of March 31, 2022, Lottery reported deferred outflows of resources of $9 million and deferred inflows of resources of $13 million. The $9 million reported as deferred outflows of resources related to OPEB resulted from differences between expected and actual experience, changes in assumptions, and from Lottery's contributions made subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ended March 31, 2023. The $6 million reported as deferred outflows, exclusive of contributions made subsequent to the measurement date, and $13 million reported as deferred inflows of resources related to OPEB as of the measurement date will be recognized in future OPEB expense over the next five years.

SUNY changes in the total OPEB liability as of June 30, 2021 were as follows (amounts in millions):

Total OPEB Liability, Beginning Balance	$	15,521
Service cost		514
Interest		450
Difference between expected and actual experience		(243)
Changes in assumptions		(2,297)
Benefit payments		(391)
Net changes		(1,967)
Total OPEB Liability, Ending Balance	**$**	**13,554**

Changes in assumptions and other inputs include a change in the discount rate from 2.84 percent in fiscal year 2020 to 2.34 percent in fiscal year 2021. The medical trend and excise tax assumptions were updated based on current anticipation of future costs, and projected claim costs were updated based on the recent claims experience for the Preferred Provider Organization (PPO) plans and premium rates for the Health Maintenance Organization (HMO) plans.

Sensitivity of total OPEB liability to changes in discount rate. The following presents the total OPEB liability of SUNY as of June 30, 2021 using the current year's discount rate, as well as what the total OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease (1.34%)	Current Rate (2.34%)	1% Increase (3.34%)
Total OPEB Liability as of June 30, 2021	$ 16,321	$ 13,554	$ 11,419

Sensitivity of total OPEB liability to changes in health care cost trend rates. The following presents the total OPEB liability of SUNY as of June 30, 2021 using the current year's health care cost trend rates, as well as what the total OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability as of June 30, 2021	$ 11,221	$ 13,554	$ 16,640

SUNY recognized $361 million in expenses related to OPEB at June 30, 2021. As of June 30, 2021, SUNY reported deferred outflows and deferred inflows of resources related to OPEB from the following sources (amounts in millions):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 97	$ 783
Change in assumptions	1,538	2,493
Employer contributions subsequent to the measurement date	100	-
Total	**$ 1,735**	**$ 3,276**

The amount of deferred outflows of resources resulting from employer contributions made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. The remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in future OPEB expense for the fiscal years ending June 30 as follows (amounts in millions):

Fiscal Year:		
2022	$	(603)
2023		(602)
2024		(469)
2025		(106)
2026		167
Thereafter		(28)
Total	**$**	**(1,641)**

SUNY Research Foundation, a blended component unit of SUNY, sponsors a separate single employer defined benefits post-retirement plan that covers substantially all nonstudent employees. The plan provides post-retirement medical benefits and is contributory for employees hired after 1985. The SUNY Research Foundation had a net OPEB asset of $69 million, deferred outflows of resources of $21 million and deferred inflows of resources of $94 million as of June 30, 2021.

CUNY retirees receive retiree health care benefits through the New York City Health Benefits Program, which is a single-employer defined benefit health care plan. There are no assets accumulated in a trust that meet the criteria in paragraph 4 of GASBS 75. The plan covers individuals who were originally employed by CUNY Senior Colleges and who receive pensions from one of the following three pension plans within the New York City Retirement System (NYCRS): New York City Employees’ Retirement System (NYCERS); New York City Teachers’ Retirement System (NYCTRS); and New York City Board of Education Retirement System (BERS). The program also covers individuals under alternate retirement arrangements. The most significant alternate arrangement is under Teachers Insurance and Annuity Association (TIAA) rather than through NYCRS. New York City pays for the coverage (Basic Coverage and Welfare Fund contributions) for retirees in NYCRS and TIAA who retired from community colleges.

Employees covered by benefit terms, as of the June 30, 2020 actuarial valuation date:

Health care Participants	
Active Employees	15,303
Inactive participants entitled to but not yet receiving benefits	848
Inactive participants and beneficiaries receiving benefit payments	6,171
Total Participants	**22,322**

Actuarial Methods and Assumptions

CUNY recognized a total OPEB liability of $2 billion for fiscal year ended June 30, 2021. The total OPEB liability was measured as of June 30, 2021 using an actuarial valuation as of June 30, 2020 rolled forward to a total OPEB liability as of June 30, 2021. The actuarial valuations included the following actuarial assumptions:

- Inflation: 2.50 percent per annum.
- Actuarial cost method: Entry Age Normal, level percent of pay.
- The discount rate used to measure liabilities was updated to reflect the S&P Municipal Bond 20-Year High Grade Index yield of 2.18 percent as of June 30, 2021 as per New York City Office of Actuary.
- The salary increase rates varies by experience and varies from 10.00 percent decreasing to 1.76 percent for those with 40 years of service.
- Health care cost trend rates were split into three categories: pre-Medicare plan rates trended from 6.75 percent to 5.75 percent from 2021 to 2025 and beyond; medical post-Medicare rates trended from 4.9 percent to 4.7 percent from 2021 to 2025 and beyond; and welfare fund contributions used a health care trend rate of 3.5 percent.
- Mortality rates used in the CUNY valuation assume different pre-retirement and post-retirement mortality. Pre-retirement and post-retirement mortality is based on the experience under NYCTRS. In order to reflect future mortality improvement, the mortality is projected generationally using the Society of Actuaries scale MP-2020.

CUNY's changes in the total OPEB liability as of June 30, 2021 were as follows (amounts in millions):

Total OPEB Liability, Beginning Balance	$	1,971
Service cost		115
Interest		55
Difference between expected and actual experience		(28)
Changes in assumptions		(29)
Benefit payments		(37)
Net changes		76
Total OPEB Liability, Ending Balance	**$**	**2,047**

Sensitivity of total OPEB liability to changes in discount rate. The following presents the total OPEB liability of CUNY as of June 30, 2021 using the current year's discount rate, as well as what the total OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease (1.18%)	**Current Rate (2.18%)**	**1% Increase (3.18%)**
Total OPEB Liability as of June 30, 2021	$ 2,390	$ 2,047	$ 1,767

Sensitivity of total OPEB liability to changes in health care cost trend rates. The following presents the total OPEB liability of CUNY as of June 30, 2021 using the current year's health care cost trend rates, as well as what the total OPEB liability would be if calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability as of June 30, 2021	$ 1,661	$ 2,047	$ 2,571

CUNY recognized $157 million in expenses related to OPEB at June 30, 2021. As of June 30, 2021, CUNY reported deferred outflows and deferred inflows of resources related to OPEB from the following sources (amounts in millions):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 234	$ 167
Change in assumptions	55	149
Total	**$ 289**	**$ 316**

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in future OPEB expense for the fiscal years ending June 30 as follows (amounts in millions):

Fiscal Year:	
2022	$ 2
2023	1
2024	2
2025	1
2026	1
Thereafter....................	(34)
Total	**$ (27)**

CUNY Research Foundation, a blended component unit of the CUNY Senior Colleges, provides postemployment benefits, including salary continuance, to certain employees. The cost of these benefits is accrued over the employees' years of service. CUNY Research Foundation also provides certain health care benefits to retired employees (including eligible dependents): hired prior to July 1, 2012 who have a combination of age and years of service equal to 70 with a minimum age of 55 and at least 10 years of continuous service, hired on or after July 1, 2012 who have a minimum age of 62 and at least 10 years of continuous service. CUNY Research Foundation accounts for post-retirement benefits provided to retirees on an accrual basis during the period of their employment.

As of June 30, 2021, CUNY Research Foundation's post-retirement plan consisted of (amounts in millions):

Benefit obligations	$	(176)
Fair value of plan assets		193
Funding status	**$**	**17**

Fiduciary Activities

Retirement System – New York State and Local Retirement System

The New York State and Local Retirement System (System) recognized a total OPEB liability of $261 million and expenses related to OPEB of $36 million as of March 31, 2022. The total OPEB liability as of March 31, 2022 was measured as of March 31, 2021 and was determined using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total OPEB liability to March 2021. As of March 31, 2022, the System reported deferred outflows of resources of $33 million and deferred inflows of resources of $53 million. The $33 million reported as deferred outflows of resources related to OPEB resulted from differences between expected and actual experience, changes in assumptions, and from the System's contributions made subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ended March 31, 2023. $24 million reported as deferred outflows and the $53 million reported as deferred inflows of resources related to OPEB as of the measurement date will be recognized in future OPEB expense over the next five years.

Retiree Health Benefit Trust Fund

Legislation establishing the Retiree Health Benefit Trust Fund (the Trust), a trust meeting the criteria of GASBS 74, was enacted in 2017 in the joint custody of the Commissioner of the Department of Civil Service and the State Comptroller. The Trust is a single-employer, defined benefit plan that provides health care and insurance benefits to participating retirees and beneficiaries. The sole purpose of the Trust is to fund the future retiree health benefits of retired state employees (employees who retire from the State, Lottery, HESC, and SUNY excluding SUNY hospitals, SUNY Construction Fund, and SUNY Research Foundation) and their dependents.

Enrollment	State
Current active participants	164,113
Vestee participants	238
Other inactive participants[1]	164,378
Total participants	**328,729**

[1] Includes retirees, dependent survivors, long-term disability enrollees, extended benefit enrollees, young adult program enrollees and preferred list enrollees.

Contributions to the Trust are to be made at the request of the Director of the Budget. Legislation does not require contributions to be made to the Trust but limits the maximum contributions. As of March 31, 2022, contributions were limited to 0.5% of the total actuarial accrued liability included in the State's Annual Comprehensive Financial Report. Chapter 56 of the Laws of 2022 authorized an increase in the contribution limit to 1.5% beginning in fiscal year 2023. The Trust was initially funded in March 2022. There are currently no planned distributions from the Trust.

The Commissioner of the Department of Civil Service is the trustee of the Trust, and the responsibility for management of the Trust's investments has been delegated to the State Comptroller. Investments must be consistent with State Finance Law Section 98. Additional information related to investment valuations is presented in Note 2.

The Trust's net OPEB liability was measured as of March 31, 2022 and was determined using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the net OPEB liability to March 2022. The Trust's changes in net OPEB liability measured as of March 31, 2022 are as follows (amounts in millions):

Total OPEB Liability, Beginning Balance	$ 63,269
Service cost	2,347
Interest	1,509
Difference between expected and actual experience	291
Changes in assumptions	(2,349)
Benefit payments	(2,270)
Net changes	**(472)**
Total OPEB Liability, Ending Balance	**62,797**
Plan fiduciary net position	(320)
Net OPEB Liability	**$ 62,477**
Plan fiduciary net position as a percentage of the total OPEB liability	**0.51 %**

Changes in assumptions and other inputs include a change in the discount rate from 2.34 percent in fiscal year 2021 to 2.73 percent in fiscal year 2022. The experience study performed in 2022 resulted in an increase in liability for the State excluding SUNY and a decrease in liability for SUNY. The medical trend assumption was updated based on current anticipation of future costs, and projected claim costs were updated based on the recent claims experience for the Preferred Provider Organization (PPO) plan and premium rates for the Health Maintenance Organization (HMO) plan. There were no other significant changes in assumptions that will have an effect on the total OPEB liability as of March 31, 2022.

Sensitivity of net OPEB liability to changes in discount rate. The following presents the net OPEB liability of the Trust as of March 31, 2022 using the current year's discount rate, as well as what the net OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease (1.73%)	**Current Rate (2.73%)**	**1% Increase (3.73%)**
Net OPEB Liability as of March 31, 2022	$ 74,756	$ 62,477	$ 52,956

Sensitivity of net OPEB liability to changes in health care cost trend rates. The following presents the net OPEB liability of the State as of March 31, 2022 using the current year's health care cost trend rate, as well as what the net OPEB liability would be if it were calculated using rates that are 1 percentage point higher and 1 percentage point lower than the current year's rate (amounts in millions):

	1% Decrease	Current Trend Rates	1% Increase
Net OPEB Liability as of March 31, 2022	$ 52,146	$ 62,477	$ 76,041

Actuarial Methods and Assumptions

The net OPEB liability as of March 31, 2022 was measured as of March 31, 2022 and was determined using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the net OPEB liability to March 2022. The net OPEB liability was calculated using the Entry Age Normal cost method. The actuarial valuations included the following actuarial assumptions:

Assumptions	March 31, 2022
Inflation	2.50 %
Discount Rate	2.73 %

The discount rate is based on the Bond Buyer 20-year General Obligation Municipal Bond Index rate at March 31, 2022.

Health care trend rates were split to reflect separate trends for pre-65 and post-65 claims. The pre-65 trend assumption begins at 5.75 percent and decreases to 4.5 percent long-term trend rate for all health care benefits after seven years. The trend assumption for post-65 begins at 5 percent and decreases to a 4.5 percent long-term trend rate for all health care benefits after seven years. The drug assumption begins at 7 percent and decreases to a 4.5 percent long-term trend rate after seven years. Additionally, a trend of 3 percent per year has been assumed for the employer group waiver plan benefits.

Mortality rates used in the valuation assume different pre-retirement and post-retirement mortality assumptions based on the Society of Actuaries public sector specific mortality experience tables, PUB 2010. The assumption was previously based on the experience under the New York State and Local Retirement System and the New York State Teachers' Retirement System. In order to reflect future mortality improvement, the mortality was projected generationally using the Society of Actuaries MP-2021 projection scale.

Based upon the Trust's contribution policy, the long term expected rate of return on the Trust investments of 2.73% was applied to all periods of projected benefit payments to determine the Trust's total OPEB liability as of March 31, 2022 shown above, pursuant to GASBS 74.

NOTE 14 - Discretely Presented Component Units - Public Benefit Corporations

Discretely presented component units - public benefit corporations (Corporations), as defined in Note 1, are legally separate entities that are not operating departments of the State. The Corporations are managed independently, outside the appropriated budget process, and their powers generally are vested in a governing board. Corporations are established for the benefit of the State's citizenry for a variety of purposes such as economic development, financing, and public transportation. They are not subject to State constitutional restrictions on the incurrence of debt, which apply to the State itself, and may issue bonds and notes within legislatively authorized amounts.

Corporations are generally supported by revenues derived from their activities, although the State has provided financial assistance, in some cases of a recurring nature, to certain Corporations for operating and other expenses. Financial assistance in the form of appropriated loans, contributed capital or operating subsidies for certain Corporations, principally the Metropolitan Transportation Authority, the Roswell Park Cancer Institute, and the Urban Development Corporation, was provided in the fiscal year ended March 31, 2022, and such assistance is expected to be required in future years. Accordingly, the fiscal condition of the State is related to the fiscal stability of the Corporations.

Thirty-six of the 43 entities listed below are discretely presented component units of the State because the Governor, with the approval of the State Senate, appoints the voting majority of the boards of directors of these Corporations, and the State is able to impose its will on the Corporations and/or has a financial benefit or burden relationship with the Corporations. The Governor does not have substantive appointment authority over the board of directors of the Rochester-Genesee Regional Transportation Authority. However, it is a discretely presented component unit because it is fiscally dependent upon, and has a financial benefit or burden relationship with the State. Health Research, Inc., Metropolitan Transportation Authority, New York Racing Association, Research Foundation for Mental Hygiene, Inc., State University of New York Foundations and Auxiliary Corporations, and City University of New York–Senior College Supporting Organizations are included as component units of the State because the nature and significance of their relationships with the State are such that it would be misleading to exclude them.

The amounts presented in the accompanying basic financial statements for the Corporations include the following entities for the fiscal years indicated:

Entities Audited by KPMG LLP:	**Fiscal Year-End**
Dormitory Authority of the State of New York	March 31, 2022*
Long Island Power Authority	December 31, 2021*
New York Power Authority	December 31, 2021*
New York Racing Association, Inc.	December 31, 2021*
New York State Energy Research and Development Authority	March 31, 2022*
New York State Environmental Facilities Corporation	March 31, 2022*
New York State Higher Education Services Corporation	March 31, 2022*
State University of New York Foundations and Auxiliary Corporations.	June 30, 2021**

Entities Audited by Other Auditors:	**Fiscal Year-End**
Aggregate Trust Fund	December 31, 2021
Agriculture and New York State Horse Breeding Development Fund Corporation	December 31, 2021*

Albany Convention Center Authority	December 31, 2021*
Capital District Transportation Authority	March 31, 2022*
Central New York Regional Transportation Authority	March 31, 2022*
City University of New York – Senior College Supporting Organizations	June 30, 2021
Greenway Conservancy for the Hudson River Valley, Inc	March 31, 2022
Health Research, Inc.	March 31, 2022*
Homeless Housing and Assistance Corporation	March 31, 2022*
Housing Trust Fund Corporation	March 31, 2022*
Hudson River-Black River Regulating District	June 30, 2021*
Hugh L. Carey Battery Park City Authority	October 31, 2021*
Metropolitan Transportation Authority	December 31, 2021*
The Long Island Rail Road Company	December 31, 2021
Metro-North Commuter Railroad Company	December 31, 2021
Staten Island Rapid Transit Operating Authority	December 31, 2021
First Mutual Transportation Assurance Company	December 31, 2021
MTA Construction and Development	December 31, 2021
MTA Bus Company	December 31, 2021
New York City Transit Authority	December 31, 2021
Triborough Bridge and Tunnel Authority	December 31, 2021
Municipal Bond Bank Agency	October 31, 2021*
Natural Heritage Trust	March 31, 2022*
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation	March 31, 2022*
New York Convention Center Operating Corporation	March 31, 2022*
New York Job Development Authority	March 31, 2022*
New York State Affordable Housing Corporation	March 31, 2022*
New York State Bridge Authority	December 31, 2021*
New York State Health Foundation	December 31, 2021
New York State Housing Finance Agency	October 31, 2021*
New York State Olympic Regional Development Authority	March 31, 2022*
New York State Thoroughbred Breeding and Development Fund Corporation	December 31, 2021*
New York State Thruway Authority	December 31, 2021*
Niagara Frontier Transportation Authority	March 31, 2022*
Ogdensburg Bridge and Port Authority	March 31, 2022*
Port of Oswego Authority	March 31, 2022*
Research Foundation for Mental Hygiene, Inc.	March 31, 2022*
Rochester-Genesee Regional Transportation Authority	March 31, 2022*
Roosevelt Island Operating Corporation	March 31, 2022*
Roswell Park Cancer Institute	March 31, 2022*
State Insurance Fund	December 31, 2021
State of New York Mortgage Agency	October 31, 2021*
Urban Development Corporation	March 31, 2022*

* Audit conducted in accordance with *Government Auditing Standards* as promulgated by the Comptroller General of the United States.

** KPMG LLP audited 36 percent of the total assets and 31 percent of the total revenues of the State University of New York Foundations and Auxiliary Corporations. The remaining balances were audited by other auditors.

Financial Information

Substantially all the financial data for the Corporations was derived from audited annual financial statements and summarized into the combining statement format in the basic financial statements. Ten of the 43 discrete entities presented comprise 94 percent of the combined assets and 78 percent of the combined program revenues of the Corporations (before eliminations). The remaining portion of this note contains a brief description of the operations of the ten major discretely presented component units. A presentation of their accounts is included in the Combining Statement of Net Position and the Combining Statement of Activities. Additional information about each of the Corporations can be obtained by contacting the Corporations directly and requesting a copy of their annual financial reports, or by visiting their websites.

Certain Corporations issue revenue bonds for independent third-party entities to provide funding for the projects of those third parties. These bonds are considered conduit debt and are secured by payments made by third-party entities and in some cases certain other pledged funds. These bonds do not constitute a debt or pledge of the faith and credit of the Corporations or the State. The Dormitory Authority of the State of New York (DASNY), the New York State Housing Finance Agency (HFA), the Environmental Facilities Corporation (EFC), the New York State Energy Research and Development Authority (NYSERDA) and the New York Job Development Authority (JDA) have issued conduit debt and have elected different, but permissible, methods of accounting for it under GAAP. DASNY has elected to report conduit debt and related assets on its Statement of Net Position. At March 31, 2022, the liability DASNY reported for such debt was approximately $21.6 billion. HFA reports conduit debt and related assets on its Statement of Net Position. At October 31, 2021, the liability HFA reported for such debt was approximately $12 billion. At March 31, 2022, EFC's Statement of Net Position did not include $105 million in bonds it issued for certain private companies. NYSERDA has issued conduit debt for participating gas and electric utility companies and other private purpose users, the principal of which totaled approximately $1.5 billion at March 31, 2022, which is not included on NYSERDA's Statement of Net Position. Local Development Corporations that are blended component units of JDA have issued conduit debt which is not included on JDA's combined Statement of Net Position. At March 31, 2022, the principal on these bonds totaled approximately $14.4 billion.

Power Authority

The New York Power Authority (NYPA) was created in 1931 to help provide a continuous adequate supply of dependable electric power and energy to the people of the State. NYPA's mission is to lead the transition to a carbon-free, economically vibrant New York through customer partnerships, innovative energy solutions, and the responsible supply of affordable, clean, and reliable electricity. NYPA generates, transmits, and sells electric power and energy principally at wholesale to various customers including private and municipal utilities and is a member of the New York Independent System Operator, Inc.

NYPA owns and operates five major generating facilities, eleven small electric generating units located at seven facilities, and four small hydroelectric facilities in addition to more than 1,400 circuit miles of transmission lines. Three of NYPA's largest facilities are the Niagara Power Project at Lewiston, the Blenheim-Gilboa Pumped Storage Power Project at Blenheim and Gilboa and the St. Lawrence-Franklin

D. Roosevelt Power Project at Massena. These hydroelectric facilities have a net dependable capability of producing 2,675, 1,166.8 and 833 megawatts, respectively.

NYPA has an outstanding receivable of approximately $43 million as of December 31, 2021, representing loaned reserves to the State treasury. In 2021, NYPA received $86 million in installment payments, which resulted in a remaining balance of $43 million. The State has recorded a corresponding liability in its financial statements.

The financial statements of NYPA can be obtained at *www.nypa.gov*.

Housing Finance Agency

Housing Finance Agency (HFA) was created as a public benefit corporation in 1960 under Article III of the Private Housing Finance Law. HFA is empowered to finance or contract for the financing of the construction, acquisition, or refinancing of loans for: low-to-moderate income housing; municipal health facilities; non-profit health care facilities; community related facilities; and to provide funds to repay the State for amounts advanced to finance the cost of various housing assistance programs. HFA, through its Capital Grant Low Rent Assistance Program, rents housing to low- and middle-income persons and families. HFA also participates in Federal housing assistance programs which provide interest reduction and rental assistance subsidies to eligible projects and tenants. HFA administers the State's Housing Project Repair and Infrastructure Trust Fund Programs.

To finance low-income housing, HFA raises funds through the issuance of municipal securities and the making of mortgage loans to eligible borrowers. HFA is authorized to issue bonds in the amount of approximately $31.28 billion to finance housing projects, and approximately $7.6 billion in Service Contract Obligation Revenue Bonds, Service Contract Revenue Bonds and Personal Income Tax Revenue Bonds. Total bond indebtedness reported as of October 31, 2021 is approximately $17 billion.

Certain external events can disrupt HFA's ability to conduct its business. One such event is the COVID-19 pandemic. During the pandemic, the State of New York enacted various legislation to help mitigate residential and commercial related financial hardship. To provide guidance on assisting borrowers struggling to make their mortgage payments, HFA has issued bulletins to its servicers. Additional information can be found in HFA's financial statements.

The financial statements can be obtained by contacting HFA at *www.hcr.ny.gov*.

Thruway Authority

The New York State Thruway Authority (NYSTA) was created as a public benefit corporation by the State Legislature in 1950 with powers to build, operate and maintain a Thruway system. NYSTA is responsible for a 570-mile system of highways crossing New York State, the longest toll highway system in the United States. NYSTA's 426-mile thruway mainline connects New York City and Buffalo, the State's two largest cities. Other thruway sections provide for connections with Connecticut, Massachusetts, Pennsylvania, New Jersey, and to highways that lead to the Midwest and Canada.

In 1991, the Legislature empowered NYSTA to issue Local Highway and Bridge Service Contract (LHB) Bonds to provide funds to municipalities throughout the State for qualifying capital expenditures under State programs. In 1993, the Legislature authorized NYSTA to issue Highway and Bridge Trust

Fund (HBTF) Bonds to reimburse the State for expenditures made by the State's Department of Transportation in connection with the State's multi-year Highway and Bridge Capital Program. In 2001, the Legislature authorized NYSTA to issue Personal Income Tax (PIT) Revenue Bonds to provide funds to municipalities and other project sponsors throughout the State for qualifying local highway, bridge and multi-modal capital project expenditures under established State programs. In 2013, the Legislature authorized NYSTA to issue Sales Tax Revenue Bonds to fund transportation capital project expenditures under established State programs. There are currently no NYSTA LHB or Sales Tax Revenue Bonds outstanding.

The financial position of and activities relating to the special bond programs (LHB, HBTF, PIT, and Sales Tax Revenue Bonds) are reported within the funds of the State, rather than under the NYSTA, because these special bond programs are not separate legal entities but are considered funds of the State.

The State developed the Thruway Stabilization Program in 2015 for the payment of costs related to the Governor Mario M. Cuomo Bridge, bridge-related transportation improvements and other Thruway capital projects. In 2016, the State approved an additional $700 million for the program, bringing the State's total commitment to $1.985 billion. Through December 31, 2020, all available program funds have been received. The State has contributed a total of $1.985 billion to NYSTA for this program, consisting of $1.2 billion for the Governor Mario M. Cuomo Bridge, and $785 million for other Thruway capital projects.

The financial statements can be obtained by contacting NYSTA at *www.thruway.ny.gov*.

Metropolitan Transportation Authority

The Metropolitan Transportation Authority (MTA) was created in 1965 to continue, develop and improve public transportation and to develop and implement a unified public transportation policy in the New York City metropolitan area. The accounts presented as the MTA are the combined accounts of its headquarters and eight affiliates and subsidiaries. The MTA operates the largest transit and commuter rail transportation system in North America and one of the largest in the world. The MTA is dependent upon the State for a portion of its revenues. During the MTA fiscal year ended December 31, 2021, the MTA reported $5.7 billion in payments from the State. A portion of that aid was in payments from the State's Mass Transportation Operating Assistance Fund, a Special Revenue Fund, which derives a major portion of its receipts from taxes imposed in the Metropolitan Transportation District for this purpose. A significant portion of that aid came from the Metropolitan Commuter Transportation Mobility Tax enacted in 2009, which is a tax imposed on certain employers and self-employed individuals engaging in business within the Metropolitan Transportation District. Since 2002, the State has provided funding to pay the debt service on State Service Contract bonds issued by the MTA for its capital projects. At December 31, 2021, there are no outstanding MTA State Service Contract bonds.

Capital assets acquired prior to April 1982 for the New York City Transit Authority (NYCTA) were funded primarily by New York City through capital grants. New York City has title to a substantial portion of such assets, which are not included among the assets reported under MTA. In certain instances, title to MTA Bridges and Tunnels' real property may revert to New York City in the event the MTA determines it is unnecessary for corporate purposes. The federal government has a contingent equity interest in assets acquired by the MTA with federal funds, and upon disposal of such assets, the federal government may have a right to its share of the proceeds from the sale.

During 2020, the COVID-19 pandemic caused a significant decline in ridership, resulting in a material impact on MTA's operations, financial position, and cash flows. MTA secured financial assistance under various forms of economic aid and relief packages.

The financial statements of MTA can be obtained at *www.mta.info*.

Dormitory Authority

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation established in 1944. DASNY's purpose is to finance, design, construct, purchase, reconstruct and/or rehabilitate buildings (projects) for use by public and private educational, healthcare, and other not-for-profit institutions (institutions) located within the State, certain State agencies, local school districts, and cities and counties with respect to certain court and municipal facilities.

DASNY's outstanding bonds and notes of $59.6 billion consist mainly of debt issued for New York State agency projects ($23 billion), SUNY projects ($11.8 billion), independent institutions ($11.7 billion), health care facilities ($4.2 billion), CUNY projects ($4.9 billion), and municipal facilities projects ($4 billion).

The financial statements of DASNY can be obtained at *www.dasny.org*.

Long Island Power Authority

The Long Island Power Authority (LIPA) was established in 1985 as a corporate municipal instrumentality of the State. On May 28, 1998, the LIPA Acquisition Corporation, a wholly owned subsidiary of LIPA, was merged with and into the Long Island Lighting Company (LILCO) pursuant to an Agreement and Plan of Merger dated as of June 26, 1997. LIPA financed the cost of the merger and the refinancing of certain LILCO's outstanding debt through the issuance of Electric System General Revenue Bonds and Electric System Subordinated Revenue Bonds. The excess of the acquisition costs over the fair value of net position acquired has been reported as an intangible asset, which is being amortized through 2026.

Chapter 173 of the Laws of 2013 established the Utility Debt Securitization Authority (UDSA) for the sole purpose of retiring certain outstanding indebtedness of LIPA through the issuance of restructuring bonds by UDSA. In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, UDSA is considered a blended component unit of LIPA. On August 21, 2021, the Securitization Law was amended to allow for a total issuance of up to $8 billion of UDSA restructuring bonds, inclusive of the bonds already issued.

LIPA, as owner of the transmission and distribution (T&D) system located in Nassau, Suffolk and a small portion of Queens counties, is responsible for supplying electricity to customers in the service area. Under a contract starting January 1, 2014, responsibility for major operational and policy-making services for the T&D system effectively shifted from LIPA to Public Service Enterprise Group (PSEG) Long Island LLC for a period of twelve years expiring in 2025.

The financial statements can be obtained by contacting LIPA at *www.lipower.org*.

Urban Development Corporation

The New York State Urban Development Corporation (UDC) was established by legislative act in 1968 as a corporate governmental agency of the State. UDC, together with its subsidiaries, conducts business as Empire State Development. UDC is engaged in various activities for the State, three of which are: promoting economic development and job creation; financing special projects throughout the State with revenue bonds; and marketing the State as a great place to do business and as a vacation destination.

UDC continues its efforts to foster economic development through the State by working in partnership with the public and private sectors to enhance the State's competitive advantage as the world capital for many industries, ranging from finance and media to technology and agriculture. Its mission is to promote a vigorous and growing State economy, encourage business investment and job creation, and support diverse, prosperous local economies across the State through efficient use of loans, grants, tax credits, real estate development, marketing, and other forms of assistance. Financial assistance is provided primarily through State appropriated funds received by UDC and State supported bonds issued by UDC which are disbursed to projects.

UDC continues to administer and manage a robust marketing program to help drive the State economy. The program has multiple components, which are broadly focused on two areas: (1) increasing the State's tourism through consumer and trade programs that heighten the visibility of New York's world class tourism attractions as ideal vacation destinations; and (2) attracting companies looking to expand, move or begin their operations in New York. UDC is also the administrative agency for the New York State Film Tax Credit Program, which is designed to increase the film production and post-production industry presence in and provide overall economic benefits to the State.

The financial statements of UDC can be obtained at *www.esd.ny.gov.*

State Insurance Fund

The State Insurance Fund (SIF) was created in 1914 and comprises the Workers' Compensation Fund and the Disability Benefits Fund and is primarily engaged in providing workers' compensation and disability benefit insurance for employers in the State of New York.

During previous fiscal years, the SIF transferred approximately $1.3 billion to the State's General Fund and Other Governmental Funds. The statutes authorizing these transfers required that the State appropriate amounts annually for the potential repayment of the transfers. Such repayment is required only to maintain the solvency, as defined, of the Workers' Compensation Fund. The entire receivable and equity related to these transfers were eliminated from the presentation of the SIF. Further, after recognizing the total other postemployment benefits (OPEB) liability noted below, the resulting fund balance is approximately $8 billion.

The SIF's financial statements are prepared in conformity with the accounting practices prescribed by the New York State Department of Financial Services, which is a comprehensive basis of accounting other than the accounting principles generally accepted in the United States of America. The State has adjusted the SIF's financial statements to recognize a total OPEB liability of $715 million in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* for its respective proportionate share in the State's total OPEB liability.

A complete list of departures from GAAP is disclosed in the SIF's financial statements, which may be obtained from *ww3.nysif.com.*

State of New York Mortgage Agency

The State of New York Mortgage Agency (SONYMA) was established in 1970 and makes mortgages available to first-time and other qualifying home buyers through its Low Interest Rate Program and other specialized home ownership programs. To accomplish this purpose, SONYMA issues tax-exempt and taxable mortgage revenue bonds for direct issuance of forward commitments for new mortgage loans through participating financial institutions. SONYMA also provides mortgage insurance for qualifying real property loans through its Mortgage Insurance Fund. By statute, all costs of providing mortgage insurance are recovered from a State mortgage recording tax surcharge, which is a dedicated tax revenue stream received directly by SONYMA. In April 2009, SONYMA's statutory authority to purchase education loans was updated and expanded in order to permit the Agency to work with the New York State Higher Education Services Corporation in developing a new program to offer education loans to eligible students attending colleges and universities in New York State. In 2016, legislation was adopted authorizing the creation of the New York State Community Restoration Fund, a program to assist homeowners affected by the national mortgage crisis. The fund is held by SONYMA and managed by a newly-created subsidiary of SONYMA called the SONYMA Community Restoration Fund. The agency is a partner in a joint venture with New Jersey Community Capital, and currently owns approximately 570 defaulted mortgage loans.

Certain external events can disrupt SONYMA's ability to conduct its business. One such event is the COVID-19 Pandemic. During the Pandemic, the State of New York enacted various legislation to help mitigate residential and commercial related financial hardship. To provide guidance on assisting borrowers struggling to make their mortgage payments, SONYMA has issued bulletins to its servicers. Additional information can be found in SONYMA's financial statements.

The financial statements can be obtained by contacting SONYMA at *www.hcr.ny.gov.*

Environmental Facilities Corporation

The New York State Environmental Facilities Corporation (EFC) is a public benefit corporation, formed in 1970 pursuant to the New York State Environmental Facilities Corporation Act. The mission of EFC is to assist communities throughout New York State to undertake critical water quality infrastructure projects by providing access to low cost capital, grants, and expert technical assistance. A primary goal is to ensure that these projects remain affordable while safeguarding essential water resources. EFC supports this mission by consistently using an innovative approach to developing and advancing new financing strategies to maximize the funding that can be made available to our clients, aiding compliance with Federal and State requirements, and promoting green infrastructure practices. EFC assesses and collects fees charged to clients for various services. EFC is governed by a board of directors, which consists of seven members.

EFC is empowered by State law to: administer the Clean Water and Drinking Water State Revolving Funds (SRFs), established by the State as set forth in the EFC Act pursuant to the federal Water Quality Act of 1987 and the federal Safe Drinking Water Act Amendments of 1996; finance, through the issuance of special obligation revenue bonds under its Industrial Finance Program, water management, solid waste disposal, sewage treatment and pollution control projects undertaken by or on behalf of private entities; and to provide technical advice and assistance to private entities, state agencies and local government units on sewage treatment and collection, pollution control, recycling, hazardous waste abatement, solid waste disposal, and other related subjects. Total bond indebtedness reported as of March 31, 2022 is approximately $5.4 billion, and total bonds receivable is approximately $6.3 billion.

The financial statements of EFC can be obtained at *www.efc.ny.gov.*

Eliminations

Eliminations are made primarily to avoid duplicate reporting. As explained in Note 7, the State services a significant portion of the bonds and notes payable of certain Corporations.

NOTE 15 - Joint Ventures

A joint venture is an entity that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial interest or an ongoing financial responsibility. The only material joint venture in which the State has an interest is the Port Authority of New York and New Jersey (Port Authority).

The Port Authority is a municipal corporate instrumentality of the States of New York and New Jersey created by compact between the two states in 1921 with the consent of the Congress of the United States. The Port Authority is authorized and directed to plan, develop, and operate terminals and other facilities of transportation and commerce, and to advance projects in the general fields of transportation, economic development, and world trade that contribute to promoting and protecting the commerce and economy of the Port District, defined in the compact, which comprises an area of about 1,500 square miles in both states, centering around New York Harbor.

