

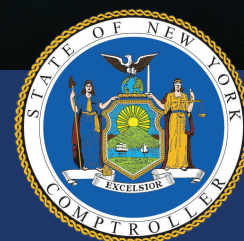
STATE OF NEW YORK

Basic Financial Statements and Other Supplementary Information

for Fiscal Year Ended March 31, 2024



New York State Comptroller THOMAS P. DiNAPOLI



STATE OF NEW YORK

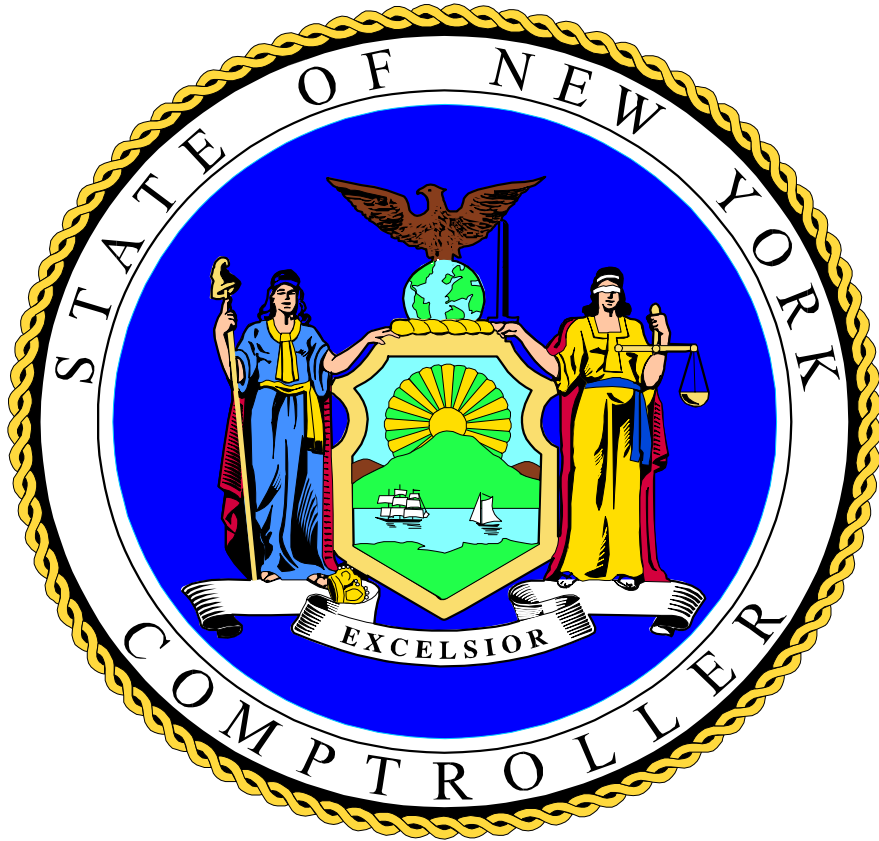
Basic Financial Statements and Other Supplementary Information

for Fiscal Year Ended March 31, 2024



New York State Comptroller THOMAS P. DiNAPOLI





THOMAS P. DiNAPOLI
STATE COMPTROLLER



110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

July 25, 2024

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 2024 Financial Report to the Legislature which includes the 2024 basic financial statements prepared in accordance with generally accepted accounting principles, together with the report of the State's independent auditors, dated July 25, 2024.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom DiNapoli".

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, 2024, 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, 2024, 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 32% and 55% of the total assets and revenues, respectively, of the business-type activities.

- *Fiduciary Activities*

Tuition Savings Program that represents 13% and 9% 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 collectively represent 71% and 74% 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

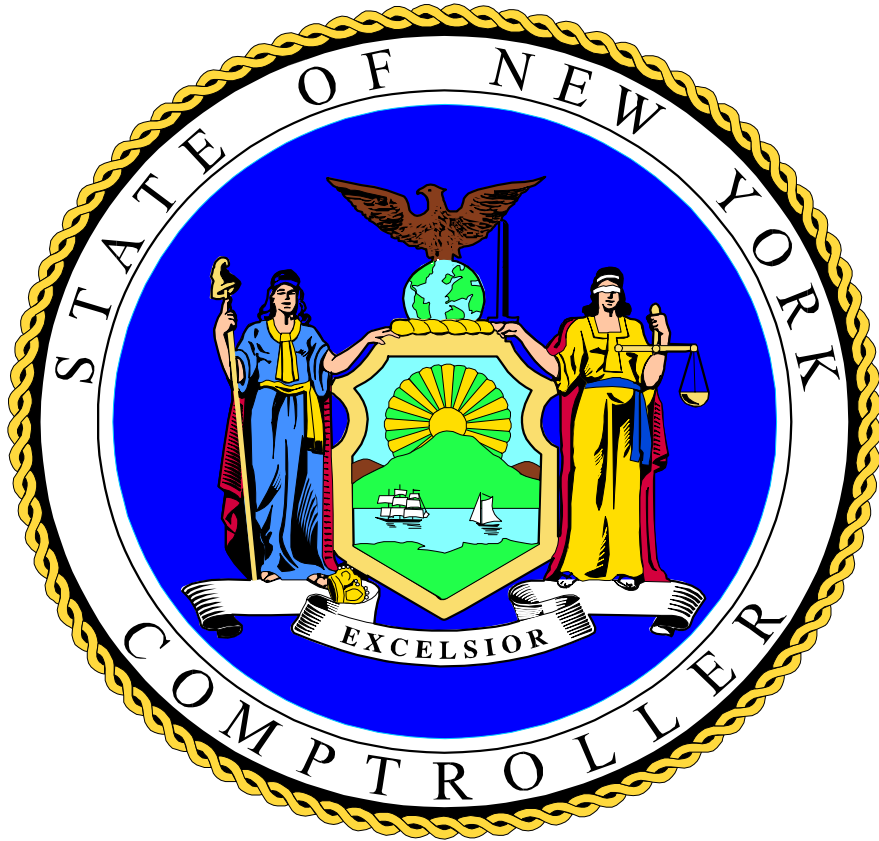
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of New York's basic financial statements. The other supplementary information listed in the accompanying table of contents are presented for purposes of additional analysis and 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 25, 2024 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 25, 2024



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, 2024. 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.