The Governor of each state appoints six of the twelve members of the governing Board of Commissioners, subject to confirmation by the respective state senate. Governors have from time to time exercised their statutory power to veto the actions of the commissioners from their states.

The commissioners serve six-year overlapping terms as public officials without compensation. They establish Port Authority policy, appoint an Executive Director to implement it, and appoint a General Counsel to act as legal advisor to the Board and to the Executive Director.

The compact envisions the Port Authority as being financially self-sustaining and, as such, it must obtain the funds necessary for the construction or acquisition of facilities upon the basis of its own credit. The Port Authority does not have the power to pledge the credit of either state or any municipality, or the authority to levy taxes or assessments.

The liabilities of the Port Authority include $26 billion of consolidated bonds. Consolidated bonds and notes are equally and ratably secured by a pledge of the net revenues of all existing facilities and any additional facilities, which may be financed in whole or in part through the medium of consolidated bonds and notes.

The Port Authority follows accounting principles that are generally accepted in the United States of America as prescribed by the GASB. Certain schedules have been prepared in accordance with Port Authority bond resolutions, which differ in some respects from these accounting principles.

The financial statements of the Port Authority can be obtained at *www.panynj.gov*.

Consolidated financial statements of the Port Authority for the fiscal year ended December 31, 2021 disclosed the following (amounts in millions):

Financial Position		
Total assets	$	49,440
Total deferred outflows of resources		1,257
Total liabilities		(33,221)
Total deferred inflows of resources		(1,578)
Net position	**$**	**15,898**

Operating Results		
Operating revenues	$	5,142
Operating expenses		(3,106)
Depreciation and amortization		(1,629)
Income from operations		**407**
Passenger facility charges		160
Financial income (expense), net		(1,104)
Contribution in aid of construction and grants		527
Decrease in net position	**$**	**(10)**

Changes in Net Position		
Balance at January 1, 2021	$	15,908
Decrease in net position		(10)
Balance at December 31, 2021	**$**	**15,898**

NOTE 16 - Subsequent Events

Financing Arrangements Issued

The Statement of Net Position presents bonds and other financing arrangements and collateralized borrowings outstanding as of the statement date of March 31, 2022 (except for business-type activities related to the SUNY and CUNY Enterprise Funds, which are reported as of June 30, 2021). Subsequent to those dates, the following bonds and other financing arrangements were issued (amounts in millions):

Bonds and Other Financing Arrangements Issued
Subsequent to Date of the Statement of Net Position

Issuer	Purpose	Date	Series	Amount
Urban Development Corporation	SUNY Grant Program	10/21/2021	Sales Tax, Series 2021A	$ 7
Urban Development Corporation	SUNY Educational Facilities	10/21/2021	Sales Tax, Series 2021A	$ 449
Urban Development Corporation	SUNY Educational Facilities	10/21/2021	Sales Tax, Series 2021B	$ 15
Dormitory Authority	CUNY Senior Colleges, Refunding	12/17/2021	Personal Income Tax, Series 2021E	$ 255
Dormitory Authority	SUNY Educational Facilities, Refunding	12/17/2021	Personal Income Tax, Series 2021E	$ 245
Dormitory Authority	CUNY Senior Colleges, Refunding	12/17/2021	Personal Income Tax, Series 2021F	$ 4
Dormitory Authority	SUNY Educational Facilities, Refunding	12/17/2021	Personal Income Tax, Series 2021F	$ 21
Dormitory Authority	CUNY Senior Colleges	3/25/2022	Personal Income Tax, Series 2022A	$ 177
Dormitory Authority	SUNY Educational Facilities	3/25/2022	Personal Income Tax, Series 2022A	$ 433
Dormitory Authority	CUNY Senior Colleges, Refunding	3/25/2022	Personal Income Tax, Series 2022A	$ 232
Dormitory Authority	SUNY Educational Facilities, Refunding	3/25/2022	Personal Income Tax, Series 2022A	$ 720
Dormitory Authority	CUNY Senior Colleges	3/25/2022	Personal Income Tax, Series 2022B	$ 4
Dormitory Authority	SUNY Educational Facilities	3/25/2022	Personal Income Tax, Series 2022B	$ 25
Dormitory Authority	SUNY Educational Facilities, Refunding	3/25/2022	Personal Income Tax, Series 2022B	$ 21

Collateralized Borrowings
Subsequent to Date of the Statement of Net Position

Issuer	Purpose	Date	Series	Amount
Dormitory Authority	SUNY Dormitory Facilities	12/2/2021	Revenue Bonds, Series 2021ABC	$ 346

Required Supplementary Information (unaudited)

Budgetary Basis - Financial Plan and Actual
Combined Schedule of Cash Receipts and Disbursements
Major Funds - General Fund and Federal Special Revenue Fund

For the Year Ended March 31, 2022
(Amounts in millions) (Unaudited)

	General				Federal Special Revenue			
	Financial Plan Amounts		Actual (Budgetary Basis)	Variance with Final Budget	Financial Plan Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final			Original	Final		
RECEIPTS:								
Taxes	$ 41,149	$ 54,559	$ 56,289	$ 1,730	$ -	$ -	$ -	$ -
Miscellaneous	1,775	1,839	2,325	486	350	363	183	(180)
Federal grants	-	-	4,500	4,500	93,534	97,264	88,635	(8,629)
Total receipts	**42,924**	**56,398**	**63,114**	**6,716**	**93,884**	**97,627**	**88,818**	**(8,809)**
DISBURSEMENTS:								
Local assistance grants	61,041	61,215	58,384	2,831	74,990	76,241	71,616	4,625
State operations	12,388	13,618	11,738	1,880	5,289	4,991	4,538	453
General State charges (1)	8,435	8,155	8,983	(828)	455	992	1,036	(44)
Debt Service	-	-	-	-	42	42	42	-
Total disbursements	**81,864**	**82,988**	**79,105**	**3,883**	**80,776**	**82,266**	**77,232**	**5,034**
Excess (deficiency) of receipts over disbursements	**(38,940)**	**(26,590)**	**(15,991)**	**10,599**	**13,108**	**15,361**	**11,586**	**(3,775)**
OTHER FINANCING SOURCES (USES):								
Transfers from other funds	44,260	55,648	49,695	(5,953)	-	-	-	-
Transfers to other funds	(7,127)	(7,706)	(9,812)	(2,106)	(6,668)	(6,669)	(2,221)	4,448
Net other financing sources (uses)	**37,133**	**47,942**	**39,883**	**(8,059)**	**(6,668)**	**(6,669)**	**(2,221)**	**4,448**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ (1,807)**	**$ 21,352**	**$ 23,892**	**$ 2,540**	**$ 6,440**	**$ 8,692**	**$ 9,365**	**$ 673**

(1) Spending authority has not been exceeded by $828 million in the General Fund. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in spending authority approved for local assistance grants, state operation and general state charges through March 31, 2022.

See notes to required supplementary information.

See independent auditors' report.

NOTES TO BUDGETARY BASIS REPORTING
(unaudited)

Budgetary Basis Reporting

The State Constitution requires the Governor to submit annually to the Legislature an Executive Budget, which contains plans for all expenditures and disbursements for the ensuing fiscal year, as well as all monies and revenues estimated to be available. Bills containing all recommended appropriations or reappropriations and any proposed legislation necessary to provide monies and revenues sufficient to meet such proposed expenditures and disbursements accompany the Executive Budget. Reappropriations are commonly used for federally funded programs and capital projects, where the funding amount is intended to support activities that may span several fiscal years. Budgets are prepared for all funds. Included in the proposed appropriation bills is a provision for spending authority for unanticipated revenues or unforeseen emergencies in accordance with statutory requirements. The Executive Budget also includes a cash basis financial plan that must be in balance, i.e., disbursements must not exceed available receipts.

The Legislature enacts appropriation bills and revenue measures containing those parts of the Executive Budget it has approved or modified. The Legislature may also enact supplemental appropriation or special appropriation bills after it completes action on the Executive Budget. Further, when the Legislature convenes in January, it may enact deficiency appropriations to meet actual or anticipated obligations not foreseen when the annual budget and any supplemental budgets were enacted and for which the costs would exceed available spending authorizations. The Legislature might add to a previously authorized appropriation anticipated to be inadequate, or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists. A deficiency appropriation usually applies to the fiscal year during which it is made. Pursuant to State law, once the Legislature has completed action on the appropriation and revenue bills and they are approved by the Governor, the cash basis and the GAAP basis financial plans must be revised by the Governor to reflect the impact resulting from changes in appropriations and revenue bills. The cash basis financial plan, which serves as the basis for the administration of the State's finances during the fiscal year, provides a summary of projected receipts, disbursements and fiscal year-end balances. Such plans are updated quarterly throughout the fiscal year by the Governor, and include a comparison of the actual year-to-date results with the latest revised plans, providing an explanation of any major deviations and any significant changes to the financial plans. Projected disbursements are based on agency staffing levels, program caseloads, levels of service needs, formulas contained in State and federal law, inflation and other factors. All projections account for the timing of payments, since not all the amounts appropriated in the Enacted Budget are disbursed in the same fiscal year.

The Statewide Financial System includes controls over expenditures to ensure that the maximum spending authority is not exceeded during the life of the appropriation. Expenditures are controlled at the major account level within each program or project of each State agency in accordance with the underlying appropriation purpose. Encumbrances are not considered a disbursement in the financial plan or an expenditure and expense in the basic financial statements. Generally, appropriations are available for liabilities incurred during the fiscal year. Following the end of the fiscal year, a "lapse period" is provided to liquidate prior year liabilities. Unless reappropriated, most appropriations for State operations cease on June 30th and local assistance, debt service, capital projects and federal fund appropriations cease on September 15th following the end of the fiscal year. Disbursements made during the lapse period from prior year appropriations are included, together with disbursements from new year appropriations, in the subsequent fiscal year's financial plan. Many appropriations enacted are not intended to be used, although they are required by law. These types of appropriations will generally cause total appropriation authorizations to exceed cash basis financial plan disbursement amounts. Actual disbursements for certain spending categories may exceed financial plan estimates (as reported in the Budgetary Basis – Financial Plan and Actual – Combined Schedule of Cash Receipts and Disbursements) but do not exceed total enacted appropriations authority. Most capital projects, federal funds and many State operations appropriations are reappropriated each year by the Legislature and therefore the life of such appropriations may be many years. If the budget is not enacted by April 1st, the Legislature enacts special emergency appropriations to continue government functions, as was last done in April 2010.

The following presents a reconciliation of the budgetary cash basis operating results as shown in the preceding Budgetary Basis – Financial Plan and Actual Combined Schedule of Cash Receipts and Disbursements (Schedule) with the GAAP-basis operating results reported in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Statement) (amounts in millions):

	General	Federal Special Revenue
Receipts and other financing sources over/(under) disbursements and other financing uses per Schedule	$ 23,892	$ 9,365
Entity differences:		
Receipts and other financing sources over/(under) disbursements and other financing uses for funds and accounts not included in the cash basis financial plan	7,123	(6,882)
Perspective differences:		
Receipts and other financing sources over/(under) disbursements and other financing uses for funds treated as Special Revenue Funds in the financial plan and as part of the General Fund for GAAP reporting	438	-
Receipts and other financing sources over/(under) disbursements and other financing uses for funds treated as Fiduciary Funds in the financial plan and as part of the General Fund for GAAP reporting	94	-
Temporary interfund cash loans	146	48
Basis of accounting differences:		
Revenue accrual adjustments	(20,493)	4,723
Expenditure accrual adjustments	139	(7,254)
Net Change in Fund Balances	**$ 11,339**	**$ -**

The entity differences relate to the inclusion of certain funds considered to be Proprietary Funds for purposes of the cash basis financial plan. Perspective differences relate to variations in the presentation of the cash basis financial plan fund structure versus GAAP fund structure. A perspective difference for temporary interfund loans occurs when a fund temporarily overdraws its share of the pooled investment funds. These temporary loans are covered by the General Fund's share of the pool. A perspective difference relating to the Charter School Stimulus and Miscellaneous Special Revenue Accounts occurs because these funds are included in the Special Revenue Funds cash basis financial plan while the GAAP basis presentation includes them in the General Fund. A perspective difference exists between certain Fiduciary Funds in the cash basis financial plan, which are presented in the General Fund on a GAAP basis.

Infrastructure Assets Using the Modified Approach (unaudited)

In accordance with GAAP, the State has adopted an alternative method for recording depreciation expense for the State's network of roads and bridges maintained by the Department of Transportation (DOT). Under this method, referred to as the modified approach, the State will not report depreciation expense for roads and bridges, but will capitalize all costs that add to the capacity and efficiency of State-owned roads and bridges. Generally, all maintenance and preservation costs will be expensed and not capitalized.

In order to adopt the modified approach, the State is required to meet the following criteria:

1. Maintain an asset management system that includes a current inventory of eligible infrastructure assets.
2. Conduct condition assessments of eligible assets and summarize the results using a measurement scale.
3. Estimate each year the annual amount necessary to maintain and preserve the eligible assets at the condition level established and disclosed by the State.
4. Document that the assets are being preserved approximately at, or above, the established condition level.

Roads

The DOT maintains the Pavement Management System (PMS), which supports a construction program that preserves the State's investment in its roads. The PMS contains locational, operational and historical condition data. The PMS is used to determine the appropriate program for improving the condition of the roads and to determine future funding levels necessary to meet condition goals. The overall goal is for the State to provide a management system for the State's infrastructure assets in order to provide long-term benefits to the State's citizens.

The State annually conducts an assessment of the pavement condition of the State's road network. Trained technicians rate the condition of the pavement based on surface condition and dominant distress (e.g., cracking, faulting) using a scale of 1 (very poor) to 10 (excellent) based on the prevalence of a surface-related pavement distress. A pavement condition rating (PCR) is assigned to each surface section. The State currently has 42,744 lane miles of roads.

It is the State's intention to maintain the roads at an average PCR between 6.7 and 7.2.

Bridges

The DOT maintains the Bridge Management System (BMS), which supports a construction program that preserves the State's investment in its bridges. The BMS is used in planning construction programs and estimating construction costs. The overall goal is for the State to provide a management system for the State's infrastructure assets in order to provide long-term benefits to the State's citizens. The State has 7,914 bridges in the inventory, of which 7,698 are highway bridges. The remainder include railroad and pedestrian structures.

The State conducts biennial inspections of all bridges in the State. During each general inspection, various components or elements of each bridge span are rated by the inspector as to the extent of deterioration, as well as the component's ability to function structurally relative to when it was newly designed and constructed. The State previously used a numerical inspection condition rating (CR) scale ranging from 1 (minimum) to 7 (maximum). Bridges with CR greater than 5.8 are in good condition, and generally require preventive and corrective maintenance actions such as bridge washing, deck sealing and bearing lubrication. Bridges with CR between 4.9 (inclusive) and 5.8 (inclusive) are in fair-protective condition, and generally require relatively minor preventive and corrective maintenance actions, such as bearing repairs, joint repairs, zone and spot painting and girder end repairs. Bridges with CR between 4.4 (inclusive) and 4.9 are in fair-corrective condition, and generally require moderate preventive and corrective maintenance actions, such as bearing replacement, deck replacement, and major substructure repairs. Bridges with CR less than 4.4 are considered to be in poor condition, and generally require major rehabilitation or replacement.

Through 2015, using this rating scale, it was the State's intention to maintain the bridges at an average condition rating level between 5.3 and 5.6.

In 2016, the State transitioned to the AASHTO element-based rating system that utilizes a 1 (good) through 4 (severe) scale as mandated by the Federal Highway Administration (FHWA). The bridge goal is based on the percentage of Structurally Deficient (SD) bridges as defined by FHWA. The SD calculations are based on the National Bridge Inventory (NBI) inspection data that has been collected by the DOT for more than 15 years and reported to FHWA on an annual basis. Using this new criteria to identify Structurally Deficient bridges, it is the State's intention to maintain the share of bridges classified as SD at or below 15 percent of the State highway bridge population.

Pavement and Bridge Assessment Summary
as of December 31:

Year	Pavement -- Average Surface Rating	Bridges -- Average Condition Rating	Percentage of Highway Bridges Assessed Structurally Deficient
2021	7.04	N/A	7.0
2020	6.95	N/A	7.3
2019	6.86	N/A	7.3
2018	6.88	N/A	7.1
2017	6.91	N/A	7.9
2016	6.93	N/A	7.9
2015	6.92	5.30	N/A
2014	6.99	5.32	N/A
2013	6.99	5.34	N/A
2012	6.98	5.34	N/A
2011	6.87	5.35	N/A

Comparison of Estimated-to-Actual Maintenance and Preservation Costs

Preservation of the roads and bridges is accomplished through various construction programs which are tracked by the PMS and the BMS. The following presents the State's estimate of costs necessary to preserve and maintain the network of roads and bridges at, or above, the established condition level, compared to the actual costs incurred for the past five fiscal years ending March 31 (amounts in millions):

Maintenance and Preservation Costs

Year	2022	2021	2020	2019	2018
Roads:					
Estimated	$ 1,503	$ 1,173	$ 1,625	$ 1,254	$ 1,279
Actual	1,201	1,250	1,126	1,133	1,134
Bridges:					
Estimated	1,458	1,461	769	1,187	925
Actual	192	237	229	293	256
Total roads and bridges:					
Estimated	2,961	2,634	2,394	2,441	2,204
Actual	1,393	1,487	1,355	1,426	1,390

The increase in estimates is a reflection of the increased letting program over the last few years. Any significant increase in actual costs may take several years to be realized and reported. In addition, the calculation of Preservation/Maintenance Estimates may include needs that were addressed via capitalizable work rather than preservation/maintenance actuals.

See independent auditors' report.

Other Postemployment Benefits (unaudited)

Schedule of Changes in Total OPEB Liability and Related Ratios
New York State
Fiscal Years Ended March 31

(Amounts in millions)

	2022	2021	2020	2019
Total OPEB liability:				
Service cost	$ 2,075	$ 1,570	$ 1,579	$ 1,682
Interest	1,745	1,965	2,000	2,100
Difference between expected and actual experience	(1,678)	387	349	(4,608)
Changes in assumptions	(8,535)	6,946	(1,780)	(227)
Changes in proportion and differences between employer contributions and proportionate share of contributions	(29)	4	(223)	-
Benefit payments	(1,800)	(1,727)	(1,672)	(1,567)
Net change in total OPEB liability	**(8,222)**	**9,145**	**253**	**(2,620)**
Total OPEB liability, beginning	**60,284**	**51,139**	**50,886**	**53,506**
Total OPEB liability, ending	**$ 52,062**	**$ 60,284**	**$ 51,139**	**$ 50,886**
Covered employee payroll	$ 9,435	$ 9,198	$ 9,046	$ 8,806
Total OPEB liability as a percentage of covered employee payroll	551.8 %	655.4 %	565.3 %	577.9 %
Changes in assumptions: Discount rate, at measurement date	2.34 %	2.84 %	3.79 %	3.89 %

See independent auditors' report.

Changes in benefit terms: There were no significant legislative changes in benefits for the March 31, 2021 actuarial valuations.

Changes in assumptions: The discount rate was updated as detailed in the table above. The medical trend assumptions were updated based on current anticipation of future costs and projected claim costs were updated based on the recent claims experience for the PPO plan and premium rates for the HMO plans. The excise tax assumptions were updated in 2019 and 2020 based on anticipation of future costs; the excise tax impact has been removed in 2021 as a result of the SECURE Act.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Changes in Total OPEB Liability and Related Ratios
SUNY*
Fiscal Years Ended June 30
(Amounts in millions)

Total OPEB liability:	**2021**	**2020**	**2019**	**2018**	**2017**
Service cost	$ 514	$ 503	$ 503	$ 531	$ 590
Interest	450	497	500	516	469
Difference between expected and actual experience	(244)	(74)	138	(1,151)	-
Changes in assumptions	(2,297)	2,184	(509)	(55)	(1,195)
Benefit payments	(390)	(370)	(356)	(330)	(302)
Net change in total OPEB liability	**(1,967)**	**2,740**	**276**	**(489)**	**(438)**
Total OPEB liability, beginning	**15,521**	**12,781**	**12,505**	**12,994**	**13,432**
Total OPEB liability, ending	**$ 13,554**	**$ 15,521**	**$ 12,781**	**$ 12,505**	**$ 12,994**
Covered employee payroll	$ 3,614	$ 3,435	$ 3,362	$ 3,329	$ 3,200
Total OPEB liability as a percentage of covered employee payroll	375.1 %	451.9 %	380.2 %	375.6 %	406.0 %
Changes in assumptions:					
Discount rate, at measurement date	2.34 %	2.84 %	3.79 %	3.89 %	3.86 %

See independent auditors' report.

Changes in assumptions: The discount rate was changed as detailed in the table above. The medical trend and excise tax assumptions were updated based on current anticipation of future costs and projected claim costs were updated based on the recent claims experience for the PPO plans and premium rates for the HMO plans.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

*Amounts presented are for SUNY only and do not include SUNY Research Foundation.

Schedule of Changes in Total OPEB Liability and Related Ratios
CUNY Senior Colleges
Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	$ 115	$ 108	$ 126	$ 107
Interest	55	58	53	50
Difference between expected and actual experience	(28)	(178)	354	(4)
Changes in assumptions	(29)	41	(187)	40
Benefit payments	(37)	(36)	(35)	(32)
Net change in total OPEB liability	**76**	**(7)**	**311**	**161**
Total OPEB liability, beginning	**1,971**	**1,978**	**1,667**	**1,506**
Total OPEB liability, ending	**$ 2,047**	**$ 1,971**	**$ 1,978**	**$ 1,667**
Covered employee payroll	$ 1,293	$ 1,218	$ 1,169	$ 1,151
Total OPEB liability as a percentage of covered employee payroll	158.3 %	161.7 %	169.1 %	144.8 %
Changes in assumptions: Discount rate, at measurement date	2.18 %	2.66 %	2.79 %	2.98 %

See independent auditors' report.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate used to determine the total OPEB liability was updated as detailed in the table above.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Changes in Net OPEB Liability and Related Ratios
New York State Retiree Health Benefit Trust
Fiscal Years Ended March 31

(Amounts in millions)

	2022
Total OPEB liability:	
Service cost	$ 2,347
Interest	1,509
Difference between expected and actual experience	291
Changes in assumptions	(2,349)
Benefit payments	(2,270)
Net change in total OPEB liability	**(472)**
Total OPEB liability, beginning	**63,269**
Total OPEB liability, ending	**62,797**
Plan fiduciary net position:	
Contributions – employer	320
Net change in plan fiduciary net position	**320**
Plan fiduciary net position, beginning	**-**
Plan fiduciary net position, ending	**320**
State's* net OPEB liability, ending	**$ 62,477**
Plan's fiduciary net position as a percentage of the total OPEB liability	0.5 %
Covered employee payroll	$ 11,834
State's* net OPEB liability as a percentage of covered employee payroll	527.9 %
Changes in assumptions: Discount rate, at measurement date	2.73 %

* *Inclusive of Lottery, HESC, and SUNY (excluding SUNY Hospitals, SUNY Construction Fund, SUNY Research Foundation).*

See independent auditors' report.

Changes in benefit terms: There were no significant legislative changes in benefits for the March 31, 2022 actuarial valuations.

Changes in assumptions: The discount rate was updated as detailed in the table above (for March 31,2022, this change was from 2.34% used for the total OPEB liability as of March 31, 2021 to 2.73% used for the total OPEB liability as of March 31, 2022). The medical trend assumptions were updated based on current anticipation of future costs and projected claim costs were updated based on the recent claims experience for the PPO plan and premium rates for the HMO plans. Experience study assumptions are updated as available from studies provided by New York State & Local Retirement System and the New York State Teachers' Retirement System. Mortality assumptions are updated each year based on available mortality experience tables and projection scales published by the Society of Actuaries.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Investment Returns
New York State Retiree Health Benefit Trust
Fiscal Years Ended March 31

Fiscal Year	Rate of Return, Net of Investment Expense
2022	0.22 %

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Pension Plans (unaudited)

Schedule of Proportionate Share of the Net Pension Liability for the New York State and Local Employees' Retirement System
Fiscal Years Ended March 31
(Amounts in millions)

	2022	2021	2020	2019	2018
State's proportion of the net pension liability	46.3 %	45.5 %	45.8 %	45.4 %	45.8 %
State's proportionate share of the net pension liability	$ 46	$ 12,052	$ 3,243	$ 1,465	$ 4,297
Covered payroll	$ 11,931	$ 12,115	$ 11,684	$ 11,511	$ 11,112
State's proportionate share of the net pension liability as a percentage of covered payroll	0.4 %	99.5 %	27.8 %	12.7 %	38.7 %
Plan's fiduciary net position as a percentage of the total pension liability	100.0 %	86.4 %	96.3 %	98.2 %	94.7 %

	2017	2016
State's proportion of the net pension liability	45.1 %	44.5 %
State's proportionate share of the net pension liability	$ 7,217	$ 1,501
Covered payroll	$ 10,188	$ 10,236
State's proportionate share of the net pension liability as a percentage of covered payroll	70.8 %	14.7 %
Plan's fiduciary net position as a percentage of the total pension liability	90.7 %	98.0 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Proportionate Share of the Net Pension Liability for the New York State and Local Police and Fire Retirement System
Fiscal Years Ended March 31

(Amounts in millions)

	2022	2021	2020	2019	2018
State's proportion of the net pension liability	21.3 %	21.1 %	21.4 %	20.8 %	21.1 %
State's proportionate share of the net pension liability	$ 369	$ 1,127	$ 359	$ 210	$ 437
Covered payroll	$ 814	$ 859	$ 775	$ 777	$ 695
State's proportionate share of the net pension liability as a percentage of covered payroll	45.3 %	131.2 %	46.2 %	27.0 %	62.9 %
Plan's fiduciary net position as a percentage of the total pension liability	95.8 %	84.9 %	95.1 %	96.9 %	93.5 %

	2017	2016
State's proportion of the net pension liability	19.1 %	19.0 %
State's proportionate share of the net pension liability	$ 566	$ 52
Covered payroll	$ 615	$ 620
State's proportionate share of the net pension liability as a percentage of covered payroll	92.1 %	8.5 %
Plan's fiduciary net position as a percentage of the total pension liability	90.2 %	99.0 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Employer Contributions for the New York State and Local Employees' Retirement System *
Fiscal Years Ended March 31

(Amounts in millions)

	2022	2021	2020	2019	2018
Contractually determined contribution	$ 1,911	$ 1,692	$ 1,596	$ 1,603	$ 1,636
Contributions in relation to the contractually determined contribution	1,911	1,692	1,596	1,603	1,636
Contribution deficiency	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 12,507	$ 11,931	$ 12,115	$ 11,684	$ 11,511
Contributions as a percentage of covered payroll	15.3 %	14.2 %	13.2 %	13.7 %	14.2 %

	2017	2016
Contractually determined contribution	$ 1,585	$ 1,816
Contributions in relation to the contractually determined contribution	1,585	1,478
Contribution deficiency	$ -	$ 338
Covered payroll	$ 11,112	$ 10,188
Contributions as a percentage of covered payroll	14.2 %	14.5 %

* *Inclusive of SUNY and Lottery.*

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Employer Contributions for the New York State and Local Police and Fire Retirement System *
Fiscal Years Ended March 31

(Amounts in millions)

	2022	2021	2020	2019	2018
Contractually determined contribution	$ 225	$ 178	$ 164	$ 168	$ 166
Contributions in relation to the contractually determined contribution	225	178	164	168	166
Contribution deficiency	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 858	$ 813	$ 859	$ 775	$ 777
Contributions as a percentage of payroll......	26.2 %	21.9 %	19.1 %	21.7 %	21.4 %

	2017	2016
Contractually determined contribution	$ 152	$ 142
Contributions in relation to the contractually determined contribution	152	124
Contribution deficiency	$ -	$ 18
Covered payroll	$ 695	$ 615
Contributions as a percentage of payroll......	21.9 %	20.2 %

* *Inclusive of SUNY and Lottery.*

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Other SUNY-Related Pension Plans

New York State Teachers' Retirement System (TRS)

Schedule of the Proportionate Share of the TRS Net Pension Liability (Asset) Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018	2017
SUNY's proportion of the net pension liability (asset)	0.9 %	0.9 %	0.8 %	0.8 %	0.8 %
SUNY's proportionate share of the net pension liability (asset)	$ 24.7	$ (22.6)	$ (14.7)	$ (6.1)	$ 8.7
Covered payroll	$ 151.8	$ 145.1	$ 132.1	$ 128.2	$ 126.0
SUNY's proportionate share of the net pension liability (asset) as a percentage of covered payroll	16.3 %	(15.6 %)	(11.1 %)	(4.8 %)	6.9 %
Plan's fiduciary net position as a percentage of the total pension liability	97.8 %	102.2 %	101.5 %	100.7 %	99.0 %

	2016	2015
SUNY's proportion of the net pension liability (asset)	0.7 %	0.7 %
SUNY's proportionate share of the net pension liability (asset)	$ (77.2)	$ (79.6)
Covered payroll	$ 111.6	$ 105.5
SUNY's proportionate share of the net pension liability (asset) as a percentage of covered payroll	(69.2 %)	(75.5 %)
Plan's fiduciary net position as a percentage of the total pension liability	110.5 %	111.5 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Employer Contributions for the TRS Plan
Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 13.5	$ 15.4	$ 12.9	$ 15.0	$ 16.7
Contributions in relation to the actuarial determined contribution	13.5	15.4	12.9	15.0	16.7
Contribution deficiency	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 150.4	$ 151.8	$ 145.1	$ 132.1	$ 128.2
Contributions as a percentage of covered payroll	9.0 %	10.1 %	8.9 %	11.4 %	13.0 %

	2016	2015
Actuarially determined contribution	$ 19.6	$ 17.2
Contributions in relation to the actuarial determined contribution	19.6	17.2
Contribution deficiency	$ -	$ -
Covered payroll	$ 126.0	$ 111.6
Contributions as a percentage of covered payroll	15.6 %	15.4 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Upstate Plan
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
Fiscal Years Ended June 30
(Amounts in millions)

	2021	2020	2019	2018	2017
Total pension liability:					
Service cost	$ 0.5	$ 0.5	$ 0.6	$ 0.6	$ 0.7
Interest	6.6	6.6	6.7	6.6	6.6
Changes of assumptions	(0.5)	(0.4)	(0.3)	(0.6)	(1.4)
Difference between expected and actual experience	0.1	1.0	0.6	1.8	0.3
Benefit payments	(6.2)	(9.6)	(5.8)	(9.2)	(4.9)
Net change in total pension liability	**0.5**	**(1.9)**	**1.8**	**(0.8)**	**1.3**
Total pension liability, beginning	**105.0**	**106.9**	**105.1**	**105.9**	**104.6**
Total pension liability, ending (a)	**105.5**	**105.0**	**106.9**	**105.1**	**105.9**
Plan fiduciary net position:					
Employer contributions	0.5	2.4	1.1	2.0	2.8
Net investment income (loss)	16.8	20.8	(5.1)	15.6	7.4
Benefit payments	(6.2)	(9.6)	(5.8)	(9.2)	(4.9)
Administrative expenses	(0.1)	(0.2)	(0.2)	(0.2)	(0.1)
Net change in fiduciary net position	**11.0**	**13.4**	**(10.0)**	**8.2**	**5.2**
Fiduciary net position, beginning	**107.0**	**93.6**	**103.6**	**95.4**	**90.2**
Fiduciary net position, ending (b)	**118.0**	**107.0**	**93.6**	**103.6**	**95.4**
Net pension liability (asset), ending (a)-(b)	**$ (12.5)**	**$ (2.0)**	**$ 13.3**	**$ 1.5**	**$ 10.5**
Ratio of fiduciary net position to total pension liability	111.8 %	101.9 %	87.6 %	98.6 %	90.1 %
Covered payroll	$ 22.9	$ 23.3	$ 24.3	$ 25.5	$ 27.3
Net pension liability as a percentage of covered payroll	(54.4 %)	(8.8 %)	54.7 %	5.7 %	38.4 %

Upstate Plan
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios (cont'd)
Fiscal Years Ended June 30

	2016	2015
Total pension liability:		
Service cost	$ 0.8	$ 0.9
Interest	6.5	6.0
Changes of assumptions	-	5.8
Difference between expected and actual experience	1.0	0.4
Benefit payments	(7.0)	(3.8)
Net change in total pension liability	**1.3**	**9.3**
Total pension liability, beginning	**103.3**	**94.0**
Total pension liability, ending (a)	**104.6**	**103.3**
Plan fiduciary net position:		
Employer contributions	2.0	3.5
Net investment income (loss)	(0.7)	5.9
Benefit payments	(7.0)	(3.8)
Administrative expenses	(0.2)	(0.1)
Net change in fiduciary net position	**(5.9)**	**5.5**
Fiduciary net position, beginning	**96.1**	**90.6**
Fiduciary net position, ending (b)	**90.2**	**96.1**
Net pension liability (asset), ending (a)-(b)	**$ 14.4**	**$ 7.2**
Ratio of fiduciary net position to total pension liability	86.3 %	93.0 %
Covered payroll	$ 29.9	$ 33.6
Net pension liability as a percentage of covered payroll	48.0 %	21.3 %

(Amounts in millions)

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Upstate Plan
Schedule of Employer Contributions
Fiscal Years Ended December 31
(Amounts in millions)

	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 0.5	$ 2.4	$ 1.1	$ 2.0	$ 2.6
Contributions in relation to the actuarially determined contribution	0.5	2.4	1.1	2.0	2.8
Contribution excess	$ -	$ -	$ -	$ -	$ 0.2
Covered payroll	$ 22.9	$ 23.3	$ 24.2	$ 25.5	$ 27.3
Contribution as a percentage of covered payroll	2.4 %	10.5 %	4.7 %	7.7 %	10.4 %

	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 1.9	$ 1.5	$ 2.6	$ 3.0	$ 1.2
Contributions in relation to the actuarially determined contribution	2.0	3.5	2.6	3.0	1.2
Contribution excess	$ 0.1	$ 2.0	$ -	$ -	$ -
Covered payroll	$ 29.9	$ 33.6	$ 36.0	$ 16.0*	$ 21.9*
Contribution as a percentage of covered payroll**	6.8 %	8.8 %	7.0 %	18.7 %	5.4 %

* 2012 covered period from January 1, 2011 through July 6, 2011, and 2013 covered period from July 7, 2011 through December 31, 2011.
** Covered payroll represents pensionable payroll at the end of each Plan year. It is not practicable to obtain covered payroll amounts at the end of each fiscal year.

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Changes in assumptions

The actuarial assumptions for the mortality basis used for the January 1, 2021 actuarial valuation were changed from the Pri-2021 mortality tables for employees and healthy annuitants with mortality improvements projected using Scale MP-2019 on a fully generational basis to the Pri-2021 mortality tables for employees and healthy annuitants with mortality improvements projected using Scale MP-2020 on a fully generational basis.

Methods and assumptions used in calculations of actuarially determined contributions

The January 1, 2021 actuarial valuation determines the employer rates for contributions payable in 2021. The following actuarial methods and assumptions were used:

Investment rate of return....................	6.5 percent
Amortization method	Level dollar, 20 year closed
Remaining amortization period	11.5 years
Asset valuation method......................	Market value
Inflation...	3 percent
Compensation	3.5 percent increases, limited to a maximum of $285,000
Termination..	1992 Vaughn Select and Ultimate Table

See independent auditors' report.

CUNY Senior College Plans

Schedule of Proportionate Share of the Net Pension Liabilities for the New York City Employees' Retirement System (NYCERS)
Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018	2017
CUNY's proportion of the net pension liability	1.1 %	1.2 %	1.2 %	1.3 %	1.2 %
CUNY's proportionate share of the net pension liability	$ 70.6	$ 261.5	$ 227.1	$ 234.0	$ 242.3
Covered payroll	$ 272.2	$ 268.8	$ 263.7	$ 238.4	$ 223.0
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll	25.9 %	97.3 %	86.1 %	98.2 %	108.7 %
Plan fiduciary net position as a percentage of the total pension liability	93.1 %	76.9 %	73.8 %	78.8 %	74.8 %

	2016	2015
CUNY's proportion of the net pension liability	1.3 %	1.2 %
CUNY's proportionate share of the net pension liability	$ 303.0	$ 247.1
Covered payroll	$ 217.1	$ 214.2
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll	139.6 %	115.4 %
Plan fiduciary net position as a percentage of the total pension liability	69.6 %	73.1 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Proportionate Share of the Net Pension Liabilities for the New York City Teachers' Retirement System (NYCTRS)
Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018	2017
CUNY's proportion of the net pension liability	2.9 %	2.7 %	2.6 %	2.6 %	2.2 %
CUNY's proportionate share of the net pension liability	$ 2.0	$ 421.7	$ 394.7	$ 491.2	$ 505.2
Covered payroll	$ 291.0	$ 282.9	$ 250.0	$ 211.3	$ 179.8
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll	0.7 %	149.1 %	157.9 %	232.4 %	281.0 %
Plan fiduciary net position as a percentage of the total pension liability	99.9 %	79.0 %	74.5 %	74.5 %	68.3 %

	2016	2015
CUNY's proportion of the net pension liability	2.8 %	2.5 %
CUNY's proportionate share of the net pension liability	$ 732.9	$ 528.0
Covered payroll	$ 189.8	$ 175.0
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll	386.2 %	301.7 %
Plan fiduciary net position as a percentage of the total pension liability	62.3 %	68.0 %

See independent auditors' report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Employer Contributions for NYCERS
Fiscal Years Ended June 30
(Amounts in millions)

	2021	2020	2019	2018	2017
Contractually required contribution	$ 41.4	$ 46.2	$ 45.3	$ 44.8	$ 38.8
Contributions in relation to the contractually required contribution	41.4	46.2	45.3	44.8	38.8
Contribution deficiency	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 272.2	$ 268.8	$ 263.7	$ 238.4	$ 223.0
Contributions as a percentage of covered payroll	15.2 %	17.2 %	17.2 %	18.8 %	17.4 %

	2016	2015
Contractually required contribution	$ 42.0	$ 38.6
Contributions in relation to the contractually required contribution	42.0	38.6
Contribution deficiency	$ -	$ -
Covered payroll	$ 217.1	$ 214.2
Contributions as a percentage of covered payroll	19.3 %	18.0 %

See independent auditors’ report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Schedule of Employer Contributions for NYCTRS
Fiscal Years Ended June 30

(Amounts in millions)

	2021	2020	2019	2018	2017
Contractually required contribution	$ 89.5	$ 95.9	$ 95.0	$ 102.1	$ 84.6
Contributions in relation to the contractually required contribution	89.5	95.9	95.0	102.1	84.6
Contribution deficiency	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 291.0	$ 282.9	$ 250.0	$ 211.3	$ 179.8
Contributions as a percentage of covered payroll	30.8 %	33.9 %	38.0 %	48.3 %	47.0 %

	2016	2015
Contractually required contribution	$ 102.9	$ 84.5
Contributions in relation to the contractually required contribution	102.9	84.5
Contribution deficiency	$ -	$ -
Covered payroll	$ 189.8	$ 175.0
Contributions as a percentage of covered payroll	54.2 %	48.3 %

See independent auditors’ report.

Schedule is intended to display ten years of information. Additional years will be displayed as they become available.

STATE OF NEW YORK

EXCELSIOR

COMPTROLLER

Other Supplementary Information

Combining Schedule of Balance Sheet Accounts

General Fund

March 31, 2022
(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day	Refund Reserve
ASSETS:						
Cash and investments	$ 36	$ 8,106	$ 1,435	$ 27	$ 1,884	$ 29,687
Receivables, net of allowance for uncollectibles:						
Taxes	-	13,057	-	-	-	-
Other	765	245	-	3	-	-
Due from other funds	1,435	7,662	-	-	-	-
Other assets	228	84	-	-	-	-
Total assets	**$ 2,464**	**$ 29,154**	**$ 1,435**	**$ 30**	**$ 1,884**	**$ 29,687**
LIABILITIES:						
Tax refunds payable	$ -	$ 22,043	$ -	$ -	$ -	$ -
Accounts payable	-	186	-	-	-	-
Accrued liabilities	4,403	1,669	-	-	-	-
Payable to local governments	3,321	-	-	1	-	-
Due to other funds	396	1,913	-	-	-	-
Pension contributions payable	-	1	-	-	-	-
Unearned revenues	-	8,315	-	-	-	-
Total liabilities	**8,120**	**34,127**	**-**	**1**	**-**	**-**
DEFERRED INFLOWS OF RESOURCES	62	1,334	-	3	-	-
FUND BALANCES (DEFICITS):						
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	1,884	21,325
Assigned	106	464	-	26	-	-
Unassigned	(5,824)	(6,771)	1,435	-	-	8,362
Total fund balances (deficits)	**(5,718)**	**(6,307)**	**1,435**	**26**	**1,884**	**29,687**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 2,464**	**$ 29,154**	**$ 1,435**	**$ 30**	**$ 1,884**	**$ 29,687**

See independent auditors' report.

Combining Schedule of Balance Sheet Accounts (cont'd)

General Fund

March 31, 2022
(Amounts in millions)

	Abandoned Property	Miscellaneous Special	MMIS	Employee Withholding	Health Insurance Program	Workers' Compensation
ASSETS:						
Cash and investments	$ 927	$ 2,052	$ 213	$ 246	$ 901	$ 4,351
Receivables, net of allowance for uncollectibles:						
Taxes	-	-	-	-	-	-
Other	224	201	310	-	418	-
Due from other funds	1,784	17	-	44	-	-
Other assets	-	-	-	-	32	-
Total assets	**$ 2,935**	**$ 2,270**	**$ 523**	**$ 290**	**$ 1,351**	**$ 4,351**
LIABILITIES:						
Tax refunds payable	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	-	12	-	86	290	-
Accrued liabilities	-	43	310	204	51	-
Payable to local governments	-	156	-	-	510	-
Due to other funds	-	24	65	-	-	-
Pension contributions payable	-	-	-	-	-	-
Unearned revenues	-	104	-	-	-	-
Total liabilities	**-**	**339**	**375**	**290**	**851**	**-**
DEFERRED INFLOWS OF RESOURCES	-	23	-	-	-	-
FUND BALANCES (DEFICITS):						
Restricted	-	-	148	-	-	4,351
Committed	-	-	-	-	500	-
Assigned	-	1,908	-	-	-	-
Unassigned	2,935	-	-	-	-	-
Total fund balances (deficits)	**2,935**	**1,908**	**148**	**-**	**500**	**4,351**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 2,935**	**$ 2,270**	**$ 523**	**$ 290**	**$ 1,351**	**$ 4,351**

See independent auditors' report.

Combining Schedule of Balance Sheet Accounts (cont'd)
General Fund

March 31, 2022
(Amounts in millions)

	Sole Custody	Miscellaneous	Eliminations	Total
ASSETS:				
Cash and investments	$ 365	$ 573	$ -	**$ 50,803**
Receivables, net of allowance for uncollectibles:				
Taxes	-	-	-	**13,057**
Other	-	125	-	**2,291**
Due from other funds	-	60	(2,079)	**8,923**
Other assets	-	-	-	**344**
Total assets	**$ 365**	**$ 758**	**$ (2,079)**	**$ 75,418**
LIABILITIES:				
Tax refunds payable	$ -	$ -	$ -	**$ 22,043**
Accounts payable	-	22	-	**596**
Accrued liabilities	-	11	-	**6,691**
Payable to local governments	8	26	-	**4,022**
Due to other funds	-	215	(2,079)	**534**
Pension contributions payable	-	-	-	**1**
Unearned revenues	-	-	-	**8,419**
Total liabilities	**8**	**274**	**(2,079)**	**42,306**
DEFERRED INFLOWS OF RESOURCES	-	39	-	**1,461**
FUND BALANCES (DEFICITS):				
Restricted	-	-	-	**4,499**
Committed	-	-	-	**23,709**
Assigned	357	582	-	**3,443**
Unassigned	-	(137)	-	**-**
Total fund balances (deficits)	**357**	**445**	**-**	**31,651**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 365**	**$ 758**	**$ (2,079)**	**$ 75,418**

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts

General Fund

Year Ended March 31, 2022

(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day	Refund Reserve
REVENUES:						
Taxes:						
Personal income	$ -	$ 14,532	$ -	$ -	$ -	$ -
Consumption and use	-	4,161	-	-	-	-
Business	-	16,682	-	-	-	-
Other	-	1,403	-	-	-	-
Federal grants	-	4,499	-	-	-	-
Miscellaneous	43	1,922	-	-	-	-
Total revenues	**43**	**43,199**	**-**	**-**	**-**	**-**
EXPENDITURES:						
Local assistance grants:						
Education	28,342	-	-	-	-	-
Public health	20,854	-	-	-	-	-
Public welfare	5,254	-	-	-	-	-
Public safety	161	-	-	-	-	-
Transportation	120	-	-	-	-	-
Environment and recreation	-	-	-	-	-	-
Support and regulate business	781	-	-	-	-	-
General government	2,947	-	-	3	-	-
State operations:						
Personal service	-	8,397	-	-	-	-
Non-personal service	-	3,303	-	-	-	-
Pension contributions	-	1,970	-	-	-	-
Other fringe benefits	-	4,037	-	-	-	-
Total expenditures	**58,459**	**17,707**	**-**	**3**	**-**	**-**
Excess (deficiency) of revenues over expenditures	**(58,416)**	**25,492**	**-**	**(3)**	**-**	**-**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	60,516	63,223	177	-	666	29,687
Transfers to other funds	(3,499)	(102,011)	-	-	-	(6,635)
Financing arrangements issued	1,858	-	-	-	-	-
Premiums on bonds issued	3	-	-	-	-	-
Net other financing sources (uses)	**58,878**	**(38,788)**	**177**	**-**	**666**	**23,052**
Net change in fund balances	**462**	**(13,296)**	**177**	**(3)**	**666**	**23,052**
Fund balances (deficits) at April 1, 2021, as restated	**(6,180)**	**6,989**	**1,258**	**29**	**1,218**	**6,635**
Fund balances (deficits) at March 31, 2022	**$ (5,718)**	**$ (6,307)**	**$ 1,435**	**$ 26**	**$ 1,884**	**$ 29,687**

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts (cont'd)

General Fund

Year Ended March 31, 2022

(Amounts in millions)

	Abandoned Property	Miscellaneous Special	MMIS Escrow	Employee Withholding	Health Insurance Program	Workers' Compensation
REVENUES:						
Taxes:						
Personal income	$ -	$ -	$ -	$ -	$ -	$ -
Consumption and use	-	-	-	-	-	-
Business	-	-	-	-	-	-
Other	-	-	-	-	-	-
Federal grants	-	29	-	-	-	-
Miscellaneous	302	3,476	86,336	6,075	12,138	336
Total revenues	**302**	**3,505**	**86,336**	**6,075**	**12,138**	**336**
EXPENDITURES:						
Local assistance grants:						
Education	-	2	-	-	-	-
Public health	-	724	1,860	-	-	-
Public welfare	-	-	-	-	-	-
Public safety	-	126	-	-	-	-
Transportation	-	-	-	-	-	-
Environment and recreation	-	5	-	-	-	-
Support and regulate business	-	71	-	-	-	-
General government	-	180	-	-	-	-
State operations:						
Personal service	-	797	-	-	-	-
Non-personal service	371	425	84,995	4,911	6,868	227
Pension contributions	-	3	-	51	-	-
Other fringe benefits	-	387	-	1,104	4,931	13
Total expenditures	**371**	**2,720**	**86,855**	**6,066**	**11,799**	**240**
Excess (deficiency) of revenues over expenditures	**(69)**	**785**	**(519)**	**9**	**339**	**96**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	-	199	-	-	-	-
Transfers to other funds	-	(677)	-	(9)	-	-
Financing arrangements issued	-	-	-	-	-	-
Premiums on bonds issued	-	-	-	-	-	-
Net other financing sources (uses)	**-**	**(478)**	**-**	**(9)**	**-**	**-**
Net change in fund balances	**(69)**	**307**	**(519)**	**-**	**339**	**96**
Fund balances (deficits) at April 1, 2021, as restated	**3,004**	**1,601**	**667**	**-**	**161**	**4,255**
Fund balances (deficits) at March 31, 2022	**$ 2,935**	**$ 1,908**	**$ 148**	**$ -**	**$ 500**	**$ 4,351**

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts (cont'd)
General Fund

Year Ended March 31, 2022
(Amounts in millions)

	Sole Custody	Miscellaneous	Eliminations	Total
REVENUES:				
Taxes:				
Personal income	$ -	$ -	$ -	**$ 14,532**
Consumption and use	-	-	-	**4,161**
Business	-	-	-	**16,682**
Other	-	-	-	**1,403**
Federal grants	-	-	-	**4,528**
Miscellaneous	3,877	5,737	(92,914)	**27,328**
Total revenues	**3,877**	**5,737**	**(92,914)**	**68,634**
EXPENDITURES:				
Local assistance grants:				
Education	-	-	-	**28,344**
Public health	-	3,041	-	**26,479**
Public welfare	-	20	-	**5,274**
Public safety	-	-	-	**287**
Transportation	-	-	-	**120**
Environment and recreation	-	-	-	**5**
Support and regulate business	-	-	-	**852**
General government	-	61	-	**3,191**
State operations:				
Personal service	-	151	-	**9,345**
Non-personal service	4,004	2,303	(86,868)	**20,539**
Pension contributions	-	-	-	**2,024**
Other fringe benefits	-	132	(6,046)	**4,558**
Total expenditures	**4,004**	**5,708**	**(92,914)**	**101,018**
Excess (deficiency) of revenues over expenditures	**(127)**	**29**	**-**	**(32,384)**
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	277	(100,085)	**54,660**
Transfers to other funds	-	(52)	100,085	**(12,798)**
Financing arrangements issued	-	-	-	**1,858**
Premiums on bonds issued	-	-	-	**3**
Net other financing sources (uses)	**-**	**225**	**-**	**43,723**
Net change in fund balances	**(127)**	**254**	**-**	**11,339**
Fund balances (deficits) at April 1, 2021, as restated	**484**	**191**	**-**	**20,312**
Fund balances (deficits) at March 31, 2022	**$ 357**	**$ 445**	**$ -**	**$ 31,651**

See independent auditors' report.

Combining Schedule of Balance Sheet Accounts
Federal Special Revenue Fund

March 31, 2022
(Amounts in millions)

	Federal USDA-FNS	Federal DHHS	Federal Education	Federal Operating Grants	Unemployment Insurance Administration	Unemployment Insurance Occupational Training	Federal Employment and Training Grants	Eliminations	Total
ASSETS:									
Cash and investments	$ -	$ 7,537	$ -	$ 767	$ 117	$ -	$ -	$ -	**$ 8,421**
Receivables, net of allowance for uncollectibles:									
Due from Federal government	184	12,340	450	3,326	19	1	12	-	**16,332**
Other	16	1,312	-	-	44	-	-	-	**1,372**
Due from other funds	-	23	-	2	-	-	-	-	**25**
Other assets	1	114	-	187	-	-	-	-	**302**
Total assets	**$ 201**	**$ 21,326**	**$ 450**	**$ 4,282**	**$ 180**	**$ 1**	**$ 12**	**$ -**	**$ 26,452**
LIABILITIES:									
Accounts payable	$ 9	$ 13	$ 3	$ 33	$ 2	$ -	$ 2	$ -	**$ 62**
Accrued liabilities	31	9,114	5	91	11	-	9	-	**9,261**
Payable to local governments	47	2,306	399	2,871	-	-	-	-	**5,623**
Due to other funds	74	1,778	43	2	1	1	1	-	**1,900**
Unearned revenues	1	7,696	-	1,285	-	-	-	-	**8,982**
Total liabilities	**162**	**20,907**	**450**	**4,282**	**14**	**1**	**12**	**-**	**25,828**
DEFERRED INFLOWS OF RESOURCES	39	419	-	-	166	-	-	-	**624**
FUND BALANCES:									
Restricted	-	-	-	-	-	-	-	-	**-**
Total fund balances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total liabilities, deferred inflows of resources and fund balances	**$ 201**	**$ 21,326**	**$ 450**	**$ 4,282**	**$ 180**	**$ 1**	**$ 12**	**$ -**	**$ 26,452**

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance Accounts

Federal Special Revenue Fund

Year Ended March 31, 2022
(Amounts in millions)

	Federal USDA-FNS	Federal DHHS	Federal Education	Federal Operating Grants	Unemployment Insurance Administration	Unemployment Insurance Occupational Training	Federal Employment and Training Grants	Total
REVENUES:								
Federal grants	$ 13,353	$ 68,057	$ 4,917	$ 7,414	$ 417	$ 4	$ 184	**$ 94,346**
Miscellaneous	-	4	-	13	92	-	-	**109**
Total revenues	**13,353**	**68,061**	**4,917**	**7,427**	**509**	**4**	**184**	**94,455**
EXPENDITURES:								
Local assistance grants:								
Education	1,622	-	4,442	4	-	-	-	**6,068**
Public health	587	59,610	8	43	-	-	-	**60,248**
Public welfare	10,950	5,295	-	1,970	3	4	123	**18,345**
Public safety	-	-	-	3,245	-	-	-	**3,245**
Transportation	-	-	-	56	-	-	-	**56**
Environment and recreation	-	-	-	1	-	-	-	**1**
Support and regulate business	-	-	-	9	-	-	-	**9**
General government	-	116	-	453	-	-	-	**569**
State operations:								
Personal service	37	252	103	816	195	-	22	**1,425**
Non-personal service	87	735	116	337	164	-	23	**1,462**
Pension contributions	6	31	16	133	34	-	4	**224**
Other fringe benefits	15	79	42	335	87	-	10	**568**
Total expenditures	**13,304**	**66,118**	**4,727**	**7,402**	**483**	**4**	**182**	**92,220**
Excess of revenues over expenditures	**49**	**1,943**	**190**	**25**	**26**	**-**	**2**	**2,235**
OTHER FINANCING USES:								
Transfers to other funds	(49)	(1,943)	(190)	(25)	(26)	-	(2)	**(2,235)**
Other financing uses	**(49)**	**(1,943)**	**(190)**	**(25)**	**(26)**	**-**	**(2)**	**(2,235)**
Net change in fund balances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fund balances at April 1, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fund balances at March 31, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

See independent auditors' report.

Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
General Debt Service Fund

Year Ended March 31, 2022
(Amounts in millions)

	Financial Plan	Actual	Variance
RECEIPTS:			
Taxes	$ 50,488	$ 51,838	$ 1,350
Federal grants	72	68	(4)
Total receipts	**50,560**	**51,906**	**1,346**
DISBURSEMENTS:			
State operations	22	11	11
Debt service (1)	8,303	12,509	(4,206)
Total disbursements	**8,325**	**12,520**	**(4,195)**
Excess of receipts over disbursements	**42,235**	**39,386**	**(2,849)**
OTHER FINANCING SOURCES (USES):			
Transfers from other funds	455	455	-
Transfers to other funds	(42,690)	(39,841)	2,849
Net other financing sources (uses)	**(42,235)**	**(39,386)**	**2,849**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ -**	**$ -**	**$ -**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Balance Sheet
Other Governmental Funds

March 31, 2022
(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS:				
Cash and investments	$ 7,476	$ 208	$ 7,405	**$ 15,089**
Receivables, net of allowance for uncollectibles:				
Taxes	1,003	366	65	**1,434**
Due from Federal government	-	-	515	**515**
Other	2,308	93	167	**2,568**
Due from other funds	734	270	805	**1,809**
Other assets	-	-	6	**6**
Total assets	**$ 11,521**	**$ 937**	**$ 8,963**	**$ 21,421**
LIABILITIES:				
Tax refunds payable	$ 756	$ 47	$ 30	**$ 833**
Accounts payable	3	7	268	**278**
Accrued liabilities	38	15	707	**760**
Payable to local governments	184	-	429	**613**
Due to other funds	93	303	1,713	**2,109**
Unearned revenues	-	3	-	**3**
Total liabilities	**1,074**	**375**	**3,147**	**4,596**
DEFERRED INFLOWS OF RESOURCES	**937**	**25**	**15**	**977**
FUND BALANCES:				
Restricted	706	96	145	**947**
Committed	4,617	441	6,930	**11,988**
Assigned	4,321	-	18	**4,339**
Unassigned	(134)	-	(1,292)	**(1,426)**
Total fund balances	**9,510**	**537**	**5,801**	**15,848**
Total liabilities, deferred inflows of resources and fund balances	**$ 11,521**	**$ 937**	**$ 8,963**	**$ 21,421**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Other Governmental Funds

Year Ended March 31, 2022
(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES:				
Taxes:				
Personal income	$ 1,819	$ -	$ -	**$ 1,819**
Consumption and use	2,050	4,319	609	**6,978**
Business	2,291	-	595	**2,886**
Other	2,244	1,607	119	**3,970**
Federal grants	-	-	2,000	**2,000**
Public health/patient fees	5,602	545	-	**6,147**
Tobacco settlement	685	-	-	**685**
Miscellaneous	4,639	17	1,708	**6,364**
Total revenues	**19,330**	**6,488**	**5,031**	**30,849**
EXPENDITURES:				
Local assistance grants:				
Education	5,404	-	234	**5,638**
Public health	6,225	-	738	**6,963**
Public welfare	1	-	1,296	**1,297**
Public safety	163	-	113	**276**
Transportation	6,436	-	5,097	**11,533**
Environment and recreation	-	-	347	**347**
Support and regulate business	-	-	701	**701**
General government	133	-	495	**628**
State operations:				
Personal service	211	-	-	**211**
Non-personal service	2,427	22	-	**2,449**
Pension contributions	38	-	-	**38**
Other fringe benefits	82	-	-	**82**
Capital construction	-	-	6,976	**6,976**
Debt service, including payments on financing arrangements	-	691	-	**691**
Total expenditures	**21,120**	**713**	**15,997**	**37,830**
Excess (deficiency) of revenues over expenditures	**(1,790)**	**5,775**	**(10,966)**	**(6,981)**
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	4,214	1,510	7,139	**12,863**
Transfers to other funds	(632)	(7,763)	(1,883)	**(10,278)**
Financing arrangements issued	-	-	6,115	**6,115**
Refunding debt issued	-	411	-	**411**
Swap termination	-	(7)	-	**(7)**
Premiums/discounts on bonds issued	-	76	768	**844**
Net other financing sources (uses)	**3,582**	**(5,773)**	**12,139**	**9,948**
Net change in fund balances	**1,792**	**2**	**1,173**	**2,967**
Fund balances at April 1, 2021	**7,718**	**535**	**4,628**	**12,881**
Fund balances at March 31, 2022	**$ 9,510**	**$ 537**	**$ 5,801**	**$ 15,848**

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
Other Governmental Funds

Year Ended March 31, 2022
(Amounts in millions)

	Special Revenue			Debt Service			Capital Projects		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:									
Taxes	$ 6,124	$ 6,054	$ (70)	$ 5,388	$ 5,641	$ 253	$ 1,312	$ 1,312	$ -
Miscellaneous	15,443	19,990	4,547	371	428	57	8,001	5,007	(2,994)
Federal grants	357	38	(319)	-	-	-	2,267	2,066	(201)
Total receipts	**21,924**	**26,082**	**4,158**	**5,759**	**6,069**	**310**	**11,580**	**8,385**	**(3,195)**
DISBURSEMENTS:									
Local assistance grants (1)	15,680	16,614	(934)	-	-	-	7,597	7,324	273
State operations (1)	7,099	8,084	(985)	2	3	(1)	-	-	-
General State charges	1,106	1,041	65	-	-	-	-	-	-
Debt service (1)	-	-	-	26	36	(10)	-	-	-
Capital projects	-	-	-	-	-	-	7,837	7,380	457
Total disbursements	**23,885**	**25,739**	**(1,854)**	**28**	**39**	**(11)**	**15,434**	**14,704**	**730**
Excess (deficiency) of receipts over disbursements	**(1,961)**	**343**	**2,304**	**5,731**	**6,030**	**299**	**(3,854)**	**(6,319)**	**(2,465)**
OTHER FINANCING SOURCES (USES):									
Bond and note proceeds, net	-	-	-	-	-	-	433	-	(433)
Transfers from other funds	2,573	3,090	517	1,465	1,483	18	5,016	7,172	2,156
Transfers to other funds	54	(1,529)	(1,583)	(7,191)	(7,476)	(285)	(1,305)	(1,253)	52
Net other financing sources (uses)	**2,627**	**1,561**	**(1,066)**	**(5,726)**	**(5,993)**	**(267)**	**4,144**	**5,919**	**1,775**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 666**	**$ 1,904**	**$ 1,238**	**$ 5**	**$ 37**	**$ 32**	**$ 290**	**$ (400)**	**$ (690)**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Balance Sheet
Other Governmental Funds - Special Revenue Funds

March 31, 2022
(Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	Healthcare Transformation	Conservation	Environmental Protection and Spill Compensation
ASSETS:						
Cash and investments	$ 13	$ 942	$ 66	$ 146	$ 114	$ 15
Receivables, net of allowance for uncollectibles:						
Taxes	652	48	17	-	-	-
Other	-	865	-	68	-	84
Due from other funds	-	1	12	7	-	-
Total assets	**$ 665**	**$ 1,856**	**$ 95**	**$ 221**	**$ 114**	**$ 99**
LIABILITIES:						
Tax refunds payable	$ 290	$ 2	$ 13	$ -	$ -	$ -
Accounts payable	-	1	1	-	-	-
Accrued liabilities	1	2	-	-	1	-
Payable to local governments	60	48	-	-	-	-
Due to other funds	-	7	-	-	-	-
Total liabilities	**351**	**60**	**14**	**-**	**1**	**-**
DEFERRED INFLOWS OF RESOURCES	**22**	**-**	**-**	**-**	**-**	**75**
FUND BALANCES (DEFICITS):						
Restricted	-	-	-	221		24
Committed	292	1,796	81	-	113	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	**292**	**1,796**	**81**	**221**	**113**	**24**
Total liabilities, deferred inflows of resources and fund balances	**$ 665**	**$ 1,856**	**$ 95**	**$ 221**	**$ 114**	**$ 99**

See independent auditors' report.

Combining Balance Sheet (cont'd)
Other Governmental Funds - Special Revenue Funds

March 31, 2022
(Amounts in millions)

	Mass Transportation Operating Assistance	MTA Financial Assistance Fund	Miscellaneous	Eliminations	Total
ASSETS:					
Cash and investments	$ 803	$ 377	$ 5,000	$ -	**$ 7,476**
Receivables, net of allowance for uncollectibles:					
Taxes	125	160	1	-	**1,003**
Other	-	30	1,261	-	**2,308**
Due from other funds	-	-	714	-	**734**
Total assets	**$ 928**	**$ 567**	**$ 6,976**	**$ -**	**$ 11,521**
LIABILITIES:					
Tax refunds payable	$ 174	$ 277	$ -	$ -	**$ 756**
Accounts payable	-	-	1	-	**3**
Accrued liabilities	-	25	9	-	**38**
Payable to local governments	-	-	76	-	**184**
Due to other funds	-	-	86	-	**93**
Total liabilities	**174**	**302**	**172**	**-**	**1,074**
DEFERRED INFLOWS OF RESOURCES	**-**	**-**	**840**	**-**	**937**
FUND BALANCES (DEFICITS):					
Restricted		265	196	-	**706**
Committed	754	-	1,581		**4,617**
Assigned	-	-	4,321	-	**4,321**
Unassigned	-	-	(134)	-	**(134)**
Total fund balances	**754**	**265**	**5,964**	**-**	**9,510**
Total liabilities, deferred inflows of resources and fund balances	**$ 928**	**$ 567**	**$ 6,976**	**$ -**	**$ 11,521**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2022
(Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	Healthcare Transformation	Conservation	Environmental Protection and Spill Compensation
REVENUES:						
Taxes:						
Personal income	$ 1,819	$ -	$ -	$ -	$ -	$ -
Consumption and use	-	688	104	-	-	-
Business	-	-	335	-	-	-
Other	-	-	-	-	-	-
Public health/patient fees	-	5,602	-	-	-	-
Tobacco settlement	-	685	-	-	-	-
Miscellaneous	-	3	137	185	46	56
Total revenues	**1,819**	**6,978**	**576**	**185**	**46**	**56**
EXPENDITURES:						
Local assistance grants:						
Education	1,904	-	-	-	-	-
Public health	-	6,220	-	-	-	-
Public welfare	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Transportation	-	-	681	-	-	-
General government	-	-	-	-	-	-
State operations:						
Personal service	-	12	-	-	20	12
Non-personal service	-	61	-	-	6	1
Pension contributions	-	2	-	-	3	2
Other fringe benefits	-	5	-	-	8	5
Total expenditures	**1,904**	**6,300**	**681**	**-**	**37**	**20**
Excess (deficiency) of revenues over expenditures	**(85)**	**678**	**(105)**	**185**	**9**	**36**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	-	-	65	-	2	-
Transfers to other funds	-	(100)	-	(350)	(2)	(32)
Net other financing sources (uses)	**-**	**(100)**	**65**	**(350)**	**-**	**(32)**
Net change in fund balances	**(85)**	**578**	**(40)**	**(165)**	**9**	**4**
Fund balances (deficits) at April 1, 2021	**377**	**1,218**	**121**	**386**	**104**	**20**
Fund balances (deficits) at March 31, 2022	**$ 292**	**$ 1,796**	**$ 81**	**$ 221**	**$ 113**	**$ 24**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (cont'd)
Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2022
(Amounts in millions)

	Mass Transportation Operating Assistance	MTA Financial Assistance Fund	Miscellaneous	Eliminations	Total
REVENUES:					
Taxes:					
Personal income	$ -	$ -	$ -	$ -	**$ 1,819**
Consumption and use	1,162	82	14	-	**2,050**
Business	1,956	-	-	-	**2,291**
Other	-	2,243	1	-	**2,244**
Public health/patient fees	-	-	-	-	**5,602**
Tobacco settlement	-	-	-	-	**685**
Miscellaneous	16	485	3,788	(77)	**4,639**
Total revenues	**3,134**	**2,810**	**3,803**	**(77)**	**19,330**
EXPENDITURES:					
Local assistance grants:					
Education	-	-	3,500	-	**5,404**
Public health	-	-	5	-	**6,225**
Public welfare	-	-	1	-	**1**
Public safety	-	-	163	-	**163**
Transportation	2,574	3,181	-	-	**6,436**
General government	-	-	133	-	**133**
State operations:					
Personal service	3	-	164	-	**211**
Non-personal service	-	-	2,436	(77)	**2,427**
Pension contributions	-	-	31	-	**38**
Other fringe benefits	1	-	63	-	**82**
Total expenditures	**2,578**	**3,181**	**6,496**	**(77)**	**21,120**
Excess (deficiency) of revenues over expenditures	**556**	**(371)**	**(2,693)**	**-**	**(1,790)**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	42	396	3,730	(21)	**4,214**
Transfers to other funds	(9)	-	(160)	21	**(632)**
Net other financing sources (uses)	**33**	**396**	**3,570**	**-**	**3,582**
Net change in fund balances	**589**	**25**	**877**	**-**	**1,792**
Fund balances (deficits) at April 1, 2021	**165**	**240**	**5,087**	**-**	**7,718**
Fund balances (deficits) at March 31, 2022	**$ 754**	**$ 265**	**$ 5,964**	**$ -**	**$ 9,510**

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2022
(Amounts in millions)

	School Tax Relief			Mass Transportation Operating Assistance			State Special Revenue Account		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:									
Taxes	$ 1,939	$ 1,904	$ (35)	$ 3,035	$ 3,002	$ (33)	$ -	$ -	$ -
Miscellaneous	-	-	-	17	16	(1)	(901)	3,442	4,343
Federal grants	-	-	-	-	-	-	377	52	(325)
Total receipts	**1,939**	**1,904**	**(35)**	**3,052**	**3,018**	**(34)**	**(524)**	**3,494**	**4,018**
DISBURSEMENTS:									
Local assistance grants (1)	1,939	1,904	35	2,585	2,574	11	(116)	984	(1,100)
State operations (1)	-	-	-	5	2	3	458	1,391	(933)
General State charges	-	-	-	2	1	1	436	398	38
Total disbursements	**1,939**	**1,904**	**35**	**2,592**	**2,577**	**15**	**778**	**2,773**	**(1,995)**
Excess (deficiency) of receipts over disbursements	**-**	**-**	**-**	**460**	**441**	**(19)**	**(1,302)**	**721**	**2,023**
OTHER FINANCING SOURCES (USES):									
Transfers from other funds	-	-	-	37	39	2	609	431	(178)
Transfers to other funds	-	-	-	(8)	(10)	(2)	507	(693)	(1,200)
Net other financing sources (uses)	**-**	**-**	**-**	**29**	**29**	**-**	**1,116**	**(262)**	**(1,378)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ -**	**$ -**	**$ -**	**$ 489**	**$ 470**	**$ (19)**	**$ (186)**	**$ 459**	**$ 645**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual (cont'd)
Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2022
(Amounts in millions)

	Other			Eliminations		Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Financial Plan	Actual	Variance
RECEIPTS:								
Taxes	$ 1,150	$ 1,148	$ (2)	$ -	$ -	$ 6,124	$ 6,054	$ (70)
Miscellaneous	16,327	16,532	205	-	-	15,443	19,990	4,547
Federal grants	(20)	(14)	6	-	-	357	38	(319)
Total receipts	**17,457**	**17,666**	**209**	**-**	**-**	**21,924**	**26,082**	**4,158**
DISBURSEMENTS:								
Local assistance grants (1)	11,272	11,152	120	-	-	15,680	16,614	(934)
State operations (1)	6,636	6,691	(55)	-	-	7,099	8,084	(985)
General State charges	668	642	26	-	-	1,106	1,041	65
Total disbursements	**18,576**	**18,485**	**91**	**-**	**-**	**23,885**	**25,739**	**(1,854)**
Excess (deficiency) of receipts over disbursements	**(1,119)**	**(819)**	**300**	**-**	**-**	**(1,961)**	**343**	**2,304**
OTHER FINANCING SOURCES (USES):								
Transfers from other funds	2,404	2,888	484	(477)	(268)	2,573	3,090	517
Transfers to other funds	(922)	(1,094)	(172)	477	268	54	(1,529)	(1,583)
Net other financing sources (uses)	**1,482**	**1,794**	**312**	**-**	**-**	**2,627**	**1,561**	**(1,066)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 363**	**$ 975**	**$ 612**	**$ -**	**$ -**	**$ 666**	**$ 1,904**	**$ 1,238**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Balance Sheet
Other Governmental Funds - Debt Service Funds

March 31, 2022
(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/ Clean Air	Local Government Assistance Tax	Total
ASSETS:						
Cash and investments	$ 134	$ -	$ 67	$ 7	$ -	**$ 208**
Receivables, net of allowance for uncollectibles:						
Taxes	-	-	-	79	287	**366**
Other	60	3	30	-	-	**93**
Due from other funds	267	-	3	-	-	**270**
Total assets	**$ 461**	**$ 3**	**$ 100**	**$ 86**	**$ 287**	**$ 937**
LIABILITIES:						
Tax refunds payable	$ -	$ -	$ -	$ -	$ 47	**$ 47**
Accounts payable	-	-	7	-	-	**7**
Accrued liabilities	-	-	15	-	-	**15**
Due to other funds	-	-	-	86	217	**303**
Unearned revenues	-	3	-	-	-	**3**
Total liabilities	**-**	**3**	**22**	**86**	**264**	**375**
DEFERRED INFLOWS OF RESOURCES	**2**	**-**	**-**	**-**	**23**	**25**
FUND BALANCES (DEFICITS):						
Restricted	73	-	23	-	-	**96**
Committed	386	-	55	-	-	**441**
Total fund balances	**459**	**-**	**78**	**-**	**-**	**537**
Total liabilities, deferrred inflows of resources and fund balances	**$ 461**	**$ 3**	**$ 100**	**$ 86**	**$ 287**	**$ 937**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Other Governmental Funds - Debt Service Funds

Year Ended March 31, 2022
(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/ Clean Air	Local Government Assistance Tax	Total
REVENUES:						
Taxes:						
Consumption and use	$ -	$ -	$ -	$ -	$ 4,319	**$ 4,319**
Other	-	-	-	1,607	-	**1,607**
Patient fees	426	-	119	-	-	**545**
Miscellaneous	15	2	-	-	-	**17**
Total revenues	**441**	**2**	**119**	**1,607**	**4,319**	**6,488**
EXPENDITURES:						
Non-personal service	19	-	2	-	1	**22**
Debt service, including payments on financing arrangements	571	3	25	-	92	**691**
Total expenditures	**590**	**3**	**27**	**-**	**93**	**713**
Excess (deficiency) of revenues over expenditures	**(149)**	**(1)**	**92**	**1,607**	**4,226**	**5,775**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	1,450	-	60	-	-	**1,510**
Transfers to other funds	(1,683)	-	(151)	(1,607)	(4,322)	**(7,763)**
Refunding debt issued	411	-	-	-	-	**411**
Swap termination	(7)	-	-	-	-	**(7)**
Premiums on bonds issued	76	-	-	-	-	**76**
Net other financing sources (uses)	**247**	**-**	**(91)**	**(1,607)**	**(4,322)**	**(5,773)**
Net change in fund balances	**98**	**(1)**	**1**	**-**	**(96)**	**2**
Fund balances at April 1, 2021	**361**	**1**	**77**	**-**	**96**	**535**
Fund balances at March 31, 2022	**$ 459**	**$ -**	**$ 78**	**$ -**	**$ -**	**$ 537**

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
Other Governmental Funds - Debt Service Funds

Year Ended March 31, 2022
(Amounts in millions)

	Mental Health Services			Clean Water/Clean Air			Local Government Assistance Tax		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:									
Taxes	$ -	$ -	$ -	$ 1,353	$ 1,520	$ 167	$ 4,035	$ 4,121	$ 86
Miscellaneous	230	311	81	-	-	-	-	-	-
Total receipts	**230**	**311**	**81**	**1,353**	**1,520**	**167**	**4,035**	**4,121**	**86**
DISBURSEMENTS:									
State operations (1)	1	1	-	-	-	-	-	-	-
Debt service (1)	-	10	(10)	-	-	-	-	-	-
Total disbursements	**1**	**11**	**(10)**	**-**	**-**	**-**	**-**	**-**	**-**
Excess (deficiency) of receipts over disbursements	**229**	**300**	**71**	**1,353**	**1,520**	**167**	**4,035**	**4,121**	**86**
OTHER FINANCING SOURCES (USES):									
Transfers from other funds	1,434	1,423	(11)	-	-	-	-	-	-
Transfers to other funds	(1,663)	(1,683)	(20)	(1,353)	(1,520)	(167)	(4,035)	(4,121)	(86)
Net other financing sources (uses)	**(229)**	**(260)**	**(31)**	**(1,353)**	**(1,520)**	**(167)**	**(4,035)**	**(4,121)**	**(86)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ -**	**$ 40**	**$ 40**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual (cont'd)
Other Governmental Funds - Debt Service Funds

Year Ended March 31, 2022
(Amounts in millions)

	Other			Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ -	$ -	$ -	$ 5,388	$ 5,641	$ 253
Miscellaneous	141	117	(24)	371	428	57
Total receipts	**141**	**117**	**(24)**	**5,759**	**6,069**	**310**
DISBURSEMENTS:						
State operations (1)	1	2	(1)	2	3	(1)
Debt service (1)	26	26	-	26	36	(10)
Total disbursements	**27**	**28**	**(1)**	**28**	**39**	**(11)**
Excess (deficiency) of receipts over disbursements	**114**	**89**	**(25)**	**5,731**	**6,030**	**299**
OTHER FINANCING SOURCES (USES):						
Transfers from other funds	31	60	29	1,465	1,483	18
Transfers to other funds	(140)	(152)	(12)	(7,191)	(7,476)	(285)
Net other financing sources (uses)	**(109)**	**(92)**	**17**	**(5,726)**	**(5,993)**	**(267)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 5**	**$ (3)**	**$ (8)**	**$ 5**	**$ 37**	**$ 32**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Balance Sheet
Other Governmental Funds - Capital Projects Funds

March 31, 2022
(Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Environmental Quality Protection Bond	Rebuild and Renew New York Transportation Bond
ASSETS:					
Cash and investments	$ 6,531	$ 532	$ 50	$ 1	$ 17
Receivables, net of allowance for uncollectibles:					
Taxes	-	65	-	-	-
Due from Federal government	-	2	-	-	-
Other	113	42	1	-	-
Due from other funds	689	88	-	-	-
Other assets	6	-	-	-	-
Total assets	**$ 7,339**	**$ 729**	**$ 51**	**$ 1**	**$ 17**
LIABILITIES:					
Tax refunds payable	$ -	$ 30	$ -	$ -	$ -
Accounts payable	91	36	-	-	-
Accrued liabilities	305	394	-	-	-
Payable to local governments	364	6	-	-	-
Due to other funds	41	17	2	-	-
Total liabilities	**801**	**483**	**2**	**-**	**-**
DEFERRED INFLOWS OF RESOURCES	**2**	**9**	**-**	**-**	**-**
FUND BALANCES (DEFICITS):					
Restricted	107	-	-	1	17
Committed	6,429	237	49	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	**6,536**	**237**	**49**	**1**	**17**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 7,339**	**$ 729**	**$ 51**	**$ 1**	**$ 17**

See independent auditors' report.

Combining Balance Sheet (cont'd)
Other Governmental Funds - Capital Projects Funds

March 31, 2022
(Amounts in millions)

	Environmental Quality Bond	Hazardous Waste Remedial	Federal Capital Projects	Clean Water/ Clean Air Bond	Housing Program
ASSETS:					
Cash and investments	$ 6	$ -	$ -	$ 1	$ -
Receivables, net of allowance for uncollectibles:					
Taxes	-	-	-	-	-
Due from Federal government	-	-	513	-	-
Other	-	5	-	-	-
Due from other funds	-	-	64	-	-
Other assets	-	-	-	-	-
Total assets	**$ 6**	**$ 5**	**$ 577**	**$ 1**	**$ -**
LIABILITIES:					
Tax refunds payable	$ -	$ -	$ -	$ -	$ -
Accounts payable	-	4	90	-	-
Accrued liabilities	-	1	5	-	-
Payable to local governments	-	-	37	-	-
Due to other funds	-	94	445	-	419
Total liabilities	**-**	**99**	**577**	**-**	**419**
DEFERRED INFLOWS OF RESOURCES	**-**	**4**	**-**	**-**	**-**
FUND BALANCES (DEFICITS):					
Restricted	6	-	-	1	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(98)	-	-	(419)
Total fund balances (deficits)	**6**	**(98)**	**-**	**1**	**(419)**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ 6**	**$ 5**	**$ 577**	**$ 1**	**$ -**

See independent auditors' report.

Combining Balance Sheet (cont'd)
Other Governmental Funds - Capital Projects Funds

March 31, 2022
(Amounts in millions)

	Mental Hygiene Facilities Capital Improvement	Correctional Facilities Capital Improvement	Miscellaneous	Eliminations	Total
ASSETS:					
Cash and investments	$ -	$ -	$ 267	$ -	**$ 7,405**
Receivables, net of allowance for uncollectibles:					
Taxes	-	-	-	-	**65**
Due from Federal government	-	-	-	-	**515**
Other	-	-	6	-	**167**
Due from other funds	-	-	-	(36)	**805**
Other assets	-	-	-	-	**6**
Total assets	**$ -**	**$ -**	**$ 273**	**$ (36)**	**$ 8,963**
LIABILITIES:					
Tax refunds payable	$ -	$ -	$ -	$ -	**$ 30**
Accounts payable	10	33	4	-	**268**
Accrued liabilities	-	-	2	-	**707**
Payable to local governments	-	-	22	-	**429**
Due to other funds	347	242	142	(36)	**1,713**
Total liabilities	**357**	**275**	**170**	**(36)**	**3,147**
DEFERRED INFLOWS OF RESOURCES	**-**	**-**	**-**	**-**	**15**
FUND BALANCES (DEFICITS):					
Restricted	-	-	13	-	**145**
Committed	-	-	215	-	**6,930**
Assigned	-	-	18	-	**18**
Unassigned	(357)	(275)	(143)	-	**(1,292)**
Total fund balances (deficits)	**(357)**	**(275)**	**103**	**-**	**5,801**
Total liabilities, deferred inflows of resources and fund balances (deficits)	**$ -**	**$ -**	**$ 273**	**$ (36)**	**$ 8,963**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Environmental Quality Protection Bond	Rebuild and Renew New York Transportation Bond
REVENUES:					
Taxes:					
Consumption and use	$ -	$ 609	$ -	$ -	$ -
Business	-	595	-	-	-
Other	-	-	119	-	-
Federal grants	-	4	-	-	-
Miscellaneous	39	898	58	-	-
Total revenues	**39**	**2,106**	**177**	**-**	**-**
EXPENDITURES:					
Local assistance grants:					
Education	234	-	-	-	-
Public health	587	-	-	-	-
Public welfare	-	-	-	-	-
Public safety	32	-	-	-	-
Transportation	4,604	22	-	-	-
Environment and recreation	121	-	108	-	-
Support and regulate business	586	-	-	-	-
General government	379	-	-	-	-
Capital construction	2,625	2,176	144	-	-
Total expenditures	**9,168**	**2,198**	**252**	**-**	**-**
Excess (deficiency) of revenues over expenditures	**(9,129)**	**(92)**	**(75)**	**-**	**-**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	6,192	552	35	-	-
Transfers to other funds	(623)	(1,231)	-	-	-
Financing arrangements issued	4,320	772	3	-	-
Premiums/discounts on bonds issued	600	113	-	-	-
Net other financing sources (uses)	**10,489**	**206**	**38**	**-**	**-**
Net change in fund balances	**1,360**	**114**	**(37)**	**-**	**-**
Fund balances at April 1, 2021	**5,176**	**123**	**86**	**1**	**17**
Fund balances at March 31, 2022	**$ 6,536**	**$ 237**	**$ 49**	**$ 1**	**$ 17**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (cont'd)

Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	Environmental Quality Bond	Hazardous Waste Remedial	Federal Capital Projects	Clean Water/ Clean Air Bond	Housing Program
REVENUES:					
Taxes:					
Consumption and use	$ -	$ -	$ -	$ -	$ -
Business	-	-	-	-	-
Other	-	-	-	-	-
Federal grants	-	-	1,996	-	-
Miscellaneous	-	38	-	-	608
Total revenues	**-**	**38**	**1,996**	**-**	**608**
EXPENDITURES:					
Local assistance grants:					
Education	-	-	-	-	-
Public health	-	-	90	-	-
Public welfare	-	-	-	-	654
Public safety	-	-	73	-	-
Transportation	-	-	470	-	-
Environment and recreation	-	2	116	-	-
Support and regulate business	-	-	-	-	-
General government	-	-	-	-	-
Capital construction	-	78	1,229	-	-
Total expenditures	**-**	**80**	**1,978**	**-**	**654**
Excess (deficiency) of revenues over expenditures	**-**	**(42)**	**18**	**-**	**(46)**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	-	13	2	-	4
Transfers to other funds	-	(21)	(20)	-	-
Financing arrangements issued	-	20	-	-	-
Premiums/discounts on bonds issued	-	6	-	-	-
Net other financing sources (uses)	**-**	**18**	**(18)**	**-**	**4**
Net change in fund balances	**-**	**(24)**	**-**	**-**	**(42)**
Fund balances at April 1, 2021	**6**	**(74)**	**-**	**1**	**(377)**
Fund balances at March 31, 2022	**$ 6**	**$ (98)**	**$ -**	**$ 1**	**$ (419)**

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (cont'd)

Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	Mental Hygiene Facilities Capital Improvement	Correctional Facilities Capital Improvement	Miscellaneous	Eliminations	Total
REVENUES:					
Taxes:					
Consumption and use	$ -	$ -	$ -	$ -	**$ 609**
Business	-	-	-	-	**595**
Other	-	-	-	-	**119**
Federal grants	-	-	-	-	**2,000**
Miscellaneous	1	-	66	-	**1,708**
Total revenues	**1**	**-**	**66**	**-**	**5,031**
EXPENDITURES:					
Local assistance grants:					
Education	-	-	-	-	**234**
Public health	61	-	-	-	**738**
Public welfare	-	-	642	-	**1,296**
Public safety	-	-	8	-	**113**
Transportation	-	-	1	-	**5,097**
Environment and recreation	-	-	-	-	**347**
Support and regulate business	-	-	115	-	**701**
General government	-	-	116	-	**495**
Capital construction	175	348	201	-	**6,976**
Total expenditures	**236**	**348**	**1,083**	**-**	**15,997**
Excess (deficiency) of revenues over expenditures	**(235)**	**(348)**	**(1,017)**	**-**	**(10,966)**
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	2	102	281	(44)	**7,139**
Transfers to other funds	(13)	-	(19)	44	**(1,883)**
Financing arrangements issued	132	175	693	-	**6,115**
Premiums/discounts on bonds issued	9	13	27	-	**768**
Net other financing sources (uses)	**130**	**290**	**982**	**-**	**12,139**
Net change in fund balances	**(105)**	**(58)**	**(35)**	**-**	**1,173**
Fund balances at April 1, 2021	**(252)**	**(217)**	**138**	**-**	**4,628**
Fund balances at March 31, 2022	**$ (357)**	**$ (275)**	**$ 103**	**$ -**	**$ 5,801**

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	State Capital Projects			Dedicated Highway and Bridge Trust		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ -	$ -	$ -	$ 1,192	$ 1,194	$ 2
Miscellaneous	4,162	2,393	(1,769)	1,388	1,303	(85)
Federal grants	-	-	-	5	2	(3)
Total receipts	**4,162**	**2,393**	**(1,769)**	**2,585**	**2,499**	**(86)**
DISBURSEMENTS:						
Local assistance grants (1)	5,488	5,482	6	60	6	54
Capital projects (1)	3,268	3,049	219	1,963	1,767	196
Total disbursements	**8,756**	**8,531**	**225**	**2,023**	**1,773**	**250**
Excess (deficiency) of receipts over disbursements	**(4,594)**	**(6,138)**	**(1,544)**	**562**	**726**	**164**
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net	-	-	-	-	-	-
Transfers from other funds	4,601	6,144	1,543	718	552	(166)
Transfers to other funds	(7)	(6)	1	(1,280)	(1,231)	49
Net other financing sources (uses)	**4,594**	**6,138**	**1,544**	**(562)**	**(679)**	**(117)**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ -**	**$ -**	**$ -**	**$ -**	**$ 47**	**$ 47**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual (cont'd)
Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	Federal Capital Projects			Hazardous Waste Remedial		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	-	-	-	126	65	(61)
Federal grants	2,262	2,064	(198)	-	-	-
Total receipts	**2,262**	**2,064**	**(198)**	**126**	**65**	**(61)**
DISBURSEMENTS:						
Local assistance grants (1)	726	749	(23)	-	1	(1)
Capital projects (1)	1,153	1,503	(350)	115	78	37
Total disbursements	**1,879**	**2,252**	**(373)**	**115**	**79**	**36**
Excess (deficiency) of receipts over disbursements	**383**	**(188)**	**(571)**	**11**	**(14)**	**(25)**
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net	-	-	-	-	-	-
Transfers from other funds	26	2	(24)	15	13	(2)
Transfers to other funds	(402)	(21)	381	(25)	(21)	4
Net other financing sources (uses)	**(376)**	**(19)**	**357**	**(10)**	**(8)**	**2**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 7**	**$ (207)**	**$ (214)**	**$ 1**	**$ (22)**	**$ (23)**

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See independent auditors' report.

Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual (cont'd)
Other Governmental Funds - Capital Projects Funds

Year Ended March 31, 2022
(Amounts in millions)

	Other			Eliminations		Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Financial Plan	Actual	Variance
RECEIPTS:								
Taxes	$ 120	$ 118	$ (2)	$ -	$ -	$ 1,312	$ 1,312	$ -
Miscellaneous	2,325	1,246	(1,079)	-	-	8,001	5,007	(2,994)
Federal grants	-	-	-	-	-	2,267	2,066	(201)
Total receipts	**2,445**	**1,364**	**(1,081)**	**-**	**-**	**11,580**	**8,385**	**(3,195)**
DISBURSEMENTS:								
Local assistance grants (1)	1,323	1,086	237	-	-	7,597	7,324	273
Capital projects (1)	1,338	983	355	-	-	7,837	7,380	457
Total disbursements	**2,661**	**2,069**	**592**	**-**	**-**	**15,434**	**14,704**	**730**
Excess (deficiency) of receipts over disbursements	**(216)**	**(705)**	**(489)**	**-**	**-**	**(3,854)**	**(6,319)**	**(2,465)**
OTHER FINANCING SOURCES (USES):								
Bond and note proceeds, net	433	-	(433)	-	-	433	-	(433)
Transfers from other funds	277	481	204	(621)	(20)	5,016	7,172	2,156
Transfers to other funds	(212)	6	218	621	20	(1,305)	(1,253)	52
Net other financing sources (uses)	**498**	**487**	**(11)**	**-**	**-**	**4,144**	**5,919**	**1,775**
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	**$ 282**	**$ (218)**	**$ (500)**	**$ -**	**$ -**	**$ 290**	**$ (400)**	**$ (690)**

(1) Spending authority has not been exceeded in any category. The Final Financial Plan (published approximately six weeks before fiscal year-end) does not reflect an increase in approved spending authority.

See independent auditors' report.

Combining Statement of Fiduciary Net Position
Private Purpose Trusts

March 31, 2022
(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Tuition Savings Program	NY ABLE Savings Program	Total
ASSETS:					
Cash and investments	$ 3	$ 12	$ 46,823	$ 21	**$ 46,859**
Receivables, net of allowance for uncollectibles	-	-	123	-	**123**
Total assets	**3**	**12**	**46,946**	**21**	**46,982**
LIABILITIES:					
Accrued liabilities	-	-	145	-	**145**
Total liabilities	**-**	**-**	**145**	**-**	**145**
NET POSITION:					
Restricted for:					
Other specified purposes	3	12	46,801	21	**46,837**
Total net position	**$ 3**	**$ 12**	**$ 46,801**	**$ 21**	**$ 46,837**

See independent auditors' report.

Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trusts

Year Ended March 31, 2022
(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Tuition Savings Program	NY ABLE Savings Program	Total
Additions:					
Investment income	$ -	$ -	$ 32	$ -	**$ 32**
Dividend income	-	-	1,201	-	**1,201**
Other income	-	1	5	-	**6**
Net increase (decrease) in the fair value of investments	-	-	3,673	1	**3,674**
Total investment and other losses	**-**	**1**	**4,911**	**1**	**4,913**
Less:					
Investment expenses	-	-	(79)	-	**(79)**
Net investment and other losses	**-**	**1**	**4,832**	**1**	**4,834**
Contributions:					
College savings	-	-	4,369	-	**4,369**
NY ABLE savings	-	-	-	10	**10**
Total contributions	**-**	**-**	**4,369**	**10**	**4,379**
Total additions	**-**	**1**	**9,201**	**11**	**9,213**
Deductions:					
College aid redemptions	-	-	3,127	-	**3,127**
NY ABLE savings	-	-	-	3	**3**
Total deductions	**-**	**-**	**3,127**	**3**	**3,130**
Net increase (decrease)	**-**	**1**	**6,074**	**8**	**6,083**
Net position restricted at April 1, 2021, as restated	**3**	**11**	**40,727**	**13**	**40,754**
Net position restricted at March 31, 2022	**$ 3**	**$ 12**	**$ 46,801**	**$ 21**	**$ 46,837**

See independent auditors' report.

STATE OF NEW YORK

Combining Statement of Fiduciary Net Position
Custodial Funds

March 31, 2022
(Amounts in millions)

	Sole Custody	Miscellaneous	Total
ASSETS:			
Cash and investments	$ 2,149	$ 63	**$ 2,212**
Receivables, net of allowance for uncollectibles	5	-	**5**
Total assets	**2,154**	**63**	**2,217**
LIABILITIES:			
Accounts payable	-	1	**1**
Payable to local governments	1,902	-	**1,902**
Total liabilities	**1,902**	**1**	**1,903**
NET POSITION:			
Restricted for individuals, organizations, and other governments	252	62	**314**
Total net position	**$ 252**	**$ 62**	**$ 314**

See independent auditors' report.

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

Year Ended March 31, 2022
(Amounts in millions)

	Sole Custody	Miscellaneous	Total
Additions:			
Collection of sales tax for other governments....................	$ 20,325	$ -	**$ 20,325**
Collection of real estate tax for other governments............	3,773	-	**3,773**
Miscellaneous...	906	11	**917**
Total additions..	**25,004**	**11**	**25,015**
Deductions:			
Payments of sales tax to other governments.....................	20,325	-	**20,325**
Payments of obligations on behalf of other governments....	3,773	-	**3,773**
Payments to beneficiaries...	280	-	**280**
Other expenses..	594	19	**613**
Total deductions...	**24,972**	**19**	**24,991**
Net increase (decrease)...	**32**	**(8)**	**24**
Net position at April 1, 2021.....................................	**220**	**70**	**290**
Net position at March 31, 2022................................	**$ 252**	**$ 62**	**$ 314**

See independent auditors' report.

Combining Statement of Net Position
Discretely Presented Non-Major Component Units

March 31, 2022
(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond Bank Agency	NYS Energy Research & Development Authority	NYS Higher Education Services Corporation	Niagara Frontier Transportation Authority	Roswell Park Cancer Institute Corporation	SUNY Foundations and Auxiliary Corporations	CUNY Supporting Organizations	Miscellaneous	Total
ASSETS:												
Cash and investments	$ 687	$ 571	$ 499	$ 2	$ 1,299	$ 109	$ 218	$ 804	$ 3,779	$ 1,239	$ 1,755	**$ 10,962**
Receivables, net of allowances for uncollectibles:												
Loans, leases, and notes	-	1	30	132	746	-	-	-	-	-	19	**928**
Other	95	41	1	2	32	17	123	190	317	73	224	**1,115**
Net pension asset	-	-	-	-	-	-	-	-	-	-	19	**19**
Net other postemployment benefits asset	-	-	-	-	14	-	-	-	-	-	-	**14**
Other assets	10	5	7	-	20	20	7	36	106	62	72	**345**
Capital assets:												
Construction in progress	-	-	-	-	-	-	68	23	8	-	100	**199**
Land, buildings and equipment, net of depreciation	1	-	546	-	12	-	566	295	526	146	1,308	**3,400**
Intangible assets	-	-	-	-	-	-	-	6	-	-	-	**6**
Total assets	**793**	**618**	**1,083**	**136**	**2,123**	**146**	**982**	**1,354**	**4,736**	**1,520**	**3,497**	**16,988**
DEFERRED OUTFLOWS OF RESOURCES:												
Pension activities	-	9	7	-	24	7	39	166	-	-	81	**333**
Other postemployment benefits activities	-	3	7	-	8	23	87	70	-	-	167	**365**
Derivative instruments	-	-	4	-	-	-	-	-	-	-	-	**4**
Deferred loss on refunding	-	-	80	-	-	-	-	-	-	4	-	**84**
Total deferred outflows of resources	**-**	**12**	**98**	**-**	**32**	**30**	**126**	**236**	**-**	**4**	**248**	**786**
LIABILITIES:												
Accounts payable	65	-	6	-	57	11	-	-	-	-	76	**215**
Accrued liabilities	25	61	197	5	217	-	34	230	443	35	507	**1,754**
Unearned revenues	-	7	57	-	3	-	-	-	18	2	122	**209**
Notes payable	-	-	-	-	-	-	-	-	-	8	2	**10**
Bonds payable	-	-	32	51	8	-	16	14	16	3	-	**140**
Current portion of other long-term liabilities	-	-	-	-	41	-	26	-	-	-	18	**85**
Due in more than one year:												
Accrued liabilities	-	-	29	-	-	-	-	-	-	-	48	**77**
Net pension liability	-	-	-	-	-	-	17	1	-	-	19	**37**
Other postemployment benefits	-	11	45	-	-	183	594	495	-	-	893	**2,221**
Pollution remediation	-	-	-	-	-	-	-	-	-	-	1	**1**
Unearned revenues	43	-	202	-	-	-	-	-	-	-	3	**248**
Notes payable	-	-	-	-	-	-	-	-	-	13	10	**23**
Bonds payable	-	-	922	83	88	-	109	58	311	124	151	**1,846**
Other long-term liabilities	10	3	-	-	6	18	57	5	-	1	37	**137**
Derivative instruments	-	-	70	-	-	-	-	-	-	-	-	**70**
Total liabilities	**143**	**82**	**1,560**	**139**	**420**	**212**	**853**	**803**	**788**	**186**	**1,887**	**7,073**
DEFERRED INFLOWS OF RESOURCES:												
Pension activities	-	13	9	-	30	8	41	207	-	-	107	**415**
Derivative instruments	-	4	6	-	20	37	88	190	-	-	172	**517**
Other	-	-	-	-	-	-	-	-	-	-	7	**7**
Total deferred inflows of resources	**-**	**17**	**15**	**-**	**50**	**45**	**129**	**397**	**-**	**-**	**286**	**939**
NET POSITION:												
Net investment in capital assets	-	-	29	-	11	19	494	259	224	-	1,365	**2,401**
Restricted for:												
Debt service	-	-	21	-	-	-	-	-	-	-	9	**30**
Health and patient care	-	-	-	-	-	-	-	174	-	-	-	**174**
Education and research programs	516	-	-	-	-	(100)	-	-	2,800	1,115	7	**4,338**
Environmental projects and energy programs	-	-	-	-	1,668	-	-	-	-	-	61	**1,729**
Economic development, housing and transportation	-	420	73	-	-	-	88	-	-	-	340	**921**
Insurance and administrative requirements	-	-	-	-	-	-	-	-	-	-	13	**13**
Unrestricted (deficit)	134	111	(517)	(3)	6	-	(456)	(43)	924	223	(223)	**156**
Total net position	**$ 650**	**$ 531**	**$ (394)**	**$ (3)**	**$ 1,685**	**$ (81)**	**$ 126**	**$ 390**	**$ 3,948**	**$ 1,338**	**$ 1,572**	**$ 9,762**

See independent auditors' report.

Combining Statement of Activities
Discretely Presented Non-Major Component Units

Year Ended March 31, 2022
(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond Bank Agency	NYS Energy Research & Development Authority	NYS Higher Education Services Corporation	Niagara Frontier Transportation Authority	Roswell Park Cancer Institute Corporation	SUNY Foundations and Auxiliary Corporations	CUNY Supporting Organizations	Miscellaneous	Total
EXPENSES:												
Program operations	$ 1,252	$ 2,877	$ 239	$ -	$ 1,392	$ 198	$ 217	$ 956	$ 623	$ 166	$ 1,610	**$ 9,530**
Interest on long-term debt	-	-	32	9	3	-	-	2	-	-	4	**50**
Other interest	-	-	-	-	-	-	4	-	-	6	-	**10**
Depreciation and amortization	-	-	11	-	3	-	54	42	-	5	109	**224**
Other expenses	39	-	-	8	27	1	-	26	146	-	25	**272**
Total expenses	**1,291**	**2,877**	**282**	**17**	**1,425**	**199**	**275**	**1,026**	**769**	**177**	**1,748**	**10,086**
PROGRAM REVENUES:												
Charges for services	-	-	364	7	41	170	63	897	516	37	714	**2,809**
Operating grants and contributions	1,330	2,977	-	-	99	-	163	53	252	5	739	**5,618**
Capital grants and contributions	-	-	4	-	-	-	28	33	-	-	217	**282**
Total program revenues	**1,330**	**2,977**	**368**	**7**	**140**	**170**	**254**	**983**	**768**	**42**	**1,670**	**8,709**
Net program revenue (expenses)	**39**	**100**	**86**	**(10)**	**(1,285)**	**(29)**	**(21)**	**(43)**	**(1)**	**(135)**	**(78)**	**(1,377)**
GENERAL REVENUES:												
Non-State grants and contributions												
Not restricted to specific programs	-	-	-	2	-	1	48	-	-	98	156	**305**
Investment earnings:												
Restricted	-	-	-	-	-	-	-	-	460	-	10	**470**
Unrestricted	-	-	-	-	-	-	-	-	234	232	48	**514**
Miscellaneous	-	-	-	6	1,543	5	40	96	36	98	105	**1,929**
Total general revenues	**-**	**-**	**-**	**8**	**1,543**	**6**	**88**	**96**	**730**	**428**	**319**	**3,218**
Change in net position	**39**	**100**	**86**	**(2)**	**258**	**(23)**	**67**	**53**	**729**	**293**	**241**	**1,841**
Net position - beginning of year, as restated	**611**	**431**	**(480)**	**(1)**	**1,427**	**(58)**	**59**	**337**	**3,219**	**1,045**	**1,331**	**7,921**
Net position - end of year	**$ 650**	**$ 531**	**$ (394)**	**$ (3)**	**$ 1,685**	**$ (81)**	**$ 126**	**$ 390**	**$ 3,948**	**$ 1,338**	**$ 1,572**	**$ 9,762**

See independent auditors' report.

STATE OF NEW YORK

EXCELSIOR

COMPTROLLER

Office of the New York State Comptroller

Thomas P. DiNapoli, State Comptroller

Office of Operations – Division of Payroll, Accounting and Revenue Services

Terri B. Crowley, Executive Deputy Comptroller

Suzette Barsoum Baker, CPA, CGFM, CGMA, Deputy Comptroller

Sharon M. Buck, Assistant Comptroller

Bureau of Financial Reporting and Oil Spill Remediation

Deborah J. Hilson, Director

Maria Guzman, CPA, Assistant Director

GAAP Reporting

Jennifer Hallanan, CGFM, Assistant Chief Accountant
Renée Bult, Principal Accountant
Sandra Trzcinski, CGAP, CGFM, Principal Accountant
Donna Greenberg, CPA, CGFM, Supervising Accountant
Karen Kellogg, Supervising Accountant
Cara Jo Vettovalli, Supervising Accountant
Michael P. Breen, Associate Accountant
Kate Duell, Associate Accountant
Bo Jiang, CGFM, Associate Accountant
Ruby Kashyap, Associate Accountant
Vincenzo Lollino, Associate Accountant
Kelly Nadeau, Associate Accountant
Peter Salony, CPA, Associate Accountant
Paula Walker, Associate Accountant
Christine Wemette, Associate Accountant
Kelly Anderson, Senior Accountant
Andrew Groff, Senior Accountant
Corey Nicklas, Senior Accountant
Charonda Parker, Senior Accountant
Sue Sun, Accountant Trainee 2

Cash Reporting

Carrie Piser, Assistant Chief Accountant
Rosemary Liss, Principal Accountant
Stephen Raptoulis, CPA, Supervising Accountant
Jonathan Golden, CPA, Associate Accountant
Laura Hennessey, CGFM, Associate Accountant
David Trestick, Associate Accountant
Khushbu Chechani, Senior Accountant
Laurie Ferlazzo, CPA, Senior Accountant
Thomas Hickey, Senior Accountant
Jennifer Spencer, Program Aide

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Audit Committee
New York State Legislature:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New York (the State) as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated July 27, 2022. Our report includes a reference to other auditors who audited the financial statements of the New York Lottery enterprise fund, the City University of New York (CUNY) enterprise fund, the Tuition Savings Program, and certain of the discretely presented component units identified in Note 14 to the basic financial statements, as described in our report on the State's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the New York Lottery enterprise fund and of certain discretely presented component units identified in Note 14 of the basic financial statements were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2022-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2022-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

State of New York's Responses to the Findings

The State's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The State's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Albany, New York
July 27, 2022

2022-001

Finding: Lack of periodic account reconciliations

Severity of Control Deficiency: Material Weakness (Unremediated as of March 31, 2022)

Background

New York State's Department of Labor operates the Unemployment Insurance Benefit Fund (UI) which accounts for unemployment contributions from employers that are utilized for the payment of unemployment compensation benefits. In preparation of the basic financial statements, management is required to make a number of accruals relating to the Unemployment Insurance Benefit Fund and the reported amounts of contribution receivables, benefit overpayments receivable, benefits due claimants, accrued liabilities, amounts due from Federal government, contribution revenue, federal grant nonoperating revenue, and benefits paid to claimants at the date of the basic financial statements.

As a result of the COVID-19 pandemic, the federal government issued several programs to provide COVID-19 unemployment benefits for people whose jobs have been affected by the coronavirus pandemic. Programs were issued under the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aids Relief and Economic Security (CARES) Act, and the American Rescue Plan Act of 2021 (ARPA). Under these programs unemployment benefits were eligible to be provided under the Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC) program for up to 57 weeks. Other programs included Extended Benefits, and the Pandemic Emergency Unemployment Compensation (PEUC) program. The Unemployment Insurance Benefit Fund is considered major business-type activity (BTA) fund in the State of New York basic financial statements.

Observation

As part of the preparation of the Unemployment Insurance Benefit Fund financial statements, management did not timely reconcile account activity to ensure the completeness and accuracy of its financial records related to cash activity.

Risk

Failure to appropriately review and reconcile key account activity to underlying Unemployment Insurance Benefit Fund activity may result in management's failure in recording complete and accurate records of financial activities during the period.

Recommendation

The State should strengthen controls to ensure that reconciliations of account balances are performed timely throughout the fiscal year to ensure the completeness and accuracy of underlying records.

Management Response – DOL

New York State Department of Labor (NYSDOL) acknowledges that a detailed reconciliation of financial activity is needed to ensure cash is drawn from the appropriate federal funding source. Throughout the COVID-19 pandemic, there were approximately a dozen separate sources of federal pandemic funding from which to disburse unemployment benefits. There are many cases in which an individual claim had to be adjudicated and the result of the adjudication caused the claim to shift from one funding source to a different funding source. While NYSDOL believed that the reporting issues had been resolved, it was determined that the daily, weekly, and monthly reports were not accounting for these changes in claims properly. As a result, the activity was not reconciled timely, and adjustments were needed. NYSDOL has already reached out to United States Department of Labor (USDOL) for guidance and USDOL noted that they were already working on guidance to provide to states, as New York is not the only state facing this issue. In the meantime, NYSDOL is working on developing a process to ensure reconciliation occurs throughout the year.

2022-002

Finding: Untimely removal of logical access

Severity of Control Deficiency: Significant Deficiency (Unremediated as of March 31, 2022)

Background

The State of New York is comprised of multiple State Agencies (New York Statewide Financial System (SFS), eMedNY)) with some Entities (NYSDOL) that share responsibility for logical access to systems with a centralized Office of Information Technology Services (ITS). When employees or contractors no longer require access to a specific system or application, the State Agency/Entity generally has the responsibility to notify their IT department or ITS so that the specific user's access is removed on a timely basis.

Observation

During the course of our audit over general information technology controls, we noted 350 out 629 instances related to de-provisioning of access for terminated employees to the UI application and 99 out of 272 instances related to de-provisioning of access for terminated employees to the network layer, where user access rights were disabled more than 5 days after the user ended employment with the State or otherwise did not need access to the specified system. This finding was noted in the IT environment supporting the UI application owned by DOL. In general, the exception occurred because management at the State Agency/Entity did not notify their IT department or ITS in a timely manner or due to human oversight during execution of the de-provisioning when notification was made in a timely manner. This notification may have only been a few days late, but in many other instances, samples tested were several months late. As a result, the audit team examined systematic evidence to determine that none of the users accounts identified as exceptions were accessed subsequent to the individual's termination date, or did not pose a direct risk to financial reporting.

Risk

When accounts are not disabled and/or removed in a timely manner, there is an increased risk that employees or contractors may obtain inappropriate access to applications and related infrastructure leading to an increased risk of error or fraud.

Recommendation

The State should strengthen controls or add monitoring controls to ensure either management personnel at the State Agencies/Entities are notifying their respective IT departments or ITS, as applicable, on a timely basis when a user of a system or application no longer requires access, whether due to changes in job responsibilities or termination from the State; or such notifications are timely executed. In addition to monitoring activities that have been implemented (automated 60-day disablement due to lack of activity), the State should implement additional monitoring controls to evaluate a complete population of terminated users against system user listings to ensure access is removed for terminated users, including performance of an impact assessment for instances where it is determined that access rights were not removed in a timely manner for terminated employees.

Management Response

NYSDOL agrees with the importance of ensuring that only authorized users have access to systems they require. NYSDOL will implement additional monitoring controls to ensure timely removal of user accounts upon separation.

KPMG

STATE OF NEW YORK

Independent Auditors' Report as Required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

Year Ended March 31, 2022

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Governor
State of New York

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of New York's (State) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended March 31, 2022. The State's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinions

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs listed in the table for the *Basis of Qualified and Unmodified Opinions* section of our report for the year ended March 31, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended March 31, 2022.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinions

As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding the following:

Finding #	***Assistance Listing #***	***Major Federal Program***	***Compliance Requirement***
2022-005	17.225	Unemployment Insurance	Allowability; Eligibility
2022-006	17.225	Unemployment Insurance	Allowability; Eligibility
2022-015	93.667	Social Services Block Grant	Subrecipient Monitoring; Reporting

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-003, 2022-004, 2022-007, 2022-008, 2022-009, 2022-012, 2022-013, 2022-014, and 2022-016. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the State's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The State's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses or the corrective action plan.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-005, 2022-006, 2022-011, and 2022-015 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-003, 2022-004, 2022-007, 2022-008, 2022-009, 2022-010, 2022-012, 2022-013, 2022-014, and 2022-016 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The State is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The State's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses or the corrective action plan.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KPMG

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated July 27, 2022, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the State's Lottery enterprise fund, the City University of New York (CUNY) enterprise fund, the Tuition Savings Program, and certain of the discretely presented component units as identified in Note 14 to the basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

KPMG LLP

Albany, New York
December 22, 2022

STATE OF NEW YORK

Schedule of Expenditures of Federal Awards

Year ended March 31, 2022

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures	
	U.S. Department of Agriculture				
10.025	Plant and Animal Disease, Pest Control, and Animal Care		$ —	3,030,366	
10.156	Federal–State Marketing Improvement Program		—	60,012	
10.163	Market Protection and Promotion		—	2,095,568	
10.170	Specialty Crop Block Grant Program – Farm Bill		—	1,010,309	
10.171	Organic Certification Cost Share Programs		—	278,450	
10.174	Acer Access Development Program		—	32,050	
10.435	State Mediation Grants		—	408,403	
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants		—	82,352	
10.542	COVID-19 – Pandemic EBT Food Benefits		—	1,685,350,501	
	SNAP Cluster:				
10.551	Supplemental Nutrition Assistance Program		—	5,814,298,526	
10.551	COVID-19 – Supplemental Nutrition Assistance Program		—	2,831,880,374	
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		347,678,402	439,395,162	
10.561	COVID-19 – State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		15,868,566	22,376,233	
	Total SNAP Cluster		363,546,968	9,107,950,295	*
	Child Nutrition Cluster:				
10.555	National School Lunch Program		1,744,124,770	1,748,340,150	
10.555	COVID-19 – National School Lunch Program		72,700,180	72,700,180	
10.559	Summer Food Service Program for Children		834,826	834,826	
10.579	Child Nutrition Discretionary Grants Limited Availability		1,414,954	1,414,954	
	Total Child Nutrition Cluster		1,819,074,730	1,823,290,110	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children		454,705,012	397,039,650	
10.557	COVID-19 – WIC Special Supplemental Nutrition Program for Women, Infants, and Children		25,270,376	25,938,544	
	Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children		479,975,388	422,978,194	*
10.558	Child and Adult Care Food Program		167,697,679	171,528,946	
10.558	COVID-19 – Child and Adult Care Food Program		27,431,766	27,431,766	
	Total Child and Adult Care Food Program		195,129,445	198,960,712	*
10.560	State Administrative Expenses for Child Nutrition		—	20,794,537	
	Food Distribution Cluster:				
10.565	Commodity Supplemental Food Program		13,336,389	14,464,771	
10.565	COVID-19 – Commodity Supplemental Food Program		12,151	116,497	
10.568	Emergency Food Assistance Program (Administrative Costs)		16,522,758	16,522,758	
10.568	COVID-19 – Emergency Food Assistance Program (Administrative Costs)		3,773,582	3,773,582	
10.569	Emergency Food Assistance Program (Food Commodities)		113,511,201	113,511,201	
	Total Food Distribution Cluster		147,156,081	148,388,809	
10.572	WIC Farmers' Market Nutrition Program (FMNP)		—	2,091,276	
10.576	Senior Farmers Market Nutrition Program		—	1,796,600	
10.578	WIC Grants To States (WGS)		—	395,063	
10.582	Fresh Fruit and Vegetable Program		5,709,910	5,709,910	
10.649	COVID-19 – Pandemic EBT Administrative Costs		4,067,968	29,013,372	
10.664	Cooperative Forestry Assistance		—	1,569,610	
10.676	Forest Legacy Program		—	40,921	
10.680	Forest Health Protection		—	459,375	
10.698	State & Private Forestry Cooperative Fire Assistance		—	518,261	
10.912	Environmental Quality Incentives Program		—	5,680	
10.932	Regional Conservation Partnership Program		—	7,990	

STATE OF NEW YORK

Schedule of Expenditures of Federal Awards

Year ended March 31, 2022

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures
	U.S. Department of Commerce			
11.015	Broad Agency Announcement		$ —	3,000
11.407	Interjurisdictional Fisheries Act of 1986		—	19,118
11.419	Coastal Zone Management Administration Awards		—	2,968,331
11.420	Coastal Zone Management Estuarine Research Reserves		—	808,411
11.454	Unallied Management Projects		—	376,353
11.474	Atlantic Coastal Fisheries Cooperative Management Act		—	405,958
11.549	State and Local Implementation Grant Program		—	8,022
11.611	Manufacturing Extension Partnership		7,361,253	7,361,253
11.611	COVID-19 – Manufacturing Extension Partnership		2,256,565	2,256,565
	Total Manufacturing Extension Partnership		9,617,818	9,617,818
	U.S. Department of Defense			
12.104	Flood Plain Management Services		—	3,536
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services		—	296,402
12.400	Military Construction, National Guard		18,169,501	18,169,501
12.401	National Guard Military Operations and Maintenance (O&M) Projects		18,930,641	41,551,177
	U.S. Department of Housing and Urban Development			
	Section 8 Project–Based Cluster:			
14.195	Section 8 Housing Assistance Payments Program		—	1,697,969,369
	Total Section 8 Project–Based Cluster		—	1,697,969,369
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii		54,821,309	57,911,834
14.231	Emergency Solutions Grant Program		—	5,861,539
14.231	COVID-19 – Emergency Solutions Grant Program		—	15,387,253
	Total Emergency Solutions Grant Program		—	21,248,792
14.239	Home Investment Partnerships Program		18,290,218	258,670,303
14.241	Housing Opportunities for Persons with AIDS		—	2,515,669
14.241	COVID-19 – Housing Opportunities for Persons with AIDS		—	40,073
	Total Housing Opportunities for Persons with AIDS		—	2,555,742
14.267	Continuum of Care Program		—	1,648
	CDBG – Disaster Recovery Grants – Pub. L. No. 113–2 Cluster:			
14.269	Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG–DR)		61,850,148	257,997,837
14.272	National Disaster Resilience Competition		20,974	21,517,151
	Total CDBG – Disaster Recovery Grants – Pub. L. No. 113–2 Cluster		61,871,122	279,514,988
14.275	Housing Trust Fund			
	Pass–Through from NYS Housing Finance Agency	—	—	835,000
14.401	Fair Housing Assistance Program State and Local		—	921,146
	Housing Voucher Cluster:			
14.871	Section 8 Housing Choice Vouchers		—	567,038,294
14.879	Mainstream Vouchers		—	1,439,231
	Total Housing Voucher Cluster		—	568,477,525
14.896	Family Self-Sufficiency Program		—	1,504,368
	U.S. Department of the Interior			
15.026	Indian Adult Education		—	24,709
15.114	Indian Education Higher Education Grant		—	4,000
	Fish and Wildlife Cluster:			
15.605	Sport Fish Restoration		—	10,871,629
15.611	Wildlife Restoration and Basic Hunter Education		—	15,060,673
	Total Fish and Wildlife Cluster		—	25,932,302

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures
	U.S. Department of the Interior (continued)			
15.608	Fish and Wildlife Management Assistance		$ —	1,633
15.622	Sportfishing and Boating Safety Act		—	106,614
15.634	State Wildlife Grants		—	2,538,814
15.662	Great Lakes Restoration		—	205,124
15.663	NFWF-USFWS Conservation Partnership		—	12,000
15.667	Highlands Conservation		—	3,466,800
15.808	U.S. Geological Survey Research and Data Collection		—	10,090
15.810	National Cooperative Geologic Mapping		—	200,369
15.817	National Geospatial Program: Building The National Map		—	23,444
15.904	Historic Preservation Fund Grants-In-Aid		—	1,549,219
15.916	Outdoor Recreation Acquisition, Development and Planning		—	4,429,803
15.925	National Maritime Heritage Grants		—	239,882
15.926	American Battlefield Protection		—	19,653
	U.S. Department of Justice			
16.017	Sexual Assault Services Formula Program		797,907	797,907
16.021	Justice Systems Response to Families		—	198,815
16.029	Office on Violence Against Women Special Projects		—	15,398
16.034	Coronavirus Emergency Supplemental Funding Program		2,903,225	27,793,371
16.540	Juvenile Justice and Delinquency Prevention		794,335	1,075,550
16.543	Missing Children's Assistance		—	284,126
16.548	Title V Delinquency Prevention Program		—	3,000
16.550	State Justice Statistics Program for Statistical Analysis Centers		—	39,028
16.554	National Criminal History Improvement Program (NCHIP)		937,896	1,064,036
16.575	Crime Victim Assistance		140,088,541	148,883,607
16.576	Crime Victim Compensation		4,084,184	4,515,744
16.578	Public Benefit Conveyance Program		26,619,630	26,989,410
16.582	Crime Victim Assistance/Discretionary Grants		—	534,145
16.585	Drug Court Discretionary Grant Program		—	2,240,054
16.588	Violence Against Women Formula Grants		4,086,777	4,986,189
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program		—	211,503
16.593	Residential Substance Abuse Treatment for State Prisoners		29,214	528,262
16.710	Public Safety Partnership and Community Policing Grants		—	4,936
16.734	Special Data Collections and Statistical Studies		—	959,847
16.738	Edward Byrne Memorial Justice Assistance Grant Program		436,289	1,298,605
16.741	DNA Backlog Reduction Program		—	862,713
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program		753,527	772,969
16.745	Criminal and Juvenile Justice and Mental Health Collaboration Program		—	728,675
16.751	Edward Byrne Memorial Competitive Grant Program		—	145,008
16.812	Second Chance Act Reentry Initiative		—	32,585
16.813	NICS Act Record Improvement Program		182,110	1,737,828
16.816	John R. Justice Prosecutors and Defenders Incentive Act		—	69,648
16.835	Body Worn Camera Policy and Implementation		—	1,317
16.838	Comprehensive Opioid, Stimulant, and Substance Abuse Program		—	628,350
16.922	Equitable Sharing Program		—	3,828,038
	U.S. Department of Labor			
17.002	Labor Force Statistics		—	2,966,812
17.002	COVID-19 – Labor Force Statistics		—	1,370
	Total Labor Force Statistics		—	2,968,182
17.005	Compensation and Working Conditions		—	503,573
17.005	COVID-19 – Compensation and Working Conditions		—	182
	Total Compensation and Working Conditions		—	503,755

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures
	U.S. Department of Labor (continued)			
	Employment Service Cluster:			
17.207	Employment Service/Wagner-Peyser Funded Activities		$ 231,660	33,321,234
17.207	COVID-19 – Employment Service/Wagner-Peyser Funded Activities		—	7,532
17.801	Jobs for Veterans State Grants		—	8,006,777
17.801	COVID-19 – Jobs for Veterans State Grants		—	7,337
	Total Employment Service Cluster		231,660	41,342,880
17.225	Unemployment Insurance		—	3,366,842,603
17.225	COVID-19 – Unemployment Insurance		—	24,716,543,457
17.225	ARRA – Unemployment Insurance		—	(212,749)
	Total Unemployment Insurance		—	28,083,173,311 *
17.235	Senior Community Service Employment Program		3,712,407	3,972,774
17.245	Trade Adjustment Assistance		3,024,097	5,228,934
17.245	COVID-19 – Trade Adjustment Assistance		—	892
	Total Trade Adjustment Assistance		3,024,097	5,229,826
	WIOA Cluster:			
17.258	WIOA Adult Program		40,009,360	52,898,390
	Pass–Through from Allegany County Employment & Training One-Stop Center	16–6002554	—	9,018
	Sub–total WIOA Adult Program		40,009,360	52,907,408
17.259	WIOA Youth Activities		43,432,788	57,641,653
17.259	COVID-19 – WIOA Youth Activities		—	38,680
17.278	WIOA Dislocated Worker Formula Grants		33,289,707	61,243,001
17.278	COVID-19 – WIOA Dislocated Worker Formula Grants		—	1,464
	Total WIOA Cluster		116,731,855	171,832,206
17.271	Work Opportunity Tax Credit Program (WOTC)		—	1,088,310
17.271	COVID-19 – Work Opportunity Tax Credit Program (WOTC)		—	31
	Total Work Opportunity Tax Credit Program (WOTC)		—	1,088,341
17.273	Temporary Labor Certification for Foreign Workers		—	1,629,740
17.273	COVID-19 – Temporary Labor Certification for Foreign Workers		—	1,406
	Total Temporary Labor Certification for Foreign Workers		—	1,631,146
17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants		2,729,821	2,729,821
17.277	COVID-19 – WIOA National Dislocated Worker Grants / WIA National Emergency Grants		1,285,333	5,776,661
	Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants		4,015,154	8,506,482
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants			
	Pass–Through from:			
	Allegany County Employment & Training One Stop Center	16–6002554	—	9,367
	CSS Workforce New York	22–2520370	—	8,853
	Total TAACCCT Grant Program		—	18,220
17.285	Apprenticeship USA Grants		—	1,391,061
17.285	COVID-19 – Apprenticeship USA Grants		—	981
	Total Apprenticeship USA Grants		—	1,392,042
17.503	Occupational Safety and Health State Program		—	4,057,592
17.503	COVID-19 – Occupational Safety and Health State Program		—	3,200
	Total Occupational Safety and Health State Program		—	4,060,792
17.504	Consultation Agreements		—	3,434,030
17.504	COVID-19 – Consultation Agreements		—	2,553
	Total Consultation Agreements		—	3,436,583
17.600	Mine Health and Safety Grants		—	222,559
17.600	COVID-19 – Mine Health and Safety Grants		—	127
	Total Mine Health and Safety Grants		—	222,686

STATE OF NEW YORK

Schedule of Expenditures of Federal Awards

Year ended March 31, 2022

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures	
	U.S. Department of Transportation				
20.106	Airport Improvement Program and COVID-19 Airport Programs		$ 16,878,611	17,035,611	
20.108	Aviation Research Grants		—	3,000	
	Highway Planning and Construction Cluster:				
20.205	Highway Planning and Construction		459,908,395	1,918,850,593	
20.219	Recreational Trails Program		—	901,191	
	Total Highway Planning and Construction Cluster		459,908,395	1,919,751,784	
	FMCSA Cluster:				
20.218	Motor Carrier Safety Assistance		—	9,600,560	
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements		—	1,968,063	
	Total FMCSA Cluster		—	11,568,623	
20.232	Commercial Driver's License Program Implementation Grant		—	2,531,234	
20.301	Railroad Safety		204,687	206,227	
20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants		1,893,106	1,894,292	
20.321	Railroad Safety Technology Grants		(129,719)	(77,728)	
20.325	Consolidated Rail Infrastructure and Safety Improvements		195,672	195,672	
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research		4,883,653	4,903,499	
20.509	Formula Grants for Rural Areas and Tribal Transit Program		2,952,323	3,566,609	
20.509	COVID-19 – Formula Grants for Rural Areas and Tribal Transit Program		7,035,523	7,035,523	
	Total Formula Grants for Rural Areas and Tribal Transit Program		9,987,846	10,602,132	
	Transit Services Programs Cluster:				
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities		3,337,087	3,559,301	
	Total Transit Services Programs Cluster		3,337,087	3,559,301	
20.528	Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program		—	2,727,344	
	Highway Safety Cluster:				
20.600	State and Community Highway Safety		1,070,592	27,233,002	
	Total Highway Safety Cluster		1,070,592	27,233,002	
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements		—	249,339	
20.700	Pipeline Safety Program State Base Grant		—	2,284,883	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		79,497	700,704	
20.721	PHMSA Pipeline Safety Program One Call Grant		—	64,367	
20.806	State Maritime Schools		—	386,300	
21.016	Equitable Sharing		641,330	1,198,523	
21.017	Social Impact Partnerships to Pay for Results Act (SIPPRA)		201,618	203,660	
	U.S. Department of Treasury				
21.019	COVID-19 – Coronavirus Relief Fund		—	1,217,883,721	*
21.023	COVID-19 – Emergency Rental Assistance Program		—	1,832,801,009	*
21.026	COVID-19 – Homeowner Assistance Fund		72,000,000	72,364,588	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds		—	4,500,000,000	*
	U.S. Appalachian Regional Commission				
23.011	Appalachian Research, Technical Assistance, and Demonstration Projects		—	285,646	
	U.S. Equal Employment Opportunity Commission				
30.001	Employment Discrimination Title VII of the Civil Rights Act of 1964		—	1,594,720	

STATE OF NEW YORK

Schedule of Expenditures of Federal Awards

Year ended March 31, 2022

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures
	National Aeronautics and Space Administration			
43.001	Science		$ —	133,790
43.008	Office of Stem Engagement (OSTEM)		—	10,000
	National Endowment for the Arts			
45.025	Promotion of the Arts Partnership Agreements		1,410,700	1,536,006
	Institute of Museum and Library Services			
45.310	Grants to States		2,643,682	7,452,689
45.310	COVID-19 – Grants to States		1,409,357	1,741,332
	Total Grants to States		4,053,039	9,194,021
	National Science Foundation			
47.050	Geosciences		—	28,000
	Small Business Administration			
59.061	State Trade Expansion		—	504,799
59.075	Shuttered Venue Operators Grant Program		—	3,812,767
	Department of Veterans Affairs			
64.005	Grants to States for Construction of State Home Facilities		—	1,000,193
64.010	Veterans Nursing Home Care		—	44,415,839
64.028	Post-9/11 Veterans Educational Assistance		—	10,780,634
64.032	Montgomery GI Bill Selected Reserve; Reserve Educational Assistance Program		—	55,223
64.116	Vocational Rehabilitation for Disabled Veterans		—	1,326,383
64.124	All-Volunteer Force Educational Assistance		—	4,741,138
	U.S. Environmental Protection Agency			
66.001	Air Pollution Control Program Support		—	9,620,764
66.032	State Indoor Radon Grants		—	168,137
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		—	1,186,604
66.204	Multipurpose Grants to States and Tribes		—	268,218
66.432	State Public Water System Supervision		—	7,777,321
66.437	Long Island Sound Program		—	546,114
66.444	Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))		—	78,400
66.454	Water Quality Management Planning		—	1,407,667
	Clean Water State Revolving Fund Cluster:			
66.458	Capitalization Grants for Clean Water State Revolving Funds		115,105,682	115,774,044
66.482	Disaster Relief Appropriations Act (DRAA) Hurricane Sandy Capitalization Grants For Clean Water State Revolving Funds		73,064,717	73,064,717
	Total Clean Water State Revolving Fund Cluster		188,170,399	188,838,761 *
66.466	Chesapeake Bay Program		—	3,854,440
	Drinking Water State Revolving Fund Cluster:			
66.468	Drinking Water State Revolving Funds		77,677,640	84,767,783
66.483	Disaster Relief Appropriations Act (DRAA) Hurricane Sandy Capitalization Grants for Drinking Water State Revolving Funds		12,299,760	12,299,760
	Total Drinking Water State Revolving Fund Cluster		89,977,400	97,067,543 *
66.469	Great Lakes Program		—	7,621,259
66.472	Beach Monitoring and Notification Program Implementation Grants		—	397,523
66.481	Lake Champlain Basin Program		—	89,075
66.511	Office of Research and Development Consolidated Research/Training/Fellowships		—	4,000
66.605	Performance Partnership Grants		—	10,328,591
66.701	Toxic Substances Compliance Monitoring Cooperative Agreements		—	42,719
66.701	COVID-19 – Toxic Substances Compliance Monitoring Cooperative Agreements		—	25
	Total Toxic Substances Compliance Monitoring Cooperative Agreements		—	42,744

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures	
	U.S. Environmental Protection Agency (continued)				
66.801	Hazardous Waste Management State Program Support		$ —	4,591,087	
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements		—	252,731	
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program		—	689,949	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program		—	2,506,740	
66.817	State and Tribal Response Program Grants		—	759,744	
	U.S. Department of Energy				
81.041	State Energy Program		—	2,162,873	
81.042	Weatherization Assistance for Low–Income Persons		25,158,550	26,951,232	
81.087	Renewable Energy Research and Development		1,359,734	3,785,606	
81.092	Remedial Action and Waste Management		—	31,325	
81.119	State Energy Program Special Projects		—	112,045	
81.123	National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program		—	4,000	
81.136	Long-Term Surveillance and Maintenance		—	4,745	
81.138	State Heating Oil and Propane Program		—	23,875	
	U.S. Department of Education				
84.002	Adult Education – Basic Grants to States		40,845,998	47,505,943	
84.010	Title I Grants to Local Educational Agencies		1,243,837,860	1,260,129,992	*
84.011	Migrant Education State Grant Program		7,298,455	9,896,292	
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		—	2,684,178	
	Special Education Cluster (IDEA):				
84.027	Special Education Grants to States		899,157,850	1,002,065,589	
84.027	COVID-19 – Special Education Grants to States		5,818,790	5,818,790	
84.173	Special Education Preschool Grants		33,570,858	42,397,324	
84.173	COVID-19 – Special Education Preschool Grants		633,279	633,279	
	Total Special Education Cluster (IDEA)		939,180,777	1,050,914,982	
84.048	Career and Technical Education – Basic Grants to States		55,703,879	61,446,997	
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States		—	147,146,855	
84.144	Migrant Education Coordination Program		—	71,321	
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind		—	2,734,603	
84.181	Special Education – Grants for Infants and Families		8,082,967	26,820,805	
84.181	COVID-19 – Special Education–Grants for Infants and Families		—	696,064	
	Total Special Education Grants for Infants and Families		8,082,967	27,516,869	
84.184	School Safety National Activities (formerly, Safe and Drug-Free Schools and Communities–National Programs)		—	497,726	
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities		—	895,440	
84.196	Education for Homeless Children and Youth		5,437,028	7,452,261	
84.282	Charter Schools		11,464,287	12,987,044	
84.287	Twenty-First Century Community Learning Centers		82,456,493	86,815,350	
84.323	Special Education – State Personnel Development		—	4,363	
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs				
	Pass–Through from Higher Education Services Corporation	P378A140035	—	1,651,176	
84.358	Rural Education		2,022,463	2,233,081	
84.365	English Language Acquisition State Grants		61,891,765	64,353,322	
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)		135,038,485	144,232,440	*
84.369	Grants for State Assessments and Related Activities		—	13,475,573	
84.377	School Improvement Grants		19,374	19,374	
84.424	Student Support and Academic Enrichment Program		66,716,389	68,716,409	*

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	U.S. Department of Education (continued)			
	Education Stabilization Fund Cluster:			
84.425B	COVID-19 – Education Stabilization Fund – Discretionary Grants: Rethink K-12 Education Models Grants		$ —	4,576,120
84.425C	COVID-19 – Education Stabilization Fund – Governor's Emergency Education Relief (GEER)		126,433,530	126,433,530
84.425D	COVID-19 – Education Stabilization Fund – Elementary and Secondary School Emergency Relief (ESSER)		1,350,005,209	1,353,210,516
84.425E	COVID-19 – Education Stabilization Fund – Higher Education Emergency Relief (HEERF) Student Aid Portion		—	329,911,136
84.425F	COVID-19 – Education Stabilization Fund – HEERF Institutional Portion		—	326,979,127
84.425G	COVID-19 – Education Stabilization Fund – Discretionary Grants: Reimagining Workforce Preparation Grants		—	112,266
84.425M	COVID-19 – Education Stabilization Fund – Strengthening Institutions Program (SIP)		—	11,307,744
84.425R	COVID-19 – Coronavirus Response and Relief Supplemental Appropriations – Emergency Assistance for Non-Public Schools		—	49,464,276
84.425U	COVID-19 – American Rescue Plan Elementary and Secondary School Emergency Relief Fund		496,400,355	496,487,432
	Total Education Stabilization Fund Cluster		1,972,839,094	2,698,482,147 *
84.426	Randolph–Sheppard – Financial Relief and Restoration Payments		—	781,870
	National Archives and Records Administration			
89.003	National Historical Publications and Records Grants		—	56,970
	U.S. Elections Assistance Commission			
90.401	Help America Vote Act Requirements Payments		19,751	1,853,461
90.404	2018 HAVA Election Security Grants		—	7,660,368
90.404	COVID-19 – 2018 HAVA Election Security Grants		—	(157,823)
	Total 2018 HAVA Election Security Grants		—	7,502,545
	U.S Northern Border Regional Commission			
90.601	Northern Border Regional Development		—	114,697
	U.S. Department of Health and Human Services			
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation		—	318,066
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		1,554,351	1,554,351
93.042	COVID-19 – Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		432,903	432,903
	Total Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		1,987,254	1,987,254
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		1,428,825	1,502,217
93.043	COVID-19 – Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		44,511	44,511
	Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		1,473,336	1,546,728
	Aging Cluster:			
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		24,260,370	25,286,185
93.044	COVID-19 – Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		6,054,771	6,083,471
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services		34,244,550	36,582,784
93.045	COVID-19 – Special Programs for the Aging, Title III, Part C, Nutrition Services		6,694,681	6,694,681
93.053	Nutrition Services Incentive Program		12,310,173	12,310,173
	Total Aging Cluster		83,564,545	86,957,294

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	U.S. Department of Health and Human Services (continued)			
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		$ 106,464	106,464
93.048	COVID-19 – Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		1,298,504	1,298,504
	Total Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		1,404,968	1,404,968
93.052	National Family Caregiver Support, Title III, Part E		9,958,200	10,528,202
93.052	COVID-19 – National Family Caregiver Support, Title III, Part E		2,928,049	2,928,049
	Total National Family Caregiver Support, Title III, Part E		12,886,249	13,456,251
93.060	Sexual Risk Avoidance Education		478,781	628,242
93.071	Medicare Enrollment Assistance Program		1,372,399	1,636,703
93.072	Lifespan Respite Care Program		80,355	126,303
93.074	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements		—	1,813,512
93.090	Guardianship Assistance		14,326,720	15,520,921
93.090	COVID-19 – Guardianship Assistance		2,175,040	2,175,040
	Total Guardianship Assistance		16,501,760	17,695,961
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program		2,525,061	2,931,004
93.103	Food and Drug Administration – Research		—	2,645,742
93.110	Maternal and Child Health Federal Consolidated Programs		—	510,150
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs		—	1,487,413
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices		—	433,916
93.142	NIEHS Hazardous Waste Worker Health and Safety Training		—	7,000
93.150	Projects for Assistance in Transition from Homelessness (PATH)		2,114,093	2,254,211
93.165	Grants to States for Loan Repayment		953,106	953,106
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program		2,150,882	2,320,421
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance		1,613,476	7,416,816
	Pass–Through From Monroe County	16–6002563	—	161,595
	Total Substance Abuse and Mental Health Services Projects of Regional and National Significance		1,613,476	7,578,411
93.268	Immunization Cooperative Agreements		428,750	137,857,908
93.268	COVID-19 – Immunization Cooperative Agreements		2,565,249	81,570,309
	Total Immunization Cooperative Agreements		2,993,999	219,428,217
93.283	Centers for Disease Control and Prevention Investigations and Technical Assistance		—	4,000
93.288	National Health Service Corps Scholarship Program		—	132,542
93.324	State Health Insurance Assistance Program		2,031,292	2,693,732
93.350	National Center for Advancing Translational Sciences		—	3,000
93.367	Flexible Funding Model – Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs		—	480,832
93.369	ACL Independent Living State Grants		—	971,826
93.378	Integrated Care for Kids Model		2,782,008	3,152,643
93.394	Cancer Detection and Diagnosis Research		—	664,529
93.434	Every Student Succeeds Act/Preschool Development Grants		326,117	14,010,496
93.461	COVID-19 – HRSA COVID-19 Uninsured Program		—	1,002,532
93.464	ACL Assistive Technology		—	892,664
93.497	COVID-19 – Family Violence Prevention and Services Act Sexual Assault/Rape Crisis Grants for States and Native American Tribes (including Alaska Native Villages) and Tribal Organizations		—	2,524,940
93.498	COVID-19 – Provider Relief Fund		—	374,788,581 *
93.499	COVID-19 – Low Income Housing Water Assistance Program (LIHWAP)		—	6,640,655
93.525	State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges		—	749,493
93.556	MaryLee Allen Promoting Safe and Stable Families Program		17,365,819	18,818,613

Federal Assistance Listing Number	Federal Agency/Grantor/ Pass Through Grantor Program or Cluster Title	Pass Through Identifying Number	Passed Through to Subrecipients	Federal Expenditures	
	U.S. Department of Health and Human Services (continued)				
93.558	Temporary Assistance for Needy Families		$ 1,874,354,007	1,904,207,671	
93.558	COVID-19 – Temporary Assistance for Needy Families		—	3,083	
	Total Temporary Assistance for Needy Families		1,874,354,007	1,904,210,754	*
93.563	Child Support Enforcement		91,364,374	179,906,603	
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs		4,821,362	14,332,564	
93.568	Low–Income Home Energy Assistance		111,042,934	364,002,547	
93.568	COVID-19 – Low–Income Home Energy Assistance		7,700,834	286,624,824	
	Total Low–Income Home Energy Assistance		118,743,768	650,627,371	*
93.569	Community Services Block Grant		68,806,667	71,793,067	
93.569	COVID-19 – Community Services Block Grant		24,940,569	25,469,459	
	Total Community Services Block Grant		93,747,236	97,262,526	
	CCDF Cluster:				
93.575	Child Care and Development Block Grant		487,864,384	589,692,947	
93.575	COVID-19 – Child Care and Development Block Grant		5,898,225	986,745,504	
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund		90,479,843	90,479,843	
	Total CCDF Cluster		584,242,452	1,666,918,294	
93.586	State Court Improvement Program		—	1,095,619	
93.590	Community–Based Child Abuse Prevention Grants		2,611,595	2,614,660	
93.597	Grants to States for Access and Visitation Programs		—	424,007	
93.599	Chafee Education and Training Vouchers Program (ETV)		1,603,350	1,603,350	
93.599	COVID-19 – Chafee Education and Training Vouchers Program (ETV)		1,409,529	1,409,529	
	Pass–Through from Education and Training Voucher (ETV) program of NYS	—	—	7,375	
	Total Chafee Education and Training Vouchers Program (ETV)		3,012,879	3,020,254	
	Head Start Cluster:				
93.600	Head Start		—	237,178	
	Total Head Start Cluster		—	237,178	
93.603	Adoption and Legal Guardianship Incentive Payments		—	1,343,334	
93.603	COVID-19 – Adoption and Legal Guardianship Incentive Payments		—	2,463	
	Total Adoption and Legal Guardianship Incentive Payments		—	1,345,797	
93.630	Developmental Disabilities Basic Support and Advocacy Grants		2,440,318	4,479,572	
93.630	COVID-19 – Developmental Disabilities Basic Support and Advocacy Grants		522,979	522,979	
	Total Developmental Disabilities Basic Support and Advocacy Grants		2,963,297	5,002,551	
93.640	Basic Health Program (Affordable Care Act)		—	5,489,030,382	*
93.643	Children's Justice Grants to States		689,786	886,025	
93.645	Stephanie Tubbs Jones Child Welfare Services Program		11,264,149	11,264,149	
93.645	COVID-19 – Stephanie Tubbs Jones Child Welfare Services Program		124,199	124,199	
	Total Stephanie Tubbs Jones Child Welfare Services Program		11,388,348	11,388,348	
93.658	Foster Care Title IV-E		393,469,781	411,639,533	
93.658	COVID-19 – Foster Care Title IV-E		25,401,193	25,401,193	
	Total Foster Care Title IV-E		418,870,974	437,040,726	*
93.659	Adoption Assistance		143,029,853	145,259,856	
93.659	COVID-19 – Adoption Assistance		28,205,352	28,205,352	
	Total Adoption Assistance		171,235,205	173,465,208	
93.667	Social Services Block Grant		294,836,063	297,169,581	*
93.669	Child Abuse and Neglect State Grants		1,694,890	2,356,567	
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		4,744,827	6,087,078	
93.671	COVID-19 – Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		6,625,104	6,686,210	
	Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		11,369,931	12,773,288	
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood		15,353,246	15,381,246	
93.674	COVID-19 – John H. Chafee Foster Care Program for Successful Transition to Adulthood		10,761,039	10,761,039	
	Total John H. Chafee Foster Care Program for Successful Transition to Adulthood		26,114,285	26,142,285	

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	U.S. Department of Health and Human Services (continued)				
93.734	Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs – financed by Prevention and Public Health Funds (PPHF)		$ 39,275	213,307	
93.747	Elder Abuse Prevention Interventions Program		7,888	86,635	
93.747	COVID-19 – Elder Abuse Prevention Interventions Program		167,607	167,607	
	Total Elder Abuse Prevention Interventions Program		175,495	254,242	
93.767	Children's Health Insurance Program		12,954,510	1,237,043,620	*
	Medicaid Cluster:				
93.775	State Medicaid Fraud Control Units		—	39,982,647	
93.775	COVID-19 – State Medicaid Fraud Control Units		—	35,206	
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		—	17,808,803	
93.777	COVID-19 – State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		—	189	
93.778	Medical Assistance Program		447,646,851	49,929,457,718	
93.778	COVID-19 – Medical Assistance Program		—	(2,948)	
	Total Medicaid Cluster		447,646,851	49,987,281,615	*
93.791	Money Follows the Person Rebalancing Demonstration		—	37,339,471	
93.822	Health Careers Opportunity Program		—	88,500	
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders		—	29,166	
93.855	Allergy and Infectious Diseases Research		—	3,000	
93.859	Biomedical Research and Research Training		—	3,000	
93.870	Maternal, Infant and Early Childhood Home Visiting Grant		7,904,637	8,753,278	
93.870	COVID-19 – Maternal, Infant and Early Childhood Home Visiting Grant		109,606	109,606	
	Total Maternal, Infant and Early Childhood Home Visiting Grant		8,014,243	8,862,884	
93.958	Block Grants for Community Mental Health Services		31,224,686	33,265,869	
93.959	Block Grants for Prevention and Treatment of Substance Abuse		116,035,896	121,328,876	
93.959	COVID-19 – Block Grants for Prevention and Treatment of Substance Abuse		—	270,000	
	Total Block Grants for Prevention and Treatment of Substance Abuse		116,035,896	121,598,876	
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants		738,055	2,290,352	
93.991	Preventive Health and Health Services Block Grant		1,707,118	8,346,825	
93.991	COVID-19 – Preventive Health and Health Services Block Grant		—	363,551	
	Total Preventive Health and Health Services Block Grant		1,707,118	8,710,376	
93.994	Maternal and Child Health Services Block Grant to the States		18,118,286	38,312,031	
93.994	COVID-19 – Maternal and Child Health Services Block Grant to the States		—	16,100	
	Total Maternal and Child Health Services Block Grant to the States		18,118,286	38,328,131	
	Corporation for National and Community Service				
94.003	State Commissions		—	599,989	
94.006	AmeriCorps		10,581,166	10,827,469	
94.008	Commission Investment Fund		—	3,536	
94.009	Training and Technical Assistance		—	86,582	
	Foster Grandparent/Senior Companion Cluster:				
94.016	Senior Companion Program		—	9,928	
	Total Foster Grandparent/Senior Companion Cluster		—	9,928	
94.021	Volunteer Generation Fund		287,987	287,987	
	U.S. Social Security Administration				
	Disability Insurance/SSI Cluster:				
96.001	Social Security Disability Insurance		—	196,185,689	
	Total Disability Insurance/SSI Cluster		—	196,185,689	

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	U.S. Department of Homeland Security			
97.008	Non-Profit Security Program		$ 7,967,980	7,967,980
97.012	Boating Safety Financial Assistance		—	1,843,393
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)		—	587,705
97.029	Flood Mitigation Assistance		192,186	192,186
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)		492,795,351	521,979,300
97.036	COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)		780,365,595	780,365,661
	Total Disaster Grants – Public Assistance (Presidentially Declared Disasters)		1,273,160,946	1,302,344,961 *
97.039	Hazard Mitigation Grant		54,357,453	55,996,212
97.041	National Dam Safety Program		—	439,393
97.042	Emergency Management Performance Grants		8,183,621	14,812,889
97.042	COVID–19 – Emergency Management Performance Grants		2,794,282	2,794,282
	Total Emergency Management Performance Grants		10,977,903	17,607,171
97.044	Assistance to Firefighters Grant		—	709,934
97.045	Cooperating Technical Partners		—	81,672
97.047	BRIC: Building Resilient Infrastructure and Communities		1,076,700	1,076,700
97.050	COVID–19 – Presidential Declared Disaster Assistance to Individuals and Households – Other Needs		—	6,196,593
97.056	Port Security Grant Program		—	84,540
97.067	Homeland Security Grant Program		231,911,877	254,277,092
97.109	Disaster Housing Assistance Grant		—	29,466
97.111	Regional Catastrophic Preparedness Grant Program (RCPGP)		—	81,923
97.132	Financial Assistance for Targeted Violence and Terrorism Prevention		9,835	35,439
97.133	Preparing for Emerging Threats and Hazards		105,433	121,768
	Other Clusters			
	Student Financial Assistance Cluster:			
	U.S. Department of Education			
84.007	Federal Supplemental Educational Opportunity Grants		—	7,014,542
84.033	Federal Work-Study Program		—	11,114,939
84.038	Federal Perkins Loan (FPL) Program – Federal Capital Contributions		—	75,943,136
84.063	Federal Pell Grant Program		—	301,378,127
84.268	Federal Direct Student Loans		—	980,086,218
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)		—	3,675,977
	Total U.S. Department of Education		—	1,379,212,939
	U.S. Department of Health and Human Services			
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students		—	15,795,320
93.364	Nursing Student Loans		—	7,818,201
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds		—	574,050
	Total U.S. Department of Health and Human Services		—	24,187,571
	Total Student Financial Assistance Cluster		—	1,403,400,510
	Research and Development Cluster:			
16.593	Residential Substance Abuse Treatment for State Prisoners		—	20,099
16.812	Second Chance Act Reentry Initiative		—	5,339
20.205	Highway Planning and Construction		—	3,668,577
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		—	150,943
93.563	Child Support Enforcement		257,079	257,079
	Total Research and Development Cluster		257,079	4,102,037
	Total Expenditures of Federal Awards		**$ 15,114,134,081**	**127,335,960,857**

*Represents Major Program

See accompanying notes to the Schedule of Expenditures of Federal Awards.

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

For purposes of complying with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the State of New York (State) is defined in a manner consistent with the entity defined in the State of New York Annual Comprehensive Financial Report as of and for the year ended March 31, 2022. The following entities, however, are excluded:

i. New York State and Local Retirement System, State Lottery, and the City University of New York Fund;

ii. Research Foundation of the State University of New York;

iii. All public benefit corporations, as defined in the Annual Comprehensive Financial Report (note 14), except for the following four public benefit corporations which are included:

1. Dormitory Authority of the State of New York,
2. New York State Energy Research and Development Authority,
3. Hugh L. Carey Battery Park City Authority, and
4. Housing Trust Fund Corporation.

Each of the excluded entities are subject to separate audits in compliance with the Uniform Guidance, as applicable.

(b) Basis of Presentation

The Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the State under programs of the federal government for the year ended March 31, 2022. The information in this Schedule is presented in accordance with the Uniform Guidance. The Schedule presents only a selected portion of the operations of the State; therefore, it is not intended to and does not present the net position, changes in net position, or cash flows of the State.

(c) Basis of Accounting

Expenditures reported on the Schedule are generally reported on the cash basis of accounting, as reported by the Statewide Financial System (SFS). The expenditures reported on the Schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. The negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The SFS provides primary information from which the basic financial statements are prepared.

(d) Matching Costs

Matching costs, the nonfederal share of certain program costs, are not included in the Schedule except for the State’s share of unemployment insurance (see Note 4).

(2) Relationship to Federal Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the Schedule, which is prepared on the basis explained in Note 1(c).

(3) Indirect Cost Rate

The State does not utilize the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

(4) Unemployment Insurance

State unemployment tax revenues and other payments must be deposited into the Unemployment Trust Fund in the U.S. Treasury. Use of these funds is restricted to pay benefits under the federally approved State unemployment law. State unemployment insurance funds as well as federal funds are used to pay benefits under the Unemployment Insurance program (Assistance Listing Number 17.225). The amount reported in the Schedule for the Unemployment Insurance program included $3.1 billion in State-funded expenditures deposited into the Unemployment Trust Fund in the U.S. Treasury.

(5) Loan and Loan Guarantee Programs

(a) Federal Student Loan and Loan Guarantee Programs

The federal student loan programs listed below are administered by the State through the State University of New York (SUNY), and balances and transactions related to these programs are included in the State’s Annual Comprehensive Financial Report. Loans made during the year are included as federal expenditures presented in the Schedule. Loans outstanding at March 31, 2022 amounted to $60 million, net of allowance for doubtful accounts. The following table displays activity for federal student loans outstanding at March 31, 2022:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
84.038	Federal Perkins Loan (FPL) Program – Federal Capital Contributions	$ 75,943,136	—	(36,564,673)	$ 39,378,463
93.342	Health Professions Student Loans, Including Primary Care Loans/ Loans for Disadvantaged Students	13,445,063	2,350,257	(2,413,374)	13,381,946
93.364	Nursing Student Loans	6,799,226	1,018,975	(650,685)	7,167,516

SUNY participates in the Federal Direct Student Loans program (Assistance Listing Number 84.268), which provides federal loans directly to students rather than through private lending institutions. SUNY is responsible only for the origination of the loan (i.e., determining student eligibility and disbursing loan proceeds to the borrower). The Direct Loan Servicer is then responsible for overall servicing and collection of the loan. During the year ended March 31, 2022, SUNY processed approximately $980 million of new loans under the Federal Direct Student Loans program, which are included in the Schedule. The program is administered by the federal government; therefore, new loans made during the year are reported in the Schedule, whereas the outstanding loan balances are not.

(b) Home Investment Partnerships Program

The State administers the Home Investment Partnerships (HOME) Program (Assistance Listing Number 14.239) through the Housing Trust Fund Corporation. A portion of the HOME Program payments are in the form of low interest loans made to not-for-profit and for-profit organizations to construct multi-family apartment buildings. Loans outstanding at March 31, 2022 amounted to $240 million. The following table displays activity for the HOME Program loans outstanding at March 31, 2022:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.239	Home Investment Partnerships Program	$ 239,194,059	388,870	(4,733)	$ 239,578,196

(c) Housing Trust Fund

The State administers the Housing Trust Fund (HTF) program (Assistance Listing Number 14.275) through the Housing Finance Agency who transfers the funds to the Housing Trust Fund Corporation. The funds of the HTF program payments are in the form of loans made to not-for-profit and for-profit organizations, and charitable organizations to support new construction and preservation of low-income multi-family rental properties. Loans outstanding at March 31, 2022 amounted to $835 thousand. The following table displays activity for the HTF Program loans outstanding at March 31, 2022:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.275	Housing Trust Fund	$ —	835,000	—	$ 835,000

(d) Hurricane Sandy Community Development Block Grant Disaster Recovery Grants and Community Development Block Grant National Disaster Resilience Grants

The State administers the Hurricane Sandy Community Development Block Grant Disaster Recovery (CDBG-DR) Grants program (Assistance Listing Number 14.269) and Community Development Block Grant National Disaster Resilience Competition program (Assistance Listing Number 14.272) through the Governor’s Office of Storm Recovery. A portion of the program payments are in the form of loans. Loans outstanding at March 31, 2022 amounted to $137 million. The following table displays activity for these grant programs at March 31, 2022:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.269	Hurricane Sandy CDBG-DR Grants	$ 109,396,687	22,485,534	—	$ 131,882,221
14.272	Community Development Block Grant National Disaster Resilience Competition	5,500,000	—	—	5,500,000

(6) Non-Cash Awards

The State is the recipient of federal award programs that do not result in cash receipts or disbursements and are therefore not recorded in the State's fund financial statements. Non-cash amounts of awards received by the State are included in the Schedule as follows:

Assistance Listing Number	Program Title	Non-Cash Awards Subrecipient	Non-Cash Awards Total
10.542	COVID-19 – Pandemic EBT Food Benefits	$ —	$ 1,685,350,501
10.551	Supplemental Nutrition Assistance Program	—	5,814,298,526
10.551	COVID-19 – Supplement Nutrition Assistance Program	—	2,831,880,374
10.555	National School Lunch Program	120,516,814	120,516,814
10.558	Child and Adult Care Food Program	81,503	81,503
10.559	Summer Food Service Program for Children	834,826	834,826
10.565	Commodity Supplemental Food Program	11,980,476	11,980,476
10.569	Emergency Food Assistance Program	113,511,201	113,511,201
16.578	Public Benefit Conveyance Program	26,619,630	26,989,410
93.268	Immunization Cooperative Agreements	—	125,792,097
		$ 273,544,450	$ 10,731,235,728

(7) Litigation

The State is a defendant in numerous legal proceedings pertaining to matters incidental to the performance of routine governmental operations. Such litigation includes, but is not limited to, claims asserted against the State arising from alleged torts, alleged breaches of contracts, condemnation proceedings, and other alleged violations of State and federal laws.

Included in the State's outstanding litigation are a number of cases challenging the legality or the adequacy of a variety of significant social welfare programs, primarily involving the State's Medicaid and mental health programs. Adverse judgments in these matters generally could result in injunctive relief coupled with prospective changes in patient care that could require substantial increased financing of the litigated programs in the future.

STATE OF NEW YORK

Schedule of Findings and Questioned Costs

Year ended March 31, 2022

(1) Summary of Auditors' Results

a. Type of report issued on whether the basic financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified**

b. Internal control deficiencies over financial reporting disclosed by the audit of the basic financial statements:

- Material weaknesses: **Yes**
- Significant deficiencies: **Yes**

c. Noncompliance material to the basic financial statements: **No**

d. Internal control deficiencies over major programs disclosed by the audit:

- Material weaknesses: **Yes**
- Significant deficiencies: **Yes**

e. Type of report issued on compliance for major programs: **Unmodified except for:**

Qualified Opinion

- Unemployment Insurance – 17.225
- Social Services Block Grant – 93.667

f. Audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **Yes**

g. Major programs:

- SNAP Cluster – 10.551 and 10.561
- WIC Special Supplemental Nutrition Program for Women, Infants, and Children – 10.557
- Child and Adult Care Food Program – 10.558
- Unemployment Insurance – 17.225
- Coronavirus Relief Fund – 21.019
- Emergency Rental Assistance Program – 21.023
- Coronavirus State and Local Fiscal Recovery Funds – 21.027
- Clean Water State Revolving Fund Cluster – 66.458 and 66.482
- Drinking Water State Revolving Fund Cluster – 66.468 and 66.483
- Title I Grants to Local Educational Agencies – 84.010

- Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants) – 84.367
- Student Support and Academic Enrichment Program – 84.424
- Education Stabilization Fund Cluster – 84.425B, 84.425C, 84.425D, 84.425E, 84.425F, 84.425G, 84.425M, 84.425R, and 84.425U
- Provider Relief Fund – 93.498
- Temporary Assistance for Needy Families – 93.558
- Low-Income Home Energy Assistance – 93.568
- Basic Health Program (Affordable Care Act) – 93.640
- Foster Care Title IV-E – 93.658
- Social Services Block Grant – 93.667
- Children’s Health Insurance Program – 93.767
- Medicaid Cluster – 93.775, 93.777, and 93.778
- Disaster Grants – Public Assistance (Presidentially Declared Disasters) – 97.036

h. Dollar threshold used to distinguish between Type A and Type B programs: **$191,003,941**

i. Auditee qualified as a low-risk auditee: **No**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

The State has a material weakness in internal control over financial reporting due to untimely reconciliation of account activity to ensure the completeness and accuracy of its financial records related to cash activity. The State has a significant deficiency in internal control over financial reporting relating to untimely de-provisioning of access for terminated employees to its UI application and network layer.

Refer to the separately issued report dated July 27, 2022, for specific details regarding these findings.

(3) Findings and Questioned Costs Relating to Federal Awards

See pages 23 to 59.

Federal Agency:	United States Department of Agriculture
Federal Programs:	Child and Adult Care Food Program (10.558)
Federal Award Numbers:	202120N105044, 202121N115044, 202222N115044, 202221N115044, 202121N202044, 202120N202044, 202121N109944, 202120N109944, 202121N119944, 202121H170644, 202222N202044, 202221N202044, 202222N119944, 202221N119944
Federal Award Years:	2021 and 2022
State Agency:	Department of Health
Reference:	2022-003

Criteria

Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements*, section 200.332(d) states all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that he subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward, and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity.

(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.

(3) Issuing a management decision for audit findings pertaining to the federal award provided to the subrecipient from the pass-through entity as required by 2 CFR 200.521.

Additionally, 2 CFR 200.303(a) states the nonfederal entity must Establish and maintain effective internal control over the federal award that provides reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition

For 3 of 40 subrecipients selected, the Department did not review the cases by the scheduled due date for the single audit reports as required in accordance with 2 CFR 200.332(d).

The Department of Health (the Department) did not have effective internal controls in place to ensure that all required single audits of the program's subrecipients were reviewed, followed-up, or appropriate action was taken and as necessary issued a management decision pertaining to the audit finding in accordance with 2 CFR 200, as applicable. The Department maintains an internal clearinghouse tracker (the tracker) to track the subrecipients single audit status. The tracker tracks subrecipients that are exempt from single audit requirements as well as the status and follow-up required for the subrecipients with single audits.

Cause

The condition is due to DOH Audit Clearinghouse personnel not operating as intended, due to COVID-19 personnel reassignments, to ensure the timely review of all single audit reports for all subrecipients receiving federal funding from the Department.

Possible Asserted Effect

Failure to properly obtain and review subrecipient single audit reports may result in the use of federal funding not being in compliance with federal statues, regulations, and the terms and conditions of subawards.

Questioned Costs

None.

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding for the Department was included in the 2019 Single Audit Report as finding number 2019-032 at pages 90–92.

Recommendation

We recommend the Department to continue working on the implementation of its replacement computerized system to (1) identify all subrecipients required to have a single audit, (2) ensure that sanctions are imposed in a timely manner for subrecipients that do not submit timely single audit reports, and (3) issue management decisions within six months for all single audit reports that contain findings relevant to the Department's programs.

In the interim, we recommend that manual internal control procedures be implemented by the Department to ensure that all subrecipients that require a single audit to be completed submit the report on a timely basis and, if applicable, respond to management decision letters be issued by the Department.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Labor
Federal Program:	Unemployment Insurance (17.225)
Federal Award Numbers:	Not Applicable
Federal Award Years:	Not Applicable
State Agency:	Department of Labor
Reference:	2022-004

Criteria

The Payments Integrity Information Act (PIIA) of 2019 codified the requirement for valid statistical estimates of improper payments. by Title 20 Code of Federal Regulations Part 602 (20 CFR 602), *Quality Control in the Federal-State Unemployment System*, prescribes a Quality Control (QC) program for the Federal-State unemployment compensation (UC) system, which is appliable to the State UC programs and the Federal unemployment benefit and allowance programs administered by the State unemployment compensation agencies under agreements between the States and the Secretary of Labor. 20 CFR 602.11(d) states to satisfy the requirements of Section 303(a)(1) and (6) of the Social Security Act (SSA) (42 USC 503), a State law must contain a provision requiring, or which is construed to require, the establishment and maintenance of a QC program in accordance with the requirements of this part. The establishment and maintenance of such a QC program in accordance with this part shall not require any change in State law concerning authority to undertake redeterminations of claims or liabilities or the finality of any determination, redetermination or decision.

Each State shall establish a QC unit independent of, and not accountable to, any unit performing functions subject to evaluation by the QC unit. The organizational location of this unit shall be positioned to maximize its objectivity, to facilitate its access to information necessary to carry out its responsibilities, and to minimize organizational conflict of interest.

Per 20 CFR 602.21 – Standard methods and Procedures, Each State Shall:

(a) Perform the requirements of this section in accordance with instructions issued by the Department, pursuant to § 602.30(a) of this part, to ensure standardization of methods and procedures in a manner consistent with this part;

(b) Select representative samples for QC study of at least a minimum size specified by the Department to ensure statistical validity (for benefit payments, a minimum of 400 cases of weeks paid per State per year);

(c) Complete prompt and in-depth case investigations to determine the degree of accuracy and timeliness in the administration of the State UC law and Federal programs with respect to benefit determinations, benefit payments, and revenue collections; and conduct other measurements and studies necessary or appropriate for carrying out the purposes of this part; and in conducting investigations each State shall:

    (1) Inform claimants in writing that the information obtained from a QC investigation may affect their eligibility for benefits and inform employers in writing that the information obtained from a QC investigation of revenue may affect their tax liability,

    (2) Use a questionnaire, prescribed by the Department, which is designed to obtain such data as the Department deems necessary for the operation of the QC program; require completion of the questionnaire by claimants in accordance with the eligibility and reporting authority under State law,

(3) Collect data identified by the Department as necessary for the operation of the QC program; however, the collection of demographic data will be limited to those data which relate to an individual's eligibility for UC benefits and necessary to conduct proportions tests to validate the selection of representative samples (the demographic data elements necessary to conduct proportions tests are claimants' date of birth, sex, and ethnic classification); and

(4) Conclude all findings of inaccuracy as d(a) Perform the requirements of this section in accordance with instructions issued by the Department, pursuant to § 602.30(a) of this part, to ensure standardization of methods and procedures in a manner consistent with this part;

(d) Classify benefit case findings resulting from QC investigations as:

(1) Proper payments, underpayments, or overpayments in benefit payment cases, or

(2) Proper denials or underpayments in benefit denial cases;

(e) Make and maintain records pertaining to the QC program, and make all such records available in a timely manner for inspection, examination, and audit by such Federal officials as the Secretary may designate or as may be required or authorized by law;

(f) Furnish information and reports to the Department, including weekly transmissions of case data entered into the automated QC system and annual reports, without, in any manner, identifying individuals to whom such data pertain; and

(g) Release the results of the QC program at the same time each year, providing calendar year results using a standardized format to present the data as prescribed by the Department; States will have the opportunity to release this information prior to any release by the Department.

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

The Benefit Accuracy Measurement (BAM) programs consists of reviews of Regular UI payments, which are paid out of the Unemployment Insurance Trust Fund, and therefore are not associated with a Federal Award Number.

For the period ending September 30, 2021, New York State sampled a total of 447 Denied Claims, 3 cases short of the USDOL minimum annual allocation requirement for Denied Cases of 450.

Additionally, NYS has failed the 90- and 120-day time lapse requirement for Paid Claims. For the Month of March 2022, 94.58% of cases were reviewed and closed within 90 days, less than 1% short of the required 95%. Also, for the month of March 2022, NYS reviewed and closed 96.02% and 95.41% of both paid and denied claims within 120 days, which is short of the required 98%.

Cause

The condition related to the failure to meet the minimum annual allocation threshold was a result of New York State not identifying in its initial sample selection of 450 that 3 of the cases selected from the last week for sampling in the 2020/2021 PIIA year did not relate to regular UI payments and were not identified in time to be replaced for evaluation under the BAM program PIIA year. The three incorrect samples were subsequently determined to be issued under a temporary program (PUA) and not able to be replaced due to the Department policies and procedures allowing for the sample item to be replaced in the subsequent week.

The condition related to the time lapse requirements results from a shortage of staff and backlogged cases directly related to the COVID-19 Pandemic. As a result, the Department was unable to meet all case allocation and timely review requirements.

Possible Asserted Effect

Failure to perform timely completion of investigations results in the inability of UI Program to appropriately assess the degree of accuracy and timeliness in the administration of the State UC law and Federal programs with respect to benefit determinations, benefit payments, and revenue collections.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend that the Department ensures that their policies and procedures are designed to review selected cases to ensure they meet the prescribed criteria and, if necessary, be replaced as part of the final sampling week for the PIIA year. Additionally, the Department should enhance its process to ensure the completion of Paid and Denied cases are reviewed and closed timely in accordance with State Law.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Labor
Federal Program:	Unemployment Insurance (17.225)
Federal Award Numbers:	MI-34016-19-75-A-36; MI-35505-20-75-A-36; UI-27922-15-55-A-36; UI-32857-19-60-A-36; UI-34075-20-55-A-36; UI-34512-20-60-A-36; UI-34732-20-55-A-36; UI-35665-21-55-A-36; UI-35961-21-60-A-36; UI-37081-21-55-A-36; UI-37240-22-55-A-36; UI-37261-22-55-A-36
Federal Award Years:	2020 and 2021
State Agency:	Department of Labor
Reference:	2022-005

Criteria

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed into law March 27, 2020, provides over $2 trillion of economic relief to workers, families, small businesses, industry sectors, and other levels of government that have been hit hard by the public health crisis created by the Coronavirus Disease 2019 (COVID-19). The CARES Act and subsequent legislation was designed to mitigate the economic effects of the COVID-19 pandemic in a variety of ways. Section 2102 of the CARES Act provided temporary benefits known as Pandemic Unemployment Assistance (PUA), for individuals who exhausted their entitlement to regular Unemployment Compensation (UC), and individuals who were not eligible for regular UC, such as those who were self-employed or who had limited recent work history. These individuals may also include certain gig economy workers, members of the clergy, and those working for religious organizations who were not covered by regular UC, as well as other workers who may not have been covered by the regular UC program under some state laws.

PUA provides benefits to covered individuals, who are those individuals not eligible for regular unemployment compensation (UC or extended benefits under state or federal law or Pandemic Emergency Unemployment Compensation (PEUC), including those who have exhausted all rights to such benefits. Covered individuals also include self-employed, those seeking part-time employment, individuals lacking sufficient work history, and those who otherwise do not qualify for regular unemployment compensation or extended benefits under state or federal law or PEUC. PUA is payable to individuals who are ineligible for regular UC, and are unemployed, partially unemployed, or unable or unavailable to work due to one of the COVID-19 related reasons identified Attachment I to UIPL No. 16-20, Change 5. Section 2102(a)(3)(A)(ii)(I) of the CARES Act included 10 specific COVID-19 related reasons. The Department, under the authority provided by Section 2102(a)(3)(A)(ii)(I)(kk) of the CARES Act, has added additional COVID-19 related reasons; these are discussed in more detail in Section 4.a. of UIPL No. 16-20, Change 5. While three of these new COVID-19 related reasons were introduced to states with the publication of UIPL No. 16-20, Change 5 on February 25, 2021, all COVID-19 related reasons apply retroactively to the beginning of the PUA program.

Additionally, as described in Section 4.b.i. of UIPL No. 16-20, Change 5, paraphrasing of the COVID-19 related reasons is not permissible; individuals must be permitted to select more than one COVID-19 related reason; individuals must be permitted to select different COVID-19 related reasons each week; and individuals must be permitted to file and select no COVID-19 related reasons.

(1) The individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and is seeking a medical diagnosis;

(2) A member of the individual's household has been diagnosed with COVID-19;

(3) The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19;

(4) A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work;

(5) The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency;

(6) The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;

(7) The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency;

(8) The individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19;

(9) The individual has to quit his or her job as a direct result of COVID-19;

(10) The individual's place of employment is closed as a direct result of the COVID-19 public health emergency; or

(11) The individual meets any additional criteria established by the Department for unemployment assistance under this section.

a) An individual who works as an independent contractor with reportable income may also qualify for PUA benefits if he or she is unemployed, partially employed, or unable or unavailable to work because the COVID-19 public health emergency has severely limited his or her ability to continue performing his or her customary work activities, and has thereby forced the individual to suspend such activities;

b) The individual has been denied continued unemployment benefits because the individual refused to return to work or accept an offer of work at a worksite that, in either instance, is not in compliance with local, state, or national health and safety standards directly related to COVID-19. This includes, but is not limited to, those related to facial mask wearing, physical distancing measures, or the provision of personal protective equipment consistent with public health guidelines;

c) An individual provides services to an educational institution or educational service agency and the individual is unemployed or partially unemployed because of volatility in the work schedule that is directly caused by the COVID-19 public health emergency. This includes, but is not limited to, changes in schedules and partial closures; or

d) An individual is an employee and their hours have been reduced or the individual was laid off as a direct result of the COVID-19 public health emergency.

Section 2107 of the CARES Act created a new temporary federal program called PEUC that provided additional weeks of benefits to individuals who had exhausted their regular UC entitlement and provided funding to states to administer the program. The CARES Act originally provided up to 13 additional weeks of PEUC benefits.

Section 206 of CAA and Section 9016 of the American Rescue Plan Act of 2021 (ARPA) increased the total amount of PEUC benefits available to 53 times the individual's average weekly benefit amount, with the additional weeks of benefits payable for weeks of unemployment ending after March 14, 2021.

To be eligible for PEUC, a claimant must have exhausted all rights to regular compensation under state law or federal law with respect to a benefit year that ended on or after July 1, 2019; have no rights to regular compensation with respect to a week under any other state UC law or federal UC law, or to compensation under any other federal law; are not receiving compensation with respect to a week under the UC law of Canada; and are able to work, available to work, and actively seeking work, while recognizing that states must provide flexibility in meeting the "actively seeking work" requirement if individuals are unable to search for work because of COVID-19, including because of illness, quarantine, or movement restriction.

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

In conjunction with our testwork over 60 samples related to PUA eligibility, the following findings were identified:

I. For 28 of the 60 samples, the Department of Labor (the Department) was unable to provide evidence the claimant has submitted proof of documentation substantiating employment, self-employment, or the planned commencement of employment or self-employment in accordance with Section 241 (a) of the Continued Assistance Act.

II. For 3 of the 60 samples, the incorrect benefit rate was calculated by the Department resulting in underpayments to claimants.

III. For 1 of the 60 samples the Department was unable to provide support for any files related to the eligibility determination of the claimant

IV. For 60 of the 60 samples, the Department did not complete the required quarterly wage checks for PUA claimants at most recent quarter change to ensure PUA claimant was not eligible for any other benefit programs.

In conjunction with our testwork over 60 samples related to PEUC eligibility, the following findings were identified:

V. For 60 of the 60 samples the Department did not complete required quarterly wage checks on PEUC claimants at most recent quarter change to ensure that PEUC claimant is still deemed to be an exhaustee and not eligible to establish a new benefit year for other UI programs.

VI. For 2 of the 60 samples, the claimant was received PEUC before exhausting 104 days of regular UI benefits.

Cause

Condition II results from the incorrect effective date and/or incorrect wages used to calculate the benefit rate resulting in underpayments to the claimant.

Conditions I, III, IV, and V, results from the Department not having the appropriate documentation to support the eligibility determinations made as part of the PUA and PEUC federal programs.

Condition VI results from the Department using incorrect backdates resulting in the claimant not exhausting 104 days of regular UI prior to receiving PEUC benefits.

Possible Asserted Effect

Failure to ensure eligibility is properly determined or benefit calculations are accurately stated may result in ineligible benefit payments not in accordance with the terms and conditions of the federal awards.

Questioned Costs

$679 (total overpayments of temporary federal awards paid to two selected beneficiaries)

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend the Department enhance its policies and procedures to ensure that all benefit payments made under the PUA and PEUC programs have the appropriate documentation to support eligibility determinations reached and that all benefit calculations are accurately supported for the calculated amounts.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

STATE OF NEW YORK

Schedule of Findings and Questioned Costs

Year ended March 31, 2022

Federal Agency:	United States Department of Labor
Federal Program:	Unemployment Insurance (17.225)
Federal Award Numbers:	Not Applicable
Federal Award Years:	Not Applicable
State Agency:	Department of Labor
Reference:	2022-006

Criteria

Under Section 904 of the Social Security Act, Unemployment Trust Fund, established in the Treasury of the United States a trust fund to be known as the "Unemployment Trust Fund" (Fund). The Secretary of the Treasury is authorized and directed to receive and hold in the Fund all moneys deposited therein by a State agency from a State unemployment fund, or by the Railroad Retirement Board to the credit of the railroad unemployment insurance account or the railroad unemployment insurance administration fund, or otherwise deposited in or credited to the Fund or any account therein. Such deposit may be made directly with the Secretary of the Treasury, with any depositary designated by him for such purpose, or with any Federal Reserve Bank. Under section (e), the fund shall be invested as a single fund, but the Secretary of the Treasury shall maintain a separate book account for each State agency.

Under Article 18 of New York State law, Title 7 Section 590, rights to benefits states that benefits shall not be paid for more than one hundred and four effective days in any benefit year, except as provided in section six hundred one and subdivision two of section five hundred ninety-nine of this chapter.

Additionally, Aliens must show proof that they are authorized to work by the US Citizenship and Immigration Services (USCIS) in order to be eligible to receive a federal public benefit (42 USC 1302b-7(d) and (e)). specifically If such an individual is not a citizen or national of the United States, there must be presented either alien registration documentation or other proof of immigration registration from the Immigration and Naturalization Service that contains the individual's alien admission number or alien file number (or numbers if the individual has more than one number), or such other documents as the State determines constitutes reasonable evidence indicating a satisfactory immigration status. In the case of such an individual who is not a citizen or national of the United States, if, at the time of application for benefits, the statement described in paragraph (1) is submitted but the documentation required under paragraph (2) is not presented or if the documentation required under paragraph (2)(A) is presented but such documentation is not verified under paragraph (3) the State shall provide a reasonable opportunity to submit to the State evidence indicating a satisfactory immigration status, and may not delay, deny, reduce, or terminate the individual's eligibility for benefits under the program on the basis of the individual's immigration status until such a reasonable opportunity has been provided

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

Regular UI payments, which are paid out of the Unemployment Insurance Trust Fund, and therefore are not associated with a Federal Award Number. During our testwork we noted the following:

I. For 1 of 60 regular Unemployment Compensation (UC) claimants selected, the claimant received regular UC payments for greater than 104 days drawn from the Unemployment Trust Fund.

Cause

I. Condition I results from Unemployment Insurance (UI) system and the Department failing to identify and restrict payment to the claimants that reached the maximum limit of days allowed for regular UC benefits. The Department does not have a manual control to identify the claimants as being coded to the incorrect benefit.

Possible Asserted Effect

Failure to ensure eligibility is properly determined or benefit calculations are accurately stated may result in ineligible benefit payments not in accordance with the terms and conditions of the federal awards.

Questioned Costs

$256 (overpayments in excess of maximum regular unemployment compensation paid to one selected beneficiary)

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding for the Department was included in the 2021 Single Audit Report as finding number 2021-005 at pages 23–24.

Recommendation

We recommend the Department enhance its process and controls to ensure claimants that have exhausted benefits such as regular UC are not allowed to receive benefits in excess of the maximum allowable days for the program. Additionally, we recommend the Department enhance its policies and procedures to ensure that all benefit payments made under regular Unemployment Compensation (UC) have the appropriate documentation to support eligibility determinations reached and that all benefit calculations are accurately supported for the calculated amounts.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Education
Federal Program:	Title I Grants to Local Educational Agencies (84.010)
Federal Award Numbers:	S010A180032, S010A190032, S010A200032, S010A210032
Federal Award Years:	2018, 2019, 2020, 2021
State Agency:	State Education Department
Reference:	2022-007

Criteria

20 U.S. Code Section 6311 (20 USC 6311 or ESEA), *State plans*, part (b)(2)(A) requires each State plan to demonstrate that the State educational agency (SEA), in consultation with local educational agencies (LEAs), has implemented a set of high-quality student academic assessments in mathematics, reading or language arts, and science.

Further, 20 USC 6311(b)(2)(B)(iii) and requires the assessment under subparagraph (A) to be used for purposes for which such assessments are valid and reliable, consistent with relevant, nationally recognized professional and technical testing standards, objectively measure academic achievement, knowledge, and skills, and be tests that do not evaluate or assess personal or family beliefs and attitudes, or publicly disclose personally identifiable information.

Additionally, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Audits*, section 200.303(a) states the nonfederal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government,” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

The State Education Department (the Department) policies and procedures require that each LEA provide to the Office of State Assessment (OSA) at the Department a completed exam storage certificate from every school that administers academic assessments in mathematics, reading or language arts, and science. This certification includes an attestation from the school of the LEA related to maintain the security of the assessments. The certification is also required to be signed by the Principal of the school attesting to the stated procedures.

For 1 of 40 LEAs selected for testing, the exam storage certificate was not signed by the Principal.

Cause

The condition found is due to the control not operating effectively ensuring all exam certificates are signed before acceptance by the Department.

Possible Asserted Effect

Failure to ensure certifications from the schools are signed by the Principal may result in the inability to ensure an assessment system is maintained that is valid, reliable, and consistent with relevant professional and technical standards.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend that the Department enhance its policies and procedures to ensure attestation certificates are reviewed by the Department to ensure they are properly completed and have all required signatures and, if any required information is missing, appropriate follow-ups are made with districts to ensure compliance with the federal statutes, regulations, and terms and conditions of federal awards.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Education
Federal Program:	Education Stabilization Fund Cluster – Higher Education Emergency Relief Fund (HEERF) Institutional Portion (84.425F)
Federal Award Numbers:	P425F203244 (Purchase College) P425F201263-20B (Stony Brook)
Federal Award Years:	2022
State Agency:	State University of New York
Reference:	2022-008

Criteria

The CARES, CRRSAA, and ARP institutional quarterly portion reporting requirements involve publicly posting completed forms on the institution's website. The forms must be conspicuously posted on the institution's primary website on the same page the reports of the Institution's activities as to the emergency financial aid grants to students are posted.

A new, separate form must be posted covering aggregate amounts spent for HEERF I, HEERF II, and HEERF III funds each quarterly reporting period (September 30, December 31, March 31, and June 30), concluding after an institution has expended and liquidated all (a)(1) Institutional Portion, (a)(2), and (a)(3) funds and checks the "final report" box. Institutions must post this quarterly report form no later than 10 days after each calendar quarter (October 10, January 10, April 10, and July 10) apart from the first report

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statues, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

Through the documentation obtained for the 16 quarterly institutional reports tested, we noted that the quarterly institutional reports for the quarter ending June 30, 2021 for Purchase College and Stony Brook University were made publicly available untimely as they were posted to the Institution's website 2 and 3 days, respectively, after the due date included within the instructions on the Quarterly Budget and Expenditure Reporting for HEERF I, II, and III (a)(2) Institutional Portion, (a)(2), and (a)(3) form.

Cause

The condition results from a combination of the fact that this relates to a federal program with evolving requirements during the period under audit.

Possible Asserted Effect

Failure to implement sufficient internal controls to ensure the accuracy and timely filing of these quarterly reports in accordance with federal regulations resulted in the State's program being noncompliant with federal statutes, regulations and the terms and conditions of the federal awards.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend that the institutions enhance its process and controls to ensure reports are posted timely.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Education
Federal Program:	Education Stabilization Fund Cluster – Higher Education Emergency Relief Fund (HEERF) Student Aid Portion (84.425E)
Federal Award Numbers:	P425E203620 (Purchase) P425E203061-20B (Stony Brook)
Federal Award Years:	2022
State Agency:	State University of New York
Reference:	2022-009

Criteria

Beginning May 6, 2020, ED required institutions that received a HEERF 18004(a)(1) student aid portion award to publicly post certain information on their website no later than 30 days after award and update the information every 45 days thereafter (by posting a new report).

On August 31, 2020, ED revised the announcement by decreasing the frequency of reporting after the initial 30-day reporting period from every 45 days thereafter <u>to every calendar quarter</u>. Grantees posting a 45-day report on or after August 31, 2020 should instead post a report every calendar quarter, with the first quarter report due by October 10, 2020, and covering the period form their late 45-day report through the end of the calendar quarter on September 30, 2020.

On May 13, 2021, ED published an additional notice for student aid public reporting under CRRSAA and ARP, which requires that institutions publicly post certain information on their website. Institutions must publicly post their report as soon as possible, but no later than 30 days after the publication of the notice or 30 days after the date ED first obligated funds under HEERF I, II, and III to the institution for Emergency Financial Aid Grants to Students, whichever comes later. The report must be updated no later than 10 days after the end of each calendar quarter (September 30, December 31, March 31 June 30).

Auditors should determine if an institution was both timely and accurate in publicly posting its Student Aid Portion Reports from May 6, 2020, onward and sample these public reports and reconcile the publicly reported amounts with underlying documentation to ensure accuracy.

The critical information that was required to be posted on the institution's website included:

1) Item #3: The total amount of Emergency Financial Aid Grants distributed to students under the CARES (a)(1) subprogram and the CRRSAA and ARP (a)(1) subprograms as of the date of submission (i.e., as of the initial report and every calendar quarter thereafter).

2) Item #4: The estimated total number of students at the institution that are eligible to receive Emergency Financial Aid Grants to Students under CARES (a)(1) subprogram and the CRRSAA and ARP (a)(1) subprograms.

3) Item #5: The total number of students who have received an Emergency Financial Aid Grant to students under the CARES (a)(1) subprogram and the CRRSAA and ARP (a)(1) subprograms.

4) Item #6: The method(s) used by the institution to determine which students receive Emergency Financial Aid Grants and how much they would receive under the CARES (a)(1) subprogram and the CRRSAA and ARP (a)(1) subprograms.

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statues, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

Through the documentation obtained for the 16 quarterly student aid portion reports tested, we noted that the quarterly student aid reports for the quarter ending June 30, 2021 for Purchase College and Stony Brook University were made publicly available untimely as they were posted to the Institution's website 2 and 3 days, respectively, after the due date noted in the OMB compliance supplement.

Cause

The condition results from a combination of the fact that this relates to a federal program with evolving requirements during the period under audit.

Possible Asserted Effect

Failure to implement sufficient internal controls to ensure the accuracy and timely filing of these quarterly reports in accordance with federal regulations resulted in the State's program being noncompliant with federal statues, regulations and the terms and conditions of the federal awards.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend that the institutions enhance its process and controls to ensure reports are posted timely.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

STATE OF NEW YORK

Schedule of Findings and Questioned Costs

Year ended March 31, 2022

Federal Agency:	United States Department of Education
Federal Program:	COVID-19 – Provider Relief Fund (93.498)
Federal Award Numbers:	None
Federal Award Years:	2022
State Agency:	State University of New York
Reference:	2022-010

Criteria

Provider Relief Fund (PRF) Reporting Portal (A Public Health Emergency Declaration-PRA Waiver Notice was issued January 14, 2021, applicable to the financial information collected by Health Resources and Services Administration (HRSA) from eligible healthcare providers (https://aspe.hhs.gov/public-health-emergency-declaration-pra-waivers).

The PRF reporting portal was launched on July 1, 2021 (https://prfreporting.hrsa.gov/s/). Auditors are expected to test this special reporting for fiscal years ending on or after June 30, 2021. Since the PRF amounts to be reported on a recipient's Schedule of Expenditures of Federal Awards (SEFA) are based on the PRF report (see the Other Information section below), and since the PRF report is to be tested as part of the Reporting type of compliance requirement, auditors should consider delaying the commencement of the compliance audit of the PRF program until recipients have completed the PRF report.

Key Line Items – The following line items contain critical information (items are not numbered in report):

1. Nursing Home Infection Control Expenses for Payments Received During Payment Period for Payment Received Period

   a. Total Nursing Home Infection Control Expenses – Cell that contains the aggregated total sum

2. Other Provider Relief Fund Expenses for Payments Received During Payment Period for Payment Received Period

   a. Total Other Provider Relief Fund Expenses – Cell that contains the aggregated total sum

3. Calculation of Lost Revenues Attributable to Coronavirus

   a. 2019 Actuals

      (1) Total Column for Total Revenue/Net Charges from Patient Care (2019 Actuals) – Each cell at the bottom of each quarter (Total revenue/Net Charges from Patient Care) and for each year, 2019, 2020 and 2021

   b. 2020 Budgeted

      (1) Total Column for Total Revenue/Net Charges from Patient Care (Budgeted) – Each cell at the bottom of each quarter (Total revenue/Net Charges from Patient Care) and for each year, 2020 and 2021

(2) Total Column for Total Revenue/Net Charges from Patient Care (Actuals) – Each cell by payer and the cell at the bottom of each quarter (Total revenue/Net Charges from Patient Care) and for each year, 2020 and 2021

c. Alternate Method of Calculating Lost Revenues Attributable to Coronavirus

(1) Each individual cell in the alternative method – audit back to the narrative and underlying supporting documentation. (Note: The auditor is not responsible for determining the reasonableness of the alternative method described in the narrative.)

Lastly, Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, section 303(a) states, the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statues, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

Through the documentation obtained for all the 5 PRF reports submitted during the period under audit by the 3 SUNY hospitals, we noted that the Period 1 and Period 2 reports of Stony Brook University hospital did not have adequate documentation of the management review performed on the PRF reports prior to submission to the HRSA portal.

Cause

The condition results from a failure to adequately document the internal control procedures, including review of the report, performed by the institution over the reports filed during the period under audit.

Possible Asserted Effect

Failure to implement sufficient internal controls to ensure the accuracy and timely filing of these reports in accordance with federal regulations resulted in the State's program being noncompliant with federal statues, regulations and the terms and conditions of the federal awards.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend that the institution enhance internal control procedures to ensure adequate documentation to support the appropriate internal controls, to ensure the accuracy of the HRSA reports, are performed.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Temporary Assistance for Needy Families (93.558)
Federal Award Numbers:	1701NYTANF, 1801NYTANF, 1901NYTANF,2001NYTANF, 2101NYTANF, 2101NYTAN3, 2101NYTANFC6, 2201NYTAN3, 2201NYTANF, G1503NYTANF, and G1601NYTANF
Federal Award Years:	2016, 2017, 2018, 2019, 2020, 2021, and 2022
State Agency:	Office of Temporary and Disability Assistance
Reference:	2022-011

Criteria

Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 342(b)(1) states the non-federal entity must submit performance reports at the interval required by the HHS awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the federal award or could significantly affect program outcomes.

Additionally, 45 U.S. Code of Federal Regulations Part 265 (45 CFR 265), *Data Collection and Reporting Requirements*, section 3(a) requires that (1) each State must collect on a monthly basis, and file on a quarterly basis, the data specified in the TANF Data Report and the TANF Financial Report; and (2) Each State that claims MOE expenditures for a separate State program(s) must collect on a monthly basis, and file on a quarterly basis, the data specified in the SSP-MOE Data Report.

Lastly, 45 CFR 75.303(a) states the nonfederal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government,” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

For the Year ended March 31, 2022, the Office of Temporary and Disability Assistance (the Office) completed and submitted the required quarterly TANF Data Reports which included ACF-199 and ACF-209. As part of the submission, the State is required to provide complete and accurate information for various data elements, which include:

ACF 209, SSP-MOE Data Report (OMB No. 0970-0338)

Section One – Family Level Data
Item 9 – Type of Family for Work Participation
Item 15 – Receives Subsidized Child Care

Section One – Person-Level Data
Item 28 – Date of Birth
Item 34 – Relationship to Head-of-Household
Item 41 – Work-Eligible Individual Indicator
Item 42 – Work Participation Status

Section One – Adult Work Participation Activities
Items 43 – 55 – Work Participation Activities
Item 56 – Number of Deemed Core Hours for Overall Rate
Item 57 – Number of Deemed Core Hours for the Two-Parent Rate

Section Three – Active Cases
Item 8 – Total Number of Families

ACF-199, TANF Data Report (OMB No. 0970-0338)

Section One – Family Level Data
Item 12 – Type of Family for Work Participation
Item 17 – Receives Subsidized Child Care
Item 28 – Is the TANF family exempt from the Federal time limit provisions

Section One – Person-Level Data
Item 30 – Family Affiliation Code
Item 32 – Date of Birth
Item 38 – Relationship to Head-of-Household
Item 39 – Parents with a Minor Child
Item 44 – Number of months countable toward the Federal time limit
Item 48 – Work-Eligible Individual Indicator
Item 49 – Work Participation Status

Section One – Adult Work Participation Activities
Items 50 – 62 – Work Participation Activities
Item 63 – Number of Deemed Core Hours for Overall Rate
Item 64 – Number of Deemed Core Hours for the Two-Parent Rate

Section Three – Active Cases
Item 3 – Total Number of SSP-MOE Families

The Office compiles the data utilized for these performance reports from its systems, which data is sourced, input, and updated by local district subrecipients based on its performance of activities. While the Office does perform monitoring reviews of several activities of the local district subrecipients, the monitoring reviews do not include procedures designed at a precision level that would allow the State to assess the completeness and accuracy of information being reported as part of the TANF data reports noted above. Specifically, the Office does not have procedures to ensure the codes entered into the system by its local district subrecipients are accurate, appropriate, and representative of the underlying source documentation.

For 100 of 100 samples provided, we were able to validate there were no discrepancies of the key data elements from the original source documentation provided by the Office for the subrecipients to test compliance with the federal reporting requirements.

Cause

The condition is due to the timing of implementation of management's internal controls over reporting and subrecipient monitoring procedures as result of prior year finding. Management did not have its procedures in place related to monitoring of the data reported by subrecipients that are utilized to compile the reporting during the current fiscal year. Corrective actions were implemented in April 2022 and intended to be followed throughout the subsequent fiscal years.

Possible Asserted Effect

Incomplete monitoring procedures may not provide adequate assurance for data compiled through the Office's information technology systems, for the TANF ACS-199 and ACS-209 Federal reports.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-008 on pages 32–34.

Recommendation

We recommend the Office continue to implement its corrective action to ensure its reporting or monitoring controls include verifying the data input by the subrecipients which the Office relies upon for compiling the ACF-199 and ACF-209 reports.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Temporary Assistance for Needy Families (93.558)
Federal Award Numbers:	1701NYTANF, 1801NYTANF, 1901NYTANF,2001NYTANF, 2101NYTANF, 2101NYTAN3, 2101NYTANFC6, 2201NYTAN3, 2201NYTANF, G1503NYTANF, and G1601NYTANF
Federal Award Years:	2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022
State Agency:	Office of Temporary and Disability Assistance
Reference:	2022-012

Criteria

Under the requirements of the Federal Funding Accountability and Transparency Act (FFATA) (Pub. L. No. 109-282), as amended by Section 6202 of Public Law 110-252, (Transparency Act) that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Aspects of the Transparency Act that relate to subaward reporting (1) under grants and cooperative agreements were implemented in OMB in 2 CFR Part 170 and (2) under contracts, by the regulatory agencies responsible for the Federal Acquisition Regulation (FAR at 5 FR 39414 et seq., July 8, 2010). The requirements pertain to recipients (i.e., direct recipients) of grants or cooperative agreements who make first-tier subawards and contractors (i.e., prime contractors) that award first-tier subcontracts.

Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for HHS Awards*, section 75.2 defines Subaward as an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Further, 45 CFR 75.2 defines Subrecipient as a non-federal entity that receives a subaward from a passthrough entity to carry out part of a federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

Additionally, 45 CFR 75.303(a) states the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

For the period of April 2021 to September 2021, the Office of Temporary and Disability Assistance (the Office) reported only the portion of expenditures that were passed through to the subrecipients (local districts) for the Temporary Assistance for Needy Families (TANF). Beginning in October 2021, the Office implemented new policies and processes to make ensure they reported all expenditures that passed through to the subrecipients (local districts) for TANF. However, the Office did not appropriately include all of the subrecipient expenditures over $30,000. As a result of our testwork over this period we noted the following:

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
117	8	0	48	0
Dollar Amount of Tested Transactions	**Subaward not reported**	**Report not timely**	**Subaward amount incorrect**	**Subaward missing key elements**
$172,962,747	$1,300,793	$0	$1,393,853	$0

Cause

For the period April 2021 – September 2021, the Office did not report all amounts passed-through to its subrecipients (local districts) as the Office was still working on their corrective action plan from the prior year finding.

For the period October 2021 – March 2022, the Office did not appropriately identify all expenditures to subrecipients over $30,000 due to expenditures were broken down for different projects on the internal reports, which resulted in incorrect amounts being reported for the subawards as the amounts were not complete.

Possible Asserted Effect

Failure to submit all expenditures passed-through to subrecipients and subcontractors under subawards as defined by 45 CFR 75.2 in the Office's FFATA reporting could result in the Office reporting inaccurate and incomplete amounts to the federal government.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-009 on pages 35–36.

Recommendation

We recommend the Office review and enhance its policies, procedures, and internal controls to ensure that all amounts passed-through to subrecipients and subcontractors under subawards as defined in 45 CFR 75.2 are reported in accordance with the FFATA federal regulations. In addition, they should use obligation date for FFATA reporting.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Low-Income Home Energy Assistance (93.568)
Federal Award Numbers:	1901NYLIEA, 2001NYLIEA, 2002NYLIE4, 2001NYE5C3, 2103NYLIEA, 2102NYLIE4, 2103NYE5C6, 2203NYLIEA
Federal Award Years:	2019, 2020, 2021 and 2022
State Agency:	Office of Temporary and Disability Assistance
Reference:	2022-013

Criteria

Under the requirements of the Federal Funding Accountability and Transparency Act (FFATA) (Pub. L. No. 109-282), as amended by Section 6202 of Public Law 110-252, (Transparency Act) that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Aspects of the Transparency Act that relate to subaward reporting (1) under grants and cooperative agreements were implemented in OMB in 2 CFR Part 170 and (2) under contracts, by the regulatory agencies responsible for the Federal Acquisition Regulation (FAR at 5 FR 39414 et seq., July 8, 2010). The requirements pertain to recipients (i.e., direct recipients) of grants or cooperative agreements who make first-tier subawards and contractors (i.e., prime contractors) that award first-tier subcontracts.

Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for HHS Awards*, section 75.2 defines Subaward as an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Further, 45 CFR 75.2 defines Subrecipient as a non-federal entity that receives a subaward from a passthrough entity to carry out part of a federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

Additionally, 45 CFR 75.303(a) states the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

For the period of April 2021 to September 2021, the Office of Temporary and Disability Assistance (the Office) reported only the portion of expenditures that were passed through to the subrecipients (local districts) for the Low-Income Home Energy Program (LIHEAP).

Beginning in October 2021, the Office implemented new policies and processes to report all expenditures that passed through to the subrecipients (local districts) for LIHEAP. As a result of our testwork over this period we noted the following:

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
81	3	0	0	0
Dollar Amount of Tested Transactions	**Subaward not reported**	**Report not timely**	**Subaward amount incorrect**	**Subaward missing key elements**
$63,042,900	$346,831	$0	$0	$0

Cause

For the period April 2021 – September 2021 the Office did not report all amounts passed-through to its subrecipients (local districts) as the Office was still working on their corrective action plan from the prior year finding.

For the period October 2021 – March 2022 the Office did not appropriately identify all expenditures to subrecipients over $30,000 due to the payments being split into two line items on internal reports which resulted in incorrect amounts being reported for the subawards as the amounts were not complete.

Possible Asserted Effect

Failure to submit all expenditures passed-through to subrecipients and subcontractors under subawards as defined by 45 CFR 75.2 in the Office's FFATA reporting could result in the Office reporting inaccurate and incomplete amounts to the federal government.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-009 on pages 35–36.

Recommendation

We recommend the Office review and enhance its policies, procedures, and internal controls to ensure that all amounts passed-through to subrecipients and subcontractors under subawards as defined in 45 CFR 75.2 are reported in accordance with the FFATA federal regulations. In addition, they should use obligation date for FFATA reporting.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Foster Care Title IV-E (93.658)
Federal Award Numbers:	1801NYFOST, 1901NYFOST, 2001NYFOST, 2101NYFOST, 2201NYFOST
Federal Award Years:	2018, 2019, 2020, 2021, and 2022
State Agency:	Office of Children and Family Services
Reference:	2022-014

Criteria

Title U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, Section* 75.303(c) requires the nonfederal entity to evaluate and monitor the non-federal entity's compliance with statutes, regulations and the terms of the federal awards. The non-federal entity assumes responsibility for administering federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the federal award (45 CFR 75.400(b)). Each state must expend and account for the federal award in accordance with state laws and procedures for expending the state's own funds. Such monitoring activities should ensure that federal funds expended funds for foster care maintenance payments on behalf of eligible children are in accordance with the Title IV-E agency's foster care maintenance payment schedule in accordance with Title 45 U.S. Code of Federal Regulations Part 1356 (45 CFR 1356), *Requirements Applicable of Title IV-E,* section 1356.21.

Further, Title IV-E agencies establish rates for maintenance payments (e.g. payments to foster parents, childcare institutions or directly to youth). Payment rates may be established for Title IV-E administrative expenditures (e.g. payments to child placement agencies or other contractors, which may be either subrecipients or vendors) and for other services. Payment rates must provide for property allocation of costs between Foster Care maintenance payments, administrative expenditures, and other services in conformance with cost principles. The Title IV-E agency's plan approved by ACF must provide for periodic review of payment rates for Foster Care maintenance payments at reasonable, specific, time-limited periods established by the Title IV-E agency to assure the rate's continuing appropriateness for the administration of the Title IV-E program (42 USC 671(a)(11); 45 CFR Section 1356.21(m)(1); 45 CFR Section 1356.60(a)(1) and (c)).

Lastly, 45 CFR 75.303(a) states the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government," issued by the Comptroller General of the United States or the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

During the fiscal year ended March 31, 2022, the Office of Children and Families (the Office) passed through $418,870,974 under the Title IV-E Foster Care federal program (Assistance Listing Number 93.658), to local districts (or subrecipients) to provide programmatic services under the Foster Care program. As part of the funding arrangement, the local districts are responsible for determining participant eligibility for services and establishing financial assistance rates to be paid on behalf of eligible participants. Based upon the level and type of services that the local districts determine the participant is eligible for, the local district will determine the appropriate amount of benefits that the participant is eligible to receive. These services are paid for directly by the local district offices and requests for reimbursement are subsequently provided from the Office for Foster Care.

On an annual basis, the Office performs a review of the reasonableness of the rates used to reimburse Foster Care services and establishes maximum rates that can be used by the District Offices. While this maximum rate is established, the District Offices establish their own rates for services. The payment system used to process Foster Care claims will not allow for the reimbursement of costs that exceeds the maximum amount set by the Office.

During our testwork over the subrecipient monitoring process, we noted that the Office’s monitoring procedures did not include a review to ensure that the district office had periodically reviewed their established service rates to ensure the reasonableness of the rate being used. The Office’s procedures were limited to ensuring that the rates utilized in request for reimbursement by the local districts did not exceed the maximum rates established by the Office.

Cause

The condition found was primarily due to the Office not having implemented its new policies and procedures surrounding the rates used by the district offices requiring local districts to use the rates developed by the Office until after the State fiscal year, which have been determined to be reasonable for the State of New York as a whole.

Possible Asserted Effect

Insufficient procedures to perform subrecipient monitoring activities in accordance with 45 CFR 75.352(d) and 45 CFR 75.352(e) could result in the Office not timely identifying noncompliance by the subrecipients with federal statutes, regulations, and the terms and conditions of the subaward and prevent the Office’s ability to timely seek corrective action from the subrecipient.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-012 on pages 41-43.

Recommendation

We recommend the Office continue to implement its new policy surrounding the use of uniform rates and to implement the necessary internal controls and related procedures to ensure that all districts have implemented the new rate structure once the new rates go into effect.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Social Services Block Grant (93.667)
Federal Award Numbers:	2001NYSOSR, 2010NYSOSR, 2001NYTANF, 2101NYTANF
Federal Award Years:	2020 and 2021
State Agency:	Office of Children and Family Services
Reference:	2022-015

Criteria

Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 75.352(d) states all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward issued for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward, and that subaward performance goals are achieved.

Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity.

(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.

Additionally, 45 CFR 75.352(c) requires the nonfederal entity to evaluate and the nonfederal entity's compliance with statutes, regulations and the terms of the federal awards. The nonfederal entity assumes responsibility for administering federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the federal award (45 CFR 75.400(b)). Each state must expend and account for the federal award in accordance with state laws and procedures for expending the state's own funds. Such monitoring activities should ensure that the expended funds were for allowable costs in accordance with federal regulations as well as to eligible individuals that would be subject to reporting on the annual Post Expenditure Report required to be filed under 42 U.S. Code (USC) 1397e.

Further, 45 CFR 75.352(e) sates, depending upon the pass-through entity's assessment of risk posed by the subrecipient, the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

(1) Providing subrecipients with training and technical assistance on program-related matters;

(2) Performing on-site reviews of the subrecipient's program operations; and

(3) Arranging for agreed-upon procedures engagements as described in 45 CFR 75.425.

Lastly, 45 CFR 75.303(a) states the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal

Government," issued by the Comptroller General of the United States or the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

During the fiscal year ended March 31, 2022, the Office of Children and Families (the Office) passed through $294,836,063 under the Social Services Block Grant (SSBG) federal program (Assistance Listing Number 93.667), to local districts (or subrecipients) to provide programmatic services under the SSBG program. As part of the funding arrangement, the local districts are responsible for the administration of the federal program, including ensuring that costs incurred under the federal program are in compliance with federal regulations.

During the fiscal year ended March 31, 2022, we noted that while the Office performed its annual risk assessment process over its subrecipients, the Office had not yet fully implemented its system of internal controls or policies and procedures related to its subrecipient monitoring activities over the local districts to ensure the federal funds spent by the local districts were spent in compliance with federal statutes, regulations, the terms and conditions of the subaward and that subaward performance goals were achieved. This would include ensuring that costs incurred by the local district were for allowable services. As a result, there was no formal during the award monitoring activities performed during the audit period.

In addition to the above, we noted that on an annual basis, the Office submits the Post-Expenditure Report to the Federal Office of Community Services. As part of the federal reporting process, the Office is required to report the number of eligible individuals who received services paid for in part or in whole with federal funds under the SSBG program. All participant services are provided directly by the local district offices. In order to obtain the number of eligible individuals by services category to be included on the report, the Department obtains the information directly from the Welfare Reporting and Tracking Systems (WRTS). The WRTS system contains data from the State's Welfare Management System (WMS) and the Benefits Issuance Control System (BICS). As it is the responsibility of the district offices to determine eligibility for services, the Office is relying on the district offices to have data entered complete and accurate information within the WMS and BICS systems. During our testwork, there did not appear to be any monitoring procedures performed by the Office to ensure that the information entered by the district office was complete and accurate and that benefits were only provided to eligible participants.

Cause

The condition found was primarily due to the timing of the implementation of its new monitoring procedures. While the Office had selected 3 subrecipients to perform monitoring procedures over, only an initial request for information was sent to the subrecipient as of March 31, 2022 and the actual monitoring review took place during the subsequent fiscal year.

Further, we noted it does not appear that the new procedures once implemented will review to ensure that the participant was eligible to receive services, which would assist in ensuring that the data reported on the Post-Expenditure Report is accurate.

Possible Asserted Effect

The lack of executed monitoring procedures over subawards provided to subrecipients could result in the use of federal funding provided under the federal award not being in compliance with federal statutes, regulations, and the terms and conditions of the subaward.

Questioned Costs

Cannot be determined.

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-013 on pages 44-46.

Recommendation

We recommend the Office continue to enhance its subrecipient monitoring policies, procedures and internal control to help ensure the Office is monitoring subrecipients in accordance with 45 CFR 75.352(d) and 45 CFR 75.352(e). The Office should work towards the implementation of their monitoring procedures outlined within their policies and procedures to ensure that it is able to identify the federal statutes, regulations and terms and conditions it must comply with and implement measures whereby it can evaluate and monitor its compliance and to take prompt action when instances of noncompliance are identified and to take reasonable measures. Such monitoring activities should be performed at a precision level that would detect and identify errors in the coding of services and related expenditures that could result in unallowable costs being reimbursed to the subrecipients as well as verifying participants were eligible to receive services to assist in assuring that the data reported within the annual Post-Expenditure Report is complete and accurate.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

Federal Agency:	United States Department of Health and Human Services
Federal Program:	Medicaid Cluster (93.775, 93.777, 93.778)
Federal Award Numbers:	2205NY5MAP, 2105NY5MAP, 2005NY5MAP, 1805NY5MAP
Federal Award Years:	2018, 2020, 2021 and 2022
State Agency:	Department of Health
Reference:	2022-016

Criteria

Title 42 U.S. Code of Federal Regulations Section 1903(r) (42 U.S.C. 1396b) states in order to receive payments under subsection (a) for use of automated data systems in administration of the State plan under this title, a State must, in addition to meeting the requirements of paragraph (3), have in operation mechanized claims processing and information retrieval systems that meet the requirements of this subsection and that the Secretary has found—

(A) are adequate to provide efficient, economical, and effective administration of such State plan;

(B) are compatible with the claims processing and information retrieval systems used in the administration of title XVIII, and for this purpose—

(i) have a uniform identification coding system for providers, other payees, and beneficiaries under this title or title XVIII;

(ii) provide liaison between States and carriers and intermediaries with agreements under title XVIII to facilitate timely exchange of appropriate data;

(iii) provide for exchange of data between the States and the Secretary with respect to persons sanctioned under this title or title XVIII; and

(iv) [152] effective for claims filed on or after October 1, 2010, incorporate compatible methodologies of the National Correct Coding Initiative administered by the Secretary (or any successor initiative to promote correct coding and to control improper coding leading to inappropriate payment) and such other methodologies of that Initiative (or such other national correct coding methodologies) as the Secretary identifies in accordance with paragraph (4);

Paragraph (4) states for purposes of paragraph (1)(B)(iv), the Secretary shall do the following:

(A) Not later than September 1, 2010:

(i) Identify those methodologies of the National Correct Coding Initiative administered by the Secretary (or any successor initiative to promote correct coding and to control improper coding leading to inappropriate payment) which are compatible to claims filed under this title.

(ii) Identify those methodologies of such Initiative (or such other national correct coding methodologies) that should be incorporated into claims filed under this title with respect to items or services for which States provide medical assistance under this title and no national correct coding methodologies have been established under such Initiative with respect to title XVIII.

(iii) Notify States of—

(B) Not later than March 1, 2011, submit a report to Congress that includes the notice to States under clause (iii) of subparagraph (A) and an analysis supporting the identification of the methodologies made under clauses (i) and (ii) of subparagraph (A).

Additionally, Title 45 U.S. Code of Federal Regulations Part 75, *Uniform Administrative, Requirements, Cost Principles, and Audit Requirements for HHS Awards* (45 CFR 75), Appendix XI OMB Compliance supplement also states the NCCI Medicaid Policy Manual and the NCCI Medicaid Technical Guidance Manual contain additional requirements for implementation of the NCCI methodologies.

Further, Section 7.1.1 Confidentiality Agreements Requirements for Contracted Parties of the NCCI Technical Guidance Manual states a state Medicaid agency may share these quarterly state Medicaid NCCI edit files which are posted on the MII on the RISSNET portal with the contracted fiscal agent that processes its fee-for service claims or with any of its contracted Medicaid managed-care entities that is using the Medicaid NCCI methodologies in its processing of claims or encounter data, if appropriate confidentiality agreements are in place. The state Medicaid agency, its fiscal agent, and its managed-care entities may also share those files at that time with any contractor or subcontractor (including, but not limited to, COTS software vendors) which is assisting with the implementation of the state's Medicaid NCCI program in the processing of claims or encounter data, only when appropriate confidentiality agreements are in place. The state Medicaid agency need not have a direct contract with such vendors.

Additionally, section 7.1.2 Confidentiality Agreements Requirements for Contracted Parties of the NCCI Technical Guidance Manual states at a minimum, the following elements must be included in the confidentiality agreements for any contracted party using the Medicaid NCCI files posted on the MII:

- Disclosure shall be limited to only those responsible for the implementation of the quarterly state Medicaid NCCI edit files. Disclosure shall not be made prior to the start of the new calendar quarter.
- After the start of the new calendar quarter, a Contracted Party may disclose only non-confidential information contained in the Medicaid NCCI edit files that is also available to the general public found on the Medicaid NCCI webpage.
- The Contracted Party agrees to use any non-public information from the quarterly state Medicaid NCCI edit files only for any business purposes directly related to the implementation of the Medicaid NCCI methodologies in the particular state.
- New, revised, or deleted Medicaid NCCI edits shall not be published or otherwise shared with individuals, medical societies, or any other entities unless it is a Contracted Party prior to the posting of the Medicaid NCCI edits on the Medicaid NCCI webpage.
- Implementation of New, revised, or deleted Medicaid NCCI edits shall not occur prior to the first day of the calendar quarter.

- Only a state Medicaid agency has the discretion to release additional information for selected individual edits or limited ranges of edits from the files posted on the MII.

- State Medicaid agencies must impose penalties, up to and including loss of contract, for violations of any confidentiality agreement relating to use of the MII edit files.

Lastly, 45 CFR 75.303(a) the non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition

The Department of Health (the Department) did not have a Confidentiality Agreement in place as required by the NCCI Technical Guidance manual, sections 7.1.1 and 7.1.2 as of March 31, 2022 with its service organizations and third party providers that have access to NCCI data. DOS also implemented internal controls to ensure anyone accessing NCCI data in the future has the confidentiality agreements in place prior to the access being obtained. As a result of the delayed implementation of the updated agreement, the Department was not in the compliance with this requirement for the period under audit and did not have controls in place to ensure compliance during the period under audit.

Cause

The condition found is due to the timing of management working on implementing its revised policies and procedures to ensure that confidentiality agreements were implemented with its third party providers. Subsequent to the March 31, 2022, the Department concluded its internal evaluation related to which organizations received NCCI data. As a result, the Department identified one organization that receives the NCCI data, General Dynamics Information Technology (GDIT) and excluded an updated Data Use Agreement (DUA) with GDIT for the required NCCI confidentiality language on December 2, 2022.

Possible Asserted Effect

Failure to implement the required NCCI Confidentiality Agreement may result in the NCCI edit information being available to non-contracted individuals, medical societies, or any other entities and the State being non-compliance with CMS’s NCCI requirements.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

A similar finding was included in the 2021 Single Audit Report as finding number 2021-015 on pages 50-53.

Recommendation

We recommend the Department continue to follow its revised policies and procedures including internal controls to ensure any service organizations with access to NCCI data maintain a confidentiality agreement to be compliant with CMS NCCI Technical Guidance manual, sections 7.1.1 and 7.1.2.

Views of Responsible Officials

Recommendation accepted. Reference the corrective action plan for further details.

STATE OF NEW YORK

PRIOR YEAR FINDING SUMMARY

FOR THE YEAR ENDED MARCH 31, 2022

Kathy Hochul, Governor

Robert F. Mujica Jr., Budget Director

Status of State Fiscal Year 2021-2022 Single Audit
Findings For the State Fiscal Year Ended March 31, 2022

Compiled in December 2022 by the New York State Division of the Budget

Pursuant to Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Reference	Agency	Program	CFDA	Finding Compliance Area	Updated Agency Status	Contact Person
2018-028	DOH	Basic Health Program (Affordable Care Act)	93.64	ABE	Partially Corrected	Lori Conway
2019-010	OTDA	State Administrative Matching Grants for SNAP	10.561	M	Corrected	Thomas Cooper
2019-016	OCFS	Adoption Assistance	93.659	M	Partially Corrected	Bonnie Hahn
2019-032	DOH	Maternal and Child Health Services Block Grant Child and Adult Care Food Program	93.994 10.558	M	Partially Corrected (See Current Year Finding 2022-003)	Lori Conway
2019-038	HTFC	Community Development Block Grant State's Program and NonEntitlement Grants in Hawaii	14.228	AM	Corrected	Ronald Dickens
2021-004	DOL	Unemployment Insurance	17.225		Corrected	Erin Murphy
2021-005	DOL	Unemployment Insurance	17.225		Partially Corrected (See Current Year Finding 2022-006)	Erin Murphy
2021-006	DOL	Unemployment Insurance, COVID-19 – Presidential Declared Disaster Assistance to Individuals and Households – Other Needs	17.225, 97.050		Corrected	Erin Murphy
2021-007	DOT	Highway Planning and Construction Cluster	20.205, 20.219		Corrected	Kevin Kissane
2021-008	OTDA	Temporary Assistance for Needy Families Cluster	93.558		Corrected (See Current Year Finding 2022-011)	Thomas Cooper

2021-009	OTDA	Temporary Assistance for Needy Families Cluster, Low-Income Home Energy Assistance	93.558 93.568		Partially Corrected (See Current Year Finding 2022-012 and 2022-013)	Thomas Cooper
2021-010	OTDA	Child Support Enforcement	93.563		Not Corrected	Thomas Cooper
2021-011	OTDA	Low-Income Home Energy Assistance	93.568		Partially Corrected	Thomas Cooper
2021-012	OCFS	Foster Care – Title IV-E	93.658		Not Corrected (See Current Year Finding 2022-014)	Bonnie Hahn
2021-013	OCFS	Social Services Block Grant	93.667		Partially Corrected (See Current Year Finding 2022-015)	Bonnie Hahn
2021-014	DOH	Immunization Cooperative Agreements	93.268		Corrected	Melissa Fiore
2021-015	DOH	Medicaid Cluster	93.775 93.777 93.778		Corrected (See Current Year Finding 2022-016)	Melissa Fiore
2021-016	SUNY	Student Financial Assistance Cluster	84.007 84.033 84.038 84.063 84.268 84.379 93.342 93.364 93.925		Corrected	Amy Montalbanio
2021-017	SUNY	Student Financial Assistance Cluster	84.007 84.033 84.038 84.063 84.268 84.379 93.342 93.364 93.925		Corrected	Amy Montalbanio
2021-018	SUNY	COVID-19–Education Stabilization Fund (HEERF) – Institutional Portion	84.425F		Corrected	Amy Montalbanio

2021-019	SUNY	COVID-19–Education Stabilization Fund (HEERF) – Student Aid Portion	84.425E		Corrected	Amy Montalbanio

NEW YORK STATE OF OPPORTUNITY. | Division of the Budget

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2018
State Agency:	Department of Health
Single Audit Contact:	Melissa Fiore
Title:	Audit Services Director
Telephone:	(518) 473-0525
E-mail Address:	Melissa.Fiore@Health.ny.gov
Prior-Year Audit Report Page Reference:	83-85
Prior-Year Finding Number:	2018-028

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 1/31/2023

Full Status Report:

Prospective correction has been implemented. Retroactive correction of $154.8 million was credited to the Trust Fund via SFS Journal Entry #4339102 on 3/30/2020. Internal MMIS systems correction pending which will align with historical MMIS records with JE value (or adjust slightly). As the $154.8 million was a higher end estimate, the updated number, $138.2 million, will result in a modest reduction of the initial federal credit. Meetings were held with relevant program staff in the Spring of 2022, and the final decision regarding the mechanics of the system project submittal are in the process of being confirmed. It is currently anticipated that the project will be formally submitted by January 31, 2023.

NEW YORK STATE OF OPPORTUNITY. | Division of the Budget

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

<u>2021-2022 Prior-Year Finding Summary</u>

Prior-Year Audit Period:	State Fiscal Year End March 31, 2019
State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	thomas.cooper@otda.ny.gov
Prior-Year Audit Report Page Reference:	33-35
Prior-Year Finding Number:	2019-010

<u>Status Report on Prior-Year Finding</u> - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

<u>Full Status Report:</u>

OTDA has a long-standing process in place for a Quality Control review of SNAP cases. Sampling plans for SNAP case reviews are approved by the Federal officials and the current process adequately addresses this finding.

NEW YORK STATE OF OPPORTUNITY. | Division of the Budget

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2019
State Agency:	Office of Children and Family Services
Single Audit Contact:	Bonnie Hahn
Title:	External Audit Liaison
Telephone:	(518)486-1034
E-mail Address:	Bonnie.Hahn@ocfs.ny.gov
Prior-Year Audit Report Page Reference:	48-49
Prior-Year Finding Number:	2019-016

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected

☒ Partially Corrected

☐ Not Corrected

Anticipated Completion Date: 3/31/2024

Full Status Report:

The Office of Children and Family Services is in the process of revising the Maximum State Aid Rate (MSAR) tables and, the Office of Children and Family Services once finalized, will be requiring Local Districts to pay at these rates. This change will require districts to review the Level of Difficulty (LOD) assigned to individual children and revise the rates assigned to them based on the new rate schedule.

Since the LOD and the MSAR rate associated with an adopted child is initially established during the time that the child is in foster care, this change will provide the districts with the opportunity to review and revise the LOD and MSAR rate in place.

OCFS has established a two-year time frame to allow districts to phase in the use of the rates and OCFS will provide technical assistance as needed.

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2019
State Agency:	Department of Health
Single Audit Contact:	Melissa Fiore
Title:	Audit Services Director
Telephone:	(518) 473-0525
E-mail Address:	Melissa.Fiore@Health.ny.gov
Prior-Year Audit Report Page Reference:	90-92
Prior-Year Finding Number:	2019-032

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 12/30/2022

Full Status Report:

A decision was made to abandon the Audit Clearinghouse's current computer system, which is custom coded within IBM's Case Manager program, because any version changes required new and time- consuming coding and the system was no longer going to be supported by the Office of Information Technology Services. When the new web-based system is completed, Case Manager will be retired. We are currently testing the new system.

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-22 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2019
State Agency:	Housing Trust Fund Corporation
Single Audit Contact:	Scott LaMountain
Title:	Program Director, CDBG Economic Development
Telephone:	(518)474-2057
E-mail Address:	Scott.LaMountain@hcr.ny.gov
Prior-Year Audit Report Page Reference:	106-107
Prior-Year Finding Number:	2019-038

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 8/29/2022

Full Status Report:

The Housing Trust Fund Corporation (HTFC) has policies and procedures in place to quantify and monitor program income received by its subrecipients. Subrecipients report program income to the HTFC throughout the year. To that end, HTFC has received information from subrecipients needed to adequately determine and report on aggregate program income receipts. This information was captured in the most recently submitted CAPER/PER as required by HUD as part of the HTFC's annual reporting cycle. The following information was provided in the 2021 CAPER/PER:

> *The Office of Community Renewal instituted a policy change starting April 1, 2019 that all uncommitted CDBG program income generated after that date would be returned to the HTFC. Grantees with existing*

uncommitted program income were given until the same date to commit those funds to CDBG-eligible activities. Since that time, the OCR has been tracking the expenditure and completion of these "program income" projects, as well as receipting and processing any on-going program income payments. The OCR requires all current and recent grantees, as well as any community completing a project using local program income, to submit an annual certification reporting on the amount of uncommitted program income. Those communities reporting $35,000 or less in receipts from CDBG sources must request authorization at that time to categorize as miscellaneous revenue and repurpose.

As of April 1, 2019, current and former grantees committed $12,627,265.95 in CDBG program income to eligible activities. As of February, 2022, the OCR has documented expenditures in the amount of $9,864,755.52, leaving a remaining balance of $2,762,510.43 committed to local projects that are underway. Most of these projects are expected to be completed by the 3rd quarter of 2022. While the OCR expects that these "program income" projects will soon be completed and documented, tracking of regular uncommitted program income will continue into the future.

KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Department of Labor
Single Audit Contact:	Erin Murphy
Title:	Director of Internal Audit
Telephone:	(518)457-9076
E-mail Address:	Erin.Murphy@labor.ny.gov
Prior-Year Audit Report Page Reference:	Page 21-22
Prior-Year Finding Number:	2021-004

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 11/04/2021

Full Status Report: Corrective action was implemented 11/04/21.

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SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Department of Labor
Single Audit Contact:	Erin Murphy
Title:	Director of Internal Audit
Telephone:	(518)457-9076
E-mail Address:	Erin.Murphy@labor.ny.gov
Prior-Year Audit Report Page Reference:	Page 22-23
Prior-Year Finding Number:	2021-005

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 12/1/2023

Full Status Report: Corrective action was implemented on 01/28/2022 on the two cases identified in FY21 where claimants received Pandemic Emergency Unemployment Compensation (PEUC) Extended Benefit (EB) programs after 104 days of Regular UI benefit payments.

The temporary federal programs that caused the payment misclassification no longer exist. We will continue to monitor payments to ensure they were classified to the correct program. Additionally, the Department is in the process of implementing a new modernized Unemployment Insurance system which will include increased automation to reduce this type of error in the future

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First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Department of Labor
Single Audit Contact:	Erin Murphy
Title:	Director of Internal Audit
Telephone:	518-457-9076
E-mail Address:	Erin.Murphy@labor.ny.gov
Prior-Year Audit Report Page Reference:	Page 25-27
Prior-Year Finding Number:	2021-006

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 11/09/2021

Full Status Report: Corrective action was implemented 11/09/2021.

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Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	NYS Department of Transportation
Single Audit Contact:	Kevin Kissane
Title:	Director, Internal Audit Bureau
Telephone:	518-457-8867
E-mail Address:	kevin.kissane@dot.ny.gov
Prior-Year Audit Report Page Reference:	28-30
Prior-Year Finding Number:	2021-007

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected

☐ Partially Corrected

☐ Not Corrected

Anticipated Completion Date: 2/22/2022 – Fully Implemented

Full Status Report:

The New York State Department of Transportation has enhanced its policies and procedures to ensure appropriate documentation is maintained to support the authorization of test results outside the established Quality Assurance (QA) program ranges. Below are a series of controls to mitigate the concerns noted during the audit.

- If test results entered into SiteManager (SM) are outside the required specification range, a pop-up notification will now remind the Engineer in Charge (EIC) or the Office Engineer (OE) to review the test and provide a remark explaining why the results were accepted.

- As a secondary control, a weekly report is generated from SM notifying EICs, the Office of Construction (Construction) and the Office of Technical Services staff of any instances in which a remark was not provided, for a sample that was out of spec. Construction will unauthorize these samples and no payments will be generated until the EIC provides the required remark.

  Lastly, NYSDOT's Laboratory Inventory Management System (LIMS) will generate an email to the EIC notifying them that a sample awaiting authorization is out of specification and, if authorized for payment, will require a remark.

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SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	thomas.cooper@otda.ny.gov
Prior-Year Audit Report Page Reference:	31-33
Prior-Year Finding Number:	2021-008

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 4/1/2022

Full Status Report:

The Office of Temporary and Disability Assistance Divisions of Audit and Quality Improvement (AQI) and Employment and Advancement Services (EAS) unit within the Division of Employment and Income Support Programs (EISP) have been working together to implement corrective actions to address the finding we received in prior Single Audit Reports. Due to staffing issues and delays caused by COVID, corrective action began with the April 2022 TANF/MOE sample month. EAS worked with Human Resource Administration staff to train and closely monitor the work they do regarding employment data. AQI worked with Regional Office staff to ensure they are verifying TANF/MOE data to source documentation. Training has been given to NYC Regional Office staff to ensure they understand how to properly verify employment data so they can begin taking over that portion of the Key Line Items identified in the finding.

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First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year End March 31, 2021

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Director of Internal Audit

Telephone: (518) 473-4601

E-mail Address: thomas.cooper@otda.ny.gov

Prior-Year Audit Report Page Reference: 34-35

Prior-Year Finding Number: 2021-009

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 01/31/2023

Full Status Report:

OTDA is working with our ITS development partners to implement updates to the OTDA FFATA reporting logic as follows:

- Raise expenditure threshold for subrecipients to > $30,000 (previous amount was > $25,000). (This is complete.)
- When calculating the expenditures for subrecipient payments, the report logic needs to account for internal split coding and for multiple grant payments made on a single voucher. (This is complete.)
- Update reporting logic for SFS/OSC Accounting Date (previous logic used SFS/OSC Voucher Paid Date) going forward the SFS Accounting Date would be used as the Obligation Date in accordance with the definition of Obligation Date in the guidance. Anticipated completion and implementation for reporting in January 2023.

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First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	thomas.cooper@otda.ny.gov
Prior-Year Audit Report Page Reference:	36-38
Prior-Year Finding Number:	2021-010

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☐ Partially Corrected
☒ Not Corrected

Anticipated Completion Date: 12/31/2022

Full Status Report:

Following DOB's subrecipient monitoring guidance, OTDA is working with officials at OCFS to enhance our subrecipient monitoring activities to monitor the local social services districts' recipient's source of funds utilized to meet matching requirements of the federal program awards to ensure that the source of funds utilized is allowable under federal regulations.

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SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year End March 31, 2021

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Director of Internal Audit

Telephone: (518) 473-4601

E-mail Address: thomas.cooper@otda.ny.gov

Prior-Year Audit Report Page Reference: 39-40

Prior-Year Finding Number: 2021-011

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 12/31/2022

Full Status Report:

The Office of Temporary and Disability Assistance has always conducted validation checks on performance measures data, including regular meetings with NYS Information Technology Services (ITS) and OTDA Data Management, comparing current year data to prior years, and regular communication with vendors. Since receiving the findings in the 2020 and 2021 single audits, OTDA has taken additional steps to ensure accuracy when completing the required annual Low Income Home Energy Assistance Program Performance Data Form. The HEAP Bureau has met with ITS staff regularly in 2020, 2021, and 2022 to ensure coding in the FFY 2020 and 2021 reports yield accurate results, making corrections when necessary. Detail reports and explanations were requested for fields requiring higher level of examination. HEAP Bureau staff communicated more with vendors through Webex meetings, emails, and personal phone calls to ensure data returned by vendors was complete and all necessary customers were included in their files. Additionally, vendor files were checked prior to and after loading them into the WRTS tables. The number of records sent to the vendors were compared to the number of records returned with 12 months of usable data for each vendor, and the number of restorations and preventions were looked at for each vendor. The HEAP Bureau will continue to work with ITS, as well as OTDA Data management for report validation. The updated processes have been fully implemented are being fine-tuned as needed.

KATHY HOCHUL
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First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Office of Children and Family Services
Single Audit Contact:	Bonnie Hahn
Title:	External Audit Liaison
Telephone:	(518)486-1034
E-mail Address:	Bonnie.Hahn@ocfs.ny.gov
Prior-Year Audit Report Page Reference:	41-43
Prior-Year Finding Number:	2021-012

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☐ Partially Corrected
☒ Not Corrected

Anticipated Completion Date: 3/31/2024

Full Status Report:

The Office of Children and Family Services Division of Child Welfare and Community Services conducted a preliminary review of the process of administering maintenance payment rates for foster parents for care of children in their home. The results were deemed informational and gave sufficient grounds for further review of all Local Department of Social Services. Upon implementation, the Submission of Rates Paid, and accompanying review will create a robust subrecipient monitoring program.

OCFS reports that the NYS SFY 2022-23 Executive Budget, Part O of the Education, Labor, and Family Assistance Article VII includes a mandate to pay no less than the Maximum State Aid Rate for all children in foster boarding homes no later than July 1, 2023. In addition, the narrative of the Briefing Book contains the following:

> *Modernize Foster Care Rates. The Executive Budget advances legislation to modernize the rate methodology used to reimburse costs associated with the care of a child in foster care. The new methodology will use United States Department of Agriculture (USDA) data. This change will provide $43.5 million to nearly 25,000 families through increased adoption subsidies.*

OCFS will be implementing this new foster boarding home rate methodology. These steps, upon enactment for legislative changes and upon promulgation or a new methodology, taken together, will ensure that the rates paid are appropriate and consistently applied across New York State.

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Director of the Budget

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Office of Children and Family Services
Single Audit Contact:	Bonnie Hahn
Title:	External Audit Liaison
Telephone:	518-486-1034
E-mail Address:	Bonnie.Hahn@ocfs.ny.gov
Prior-Year Audit Report Page Reference:	44-46
Prior-Year Finding Number:	2021-013

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☐ Corrected
☒ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 3/31/2023

Full Status Report:

In SFY 2022 the OCFS Bureau of Fiscal Operations (BFO) established monitoring activities to review the adequacy of supporting documentation and appropriateness of Title XX claims. The 2022 calendar year Title XX subrecipient risk assessment used to select districts for review and in December 2021, the supporting documentation for the claim packages for 3 districts was requested.

Due to the timing of the new corrective action plan, BFO was unable to finalize the reviews by 3/31/22. As of SFY 2022-2023 a total of 7 districts have been sent a request for supporting documentation and BFO anticipates sending an additional 7 districts a request for supporting documentation during this SFY.

vendor files were checked prior to and after loading them into the WRTS tables. The number of records sent to the vendors were compared to the number of records returned with 12 months of usable data for each vendor, and the number of restorations and preventions were looked at for each vendor. The HEAP Bureau will continue to work with ITS, as well as OTDA Data management for report validation. The updated processes have been fully implemented are being fine-tuned as needed.

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KATHY HOCHUL
Governor

ROBERT F. MUJICA JR.
Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2202 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Department of Health
Single Audit Contact:	Melissa Fiore
Title:	Audit Services Director
Telephone:	(518) 473-0525
E-mail Address:	Melissa.Fiore@Health.ny.gov
Prior-Year Audit Report Page Reference:	47-49
Prior-Year Finding Number:	2021-014

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 1/18/2022

Full Status Report:

Monitoring of provider site visits to ensure timely completion is an ongoing process. It is overseen by the Vaccine Program Director, the Vaccine Program Assistant Director, and a Health Program Administrator 1.

The Bureau of Immunization's Vaccine Program continues to be in regular communication with the regional staff who conduct site visits. Monthly conference calls with all regional Immunization staff were reinstated beginning January 18, 2022, to discuss workload prioritization and the importance of conducting timely visits. Individual calls with regional Immunization leads are held at least once per month to review progress. Also, requests to fill vacant regional staff positions have been submitted.

Note that for many months of the audit period all on-site visits conducted by Department staff were suspended due to the COVID-19 outbreak (national emergency). Virtual check-ins were conducted for Vaccines for Children providers ordering vaccine. The virtual check-ins consisted of a review of temperature logs, order history, doses administered, and, in some cases, pictures of vaccine storage units to ensure proper storage and handling.

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Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	Department of Health
Single Audit Contact:	Melissa Fiore
Title:	Audit Services Director
Telephone:	(518) 473-0525
E-mail Address:	Melissa.Fiore@Health.ny.gov
Prior-Year Audit Report Page Reference:	50-53
Prior-Year Finding Number:	2021-015

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 12/01/2022

Full Status Report:

The first step in implementing the recommendation is to identify which organizations received National Correct Coding Initiative (NCCI) data. Once this is identified, the Department of Health's Division of Operations and Systems (DOS) will work to update current agreements with the NCCI confidentiality language or establish new agreements. DOS will also implement internal controls to ensure anyone accessing NCCI data in the future has the confidentiality agreements in place prior to the access being obtained.

The Data Use Agreement (DUA) with General Dynamics Information Technology (GDIT) was updated to include the NCCI files. GDIT maintains eMedNY, New York's Medicaid Management Information System (MMIS) where NCCI files are stored.

The Department of Health's Division of Health Plan Contracting and Oversight (DHPCO) works directly with the Medicaid Managed Care Organizations (MCOs). DOS spoke with DHPCO leadership who stated that MCOs do not receive NCCI files from eMedNY/MMIS. As a result, there is no need for a confidentiality agreement to address NCCI files.

KATHY HOCHUL
Governor

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Director of the Budget

SANDRA L. BEATTIE
First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Prior-Year Audit Report Page Reference:	54 - 55
Prior-Year Finding Number:	2021-016

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date: 1/12/2022

Full Status Report:

Empire - To remedy the issue identified, our Student Accounts, Financial Aid and IT team worked together to create a formal procedure, including a template and data block in one of our email communications tools – Banner Communication Management (BCM). We have implemented a process which sweeps our ERP (Banner) for disbursements of required program funds made the previous day. That data is imported into our BCM template and an email is sent to a student alerting them of the award type and amount disbursed on their behalf. Students are also presented with the right to cancel. These communications are automated and on a scheduler. Communications are stored in BCM and can be retrieved as supporting documentation of issuance. We have a staff member who will regularly monitor the automated process to ensure accuracy and completion.

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Director of the Budget

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First Deputy Director

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	(518)320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Prior-Year Audit Report Page Reference:	56 - 57
Prior-Year Finding Number:	2021-017

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date:
Oswego - Implemented – December 2021
Stony Brook - Implemented December 2021

Full Status Report:

Oswego – Oswego's (Campus One) development of enhanced practices related to student aid disbursements and associated reporting include the following actions:

- Staff members including Director of Student Accounts, Assistant Director of Student Accounts and the Principal Account Clerk will take NASFAA's Cash Management Certification Course. (offered Spring 2022 semester)

- Student Accounts and Financial Aid staff will work together to improve coordination of the payment processes to ensure accurate processing of all Pell payments by communicating via email and using a shared process calendar to track important dates related to draw downs.
- Director of Financial Aid and Director of Student Accounts will audit payments to ensure they are performed within the prescribed time limits.
- Staff members, including Director of Student Accounts, Assistant Director of Student Accounts and the Principal Account Clerk will attend federal trainings on Cash Management principles (offered later this semester).

Stony Brook – (Campus Two) has policies and procedures and an internal control process in place to ensure timely reporting and compliance with the federal register. As noted in the finding, at the time the two items processed during the COVID-19 pandemic, the Financial Aid Office (FAO) was working remotely and there were difficulties with a few of the inbound and outbound files. The FAO is back to in-person work and this should not be an issue moving forward. To further enhance existing controls, FAO has updated its operational calendar to reflect the deadline for the first batch of Pell Grant disbursements. FAO has also added a secondary confirmation through our administrative team.

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First Deputy Director

2021- 2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Prior-Year Audit Report Page Reference:	58 - 59
Prior-Year Finding Number:	2021-018

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date:
Albany - Implemented 10/31/2021
Binghamton - Implemented 3/31/2022
Brockport - Implemented 1/7/2022
Stony Brook - Implemented 1/1/2022

Full Status Report:

Albany - The Campus has taken steps to ensure timely reporting and posting of information as required. The September 30, 2020 quarterly institutional report was the first report required using a form provided by the federal government. The report was posted past the deadline as questions emerged regarding specific data elements that needed to be reported. Once the Campus' questions were resolved, the report was posted. All subsequent quarterly reports were posted timely.

Binghamton - HEERF Institutional quarterly reports will be reviewed prior to posting to verify the accuracy of the information. This process will be documented via email prior to posting on the institution's website and will be maintained electronically. Additionally, the Campus will also verify the approved quarterly report is posted timely. This process will also be documented via email. The review of information will be handled by designated staff to ensure appropriate segregation of duties between the preparer and reviewer of such reports.

Brockport - Going forward, the Campus Vice President for Administration and Finance will conduct the secondary review of the quarterly report and supporting documentation. The Campus will maintain documentation supporting the approval from the Vice President for Administration and Finance to post the quarterly report on the Campus' website.

Stony Brook – As stated in the audit finding, this was a new federal program with requirements that were continuously evolving during the audit period. The Campus' existing procedures ensured that accurate and complete reports were prepared and reviewed by appropriate personnel with adequate segregation of duties and were posted timely to the website. The Campus agrees that it is important to maintain adequate documentation to memorialize these control activities and will do so going forward.

2021-2022 Prior-Year Finding Summary

Prior-Year Audit Period:	State Fiscal Year End March 31, 2021
State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Prior-Year Audit Report Page Reference:	60 - 62
Prior-Year Finding Number:	2021-019

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless if no change from previous update:

☒ Corrected
☐ Partially Corrected
☐ Not Corrected

Anticipated Completion Date:
Albany – Implemented July 2022
Binghamton – Implemented 3/31/2022
Empire – Implemented 11/22/2021
Oswego – Implemented – 1/5/2022
Stony Brook – Implemented 1/1/2022

Full Status Report:

Albany - The Campus reported a duplicated count of students for the 9/30/2020 quarterly report, when unduplicated counts were reported on other quarterly reports. Going forward, the Campus HEERF working group will work together to achieve consistency in reporting.

Binghamton - HEERF Student Aid quarterly reports will be reviewed prior to posting to verify the accuracy of the information. This process will be documented via email prior to posting on the institution's website and will be maintained electronically. Additionally, the Campus will also verify the approved quarterly report is posted timely. This process will also be documented via email. The review of HEERF Student Aid quarterly reports will be handled by designated staff to ensure appropriate segregation of duties between the preparer and reviewer of such reports.

Empire - The number reported versus awarded was off by one (1) student. When pulling data from our ERP to identify the number of unique awards, our number was inflated by one due to a data entry error. To remedy, we modified how we pull data out of our ERP and will ensure we are looking for the unique award code with a net amount greater than $0. We have modified our web page to reflect the accurate number of recipients. All recommendations were previously implemented by the Campus.

Oswego - The Campus has implemented the following additional procedures to ensure a thorough and timely review of reporting requirements is completed, including data verification and timely reporting verification:

- Directors of Financial Aid and Student Accounts compile the student disbursement report and double check the data on the first business day of the required reporting month. A custom report to identify the disbursements is created by our Campus Technology Services team. The completed report is sent via Campus email.
- The completed report is then verified for accuracy by the Assistant Vice President for Financial Operations (AVP) using the draw down reports and associated Banner detail reports along with business intelligence account level dashboards for each student disbursement. The reviewed completed report is sent via Campus email.
- The AVP then forwards the final report via Campus email to the Vice President for Administration and Finance (VP) for final review and authorization to post the completed document to our local website and the HEERF reporting website prior to the required 10th day of the reporting month.
- The VP forwards the authorized report via Campus email to the Director of Digital Services or designee for posting to the HEERF website. The Director of Digital Services or designee will confirm posting is complete via email confirmation and by attaching a saved digital time stamp of the posting as documentation of completion.

Stony Brook - As stated in the audit finding, this was a new federal program with requirements that were continuously evolving during the audit period. The Campus' existing procedures ensured that accurate and complete reports were prepared and reviewed by appropriate personnel with adequate segregation of duties and were posted timely to the website. The Campus agrees that it is important to maintain adequate documentation to memorialize these control activities and will do so going forward.

STATE OF NEW YORK

CORRECTIVE ACTION PLANS

FOR THE YEAR ENDED MARCH 31, 2022

Kathy Hochul, Governor

Robert F. Mujica Jr., Budget Director

Corrective Action Plans of State Fiscal Year 2021-2022
Single Audit Findings For the State Fiscal Year Ended
March 31, 2022

Compiled in December 2022 by the New York State Division of the Budget

Pursuant to Title 2 U.S. Code of Federal Regulations Part 200 (2 CFR 200), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Department of Health
Single Audit Contact:	Melissa Fiore
Title:	Audit Services Director
Telephone:	518-473-0525
E-mail Address:	Melissa.Fiore@health.ny.gov
Federal Program(s) (ALN # [s]):	Child & Adult Care Food Program (10.558)
Audit Report Reference:	2022-003
Anticipated Completion Date:	12/31/2023

Corrective Action Planned: The Department's Audit Clearinghouse will continue to work with NYS Office of Information Technology Services to develop a system to better track grantees that require a single audit report, when a single audit report is available for review, and, if a management decision letter is needed. This will provide better assurance of timely review of all submitted single audit reports and communication to Child & Adult Care Food Program staff of findings in need of management decision letters.

Kathy Hochul, Governor
Roberta Reardon, Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Department of Labor
Single Audit Contact:	Samantha Doran
Title:	Auditor 3
Telephone:	518-457-9475
E-mail Address:	Samantha.Doran@labor.ny.gov
Federal Program(s) (ALN # [s]):	Unemployment Insurance (ALN 17.225)
Audit Report Reference:	2022-004

<u>Anticipated Completion Date:</u> 12/1/2023

<u>Corrective Action Planned:</u>

NYSDOL expects this issue will be resolved with the implementation of a modernized Unemployment Insurance System. The modernized system will include improved data marker capabilities for any future temporary benefit programs that need to be implemented; therefore, the BAM sample selection will only include appropriate cases.

Additionally, the time lapse requirement will be improved in upcoming fiscal year as staff resources will not be diverted to pandemic efforts and work will be monitored to ensure that time lapse requirements are met.

WE ARE YOUR DOL

NEW YORK STATE | Department of Labor

Kathy Hochul, Governor
Roberta Reardon, Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Department of Labor
Single Audit Contact:	Samantha Doran
Title:	Auditor 3
Telephone:	518-457-9475
E-mail Address:	Samantha.Doran@labor.ny.gov
Federal Program(s) (ALN # [s]):	Unemployment Insurance (ALN 17.225)
Audit Report Reference:	2022-005

Anticipated Completion Date: 12/1/2023

Corrective Action Planned:

Corrective Action is in progress. NYSDOL is currently engaged in a multi-year project to update the Unemployment Insurance system. The modernized system will assist in future implementation of temporary federal programs and strengthen internal controls over the payment process.

WE ARE YOUR DOL

NEW YORK STATE | Department of Labor

Kathy Hochul, Governor
Roberta Reardon, Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Department of Labor
Single Audit Contact:	Samantha Doran
Title:	Auditor 3
Telephone:	518-457-9475
E-mail Address:	Samantha.Doran@labor.ny.gov
Federal Program(s) (ALN # [s]):	Unemployment Insurance (ALN 17.225)
Audit Report Reference:	2022-006

<u>Anticipated Completion Date:</u> 12/1/2023

<u>Corrective Action Planned:</u>

Corrective action is in progress. NYSDOL is currently engaged in a multi-year project to update the Unemployment Insurance system. The modernized system will assist in future implementation of temporary federal programs and strengthen internal controls over the payment process.

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	New York State Education Department
Single Audit Contact:	Heidi Nark
Title:	Internal Auditor 3
Telephone:	518-402-3446
E-mail Address:	Heidi.Nark@nysed.gov
Federal Program(s) (ALN # [s]):	Title I Grants to Local Educational Agencies (84.010) S010A180032, S010A190032, S010A200032, S010A210032
Audit Report Reference:	2022-007

<u>Anticipated Completion Date:</u> December 2022

<u>Corrective Action Planned:</u>

The Department acknowledges that one exam storage certificate for one school out of 40 local school districts selected for testing lacked the principal signature. To address this, the Department will review and reinforce existing procedures to ensure certificates are properly completed and have all required signatures.

SUNY The State University of New York

Office of the
University Auditor

H. Carl McCall SUNY Building
353 Broadway, Albany, New York 12246

www.suny.edu

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Federal Program(s) (ALN # [s]):	Education Stabilization Fund (HEERF) – Institutional Portion (84.425F)
Audit Report Reference:	2022-008

Anticipated Completion Date:

Purchase	Implemented	January 2022
Stony Brook	Implemented	January 2022

<u>Corrective Action Planned:</u>

SUNY System Administration - The remedies have been implemented. The campuses met the revised timely posting requirement of October 10, 2021, as indicated currently on the ED's Reporting and Data Collection website. The campuses will continue to have processes in place to ensure timely reporting as noted below in their responses.

Purchase - Training was provided regarding HEERF reporting deadlines to employees involved with the reporting. The Campus has procedures to ensure timely posting to the website for future reports.

Stony Brook - The recommendations have been implemented. The Campus has procedures in place to ensure the reports are posted timely to the website.

The State University of New York

Office of the University Auditor

H. Carl McCall SUNY Building
353 Broadway, Albany, New York 12246

www.suny.edu

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Federal Program(s) (ALN # [s]):	Education Stabilization Fund (HEERF) – Student Aid Portion (84.425E)
Audit Report Reference:	2022-009

Anticipated Completion Date:

Purchase	Implemented	January 2022
Stony Brook	Implemented	January 2022

<u>Corrective Action Planned:</u>

SUNY System Administration - The remedies have been implemented. The campuses met the revised timely posting requirement of October 10, 2021, as indicated currently on the ED's Reporting and Data Collection website. The campuses will continue to have processes in place to ensure timely reporting as noted below in their responses.

Purchase - Training was provided regarding HEERF reporting deadlines to employees involved with the reporting. The Campus has procedures to ensure timely posting to the website for future reports.

Stony Brook - The recommendations have been implemented. The Campus has procedures in place to ensure the reports are posted timely to the website.

SUNY The State University of New York

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University Auditor

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CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	State University of New York
Single Audit Contact:	Amy Montalbano
Title:	University Auditor
Telephone:	518-320-1533
E-mail Address:	Amy.Montalbano@suny.edu
Federal Program(s) (ALN # [s]):	Provider Relief Fund (93.498)
Audit Report Reference:	2022-010

Anticipated Completion Date:

Stony Brook Medicine	Implemented	November 2022

Corrective Action Planned:

Stony Brook Medicine will implement procedures to maintain adequate review documentation. Stony Brook Medicine Reporting Period 1 attesting to $148.9 million of PRF was reviewed by the Internal Audit Department in October 2021. Stony Brook Medicine also performed a review of the Reporting Period 2 attesting to an additional $7.8 million of PRF, however, the review process was done through phone calls and not formally documented, which will be corrected for future reviews.

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	Thomas.cooper@otda.ny.gov
Federal Program(s) (ALN # [s]):	Temporary Assistance for Needy Families (93.558)
Audit Report Reference:	2022-011

Anticipated Completion Date: 4/1/2022

Corrective Action Planned:

Training has been provided to NYC Regional Office staff to further strengthen their understanding of the process for properly verifying employment data in order to robustly perform those Key Line items tasks identified in the finding.

The OTDA Divisions of Audit and Quality Improvement (AQI) and the Employment and Advancement Services (EAS) Bureau within the Division of Employment and Income Support Programs (EISP) have been working together to implement corrective actions to address the finding. Due to staffing issues and delays caused by COVID, corrective action began with the April 2022 TANF/MOE sample month. Starting in November 2021, EAS worked with New York City (NYC) Human Resources Administration staff to train and closely monitor the work they do regarding employment data, while AQI ensured its Regional Office staff began to verify TANF/MOE data source documentation.

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	Thomas.cooper@otda.ny.gov
Federal Program(s) (ALN # [s]):	Temporary Assistance for Needy Families (93.568)
Audit Report Reference:	2022-012

Anticipated Completion Date: 1/31/2023

Corrective Action Planned:

OTDA is working with our ITS development partners to implement updates to the OTDA FFATA reporting logic as follows:

- Raise expenditure threshold for subrecipients that equals or exceeds $30,000 (previous amount was $25,000). (This is complete.)
- When calculating the expenditures for subrecipient payments, the report logic needs to account for internal split coding and for multiple grant payments made on a single voucher. (This is complete.)
- Update reporting logic for SFS/OSC Accounting Date (previous logic used SFS/OSC Voucher Paid Date). The SFS Accounting Date will be used as the Obligation Date in accordance with the definition of Obligation Date in the guidance. Anticipated completion and implementation for reporting in January 2023.

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Office of Temporary and Disability Assistance
Single Audit Contact:	Thomas Cooper
Title:	Director of Internal Audit
Telephone:	(518) 473-4601
E-mail Address:	Thomas.cooper@otda.ny.gov
Federal Program(s) (ALN # [s]):	Low Income Home Energy Assistance Program (93.568)
Audit Report Reference:	2022-013

Anticipated Completion Date: 1/31/2023

Corrective Action Planned:

OTDA is working with our ITS development partners to implement updates to the OTDA FFATA reporting logic as follows:

- Raise expenditure threshold for subrecipients that equals or exceeds $30,000 (previous amount was > $25,000). (This is complete.)
- When calculating the expenditures for subrecipient payments, the report logic needs to account for internal split coding and for multiple grant payments made on a single voucher. (This is complete.)
- Update reporting logic for SFS/OSC Accounting Date (previous logic used SFS/OSC Voucher Paid Date). The SFS Accounting Date will be used as the Obligation Date in accordance with the definition of Obligation Date in the guidance. Anticipated completion and implementation for reporting in January 2023.

NEW YORK STATE | Office of Children and Family Services

Kathy Hochul
Governor

SHEILA J. POOLE
Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Office of Children and Family Services
Single Audit Contact:	Bonnie Hahn
Title:	External Audit Liaison
Telephone:	518-486-1034
E-mail Address:	Bonnie.Hahn@ocfs.ny.gov
Federal Program(s) (ALN # [s]):	Foster Care Block Grant (93.658)
Audit Report Reference:	2022-014

Anticipated Completion Date:
3/31/24

Corrective Action Planned:

OCFS is in the process of determining procedures for reviewing the reasonableness of the rates being used by the local districts and will implement corrective action to remediate the finding.

The 2022-2023 NYS Executive Budget included a mandate requiring Local Districts to pay no less than the Maximum State Aid Rate (MSAR) for all children in foster boarding homes no later than July 1, 2023.

The Office of Children and Family Services is in the process of revising the MSAR tables. This change will require districts to review the Level of Difficulty (LOD) assigned to individual children and revise the rates assigned to them based on the new rate schedule.

OCFS has established a two-year timeframe to allow districts to phase in the use of the rates and OCFS will provide technical assistance as needed.

NEW YORK STATE | Office of Children and Family Services

KATHY HOCHUL
Governor

SHEILA J. POOLE
Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency:	Office of Children and Family Services
Single Audit Contact:	Bonnie Hahn
Title:	External Audit Liaison
Telephone:	518-486-1034
E-mail Address:	Bonnie.Hahn@ocfs.ny.gov
Federal Program(s) (ALN # [s]):	Social Services Block Grant (93.667)
Audit Report Reference:	2022-015

Anticipated Completion Date:
3/31/24

Corrective Action Planned:

OCFS Bureau of Financial Operations has set up monitoring activities to review the adequacy of supporting documentation and appropriateness of Title XX claims. Going forward, the annual subrecipient risk assessment will be used to determine a schedule for reviewing the districts.

OCFS will review the current monitoring activities performed by various program offices to determine, when considered as a whole, if they are sufficient to address the portion of the finding regarding eligibility and the accuracy of the Post-Expenditure Report.

Appendix 1

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2022

State Agency: Department of Health

Single Audit Contact: Melissa Fiore

Title: Audit Services Director

Telephone: 518-473-0525

E-mail Address: Melissa.Fiore@health.ny.gov

Federal Program(s) (ALN # [s]): Medicaid Assistance (93.775, 93.777, 93.778)

Audit Report Reference: 2022-016

Anticipated Completion Date: 12/1/2022

Corrective Action Planned: The Corrective Action was implemented. The Department will continue to follow its revised policies and procedures including internal controls to ensure any service organization with access to NCCI data maintain a confidentiality agreement to be compliant with CMS NCCI Technical Guidance manual, sections 7.1.1 and 7.1.2.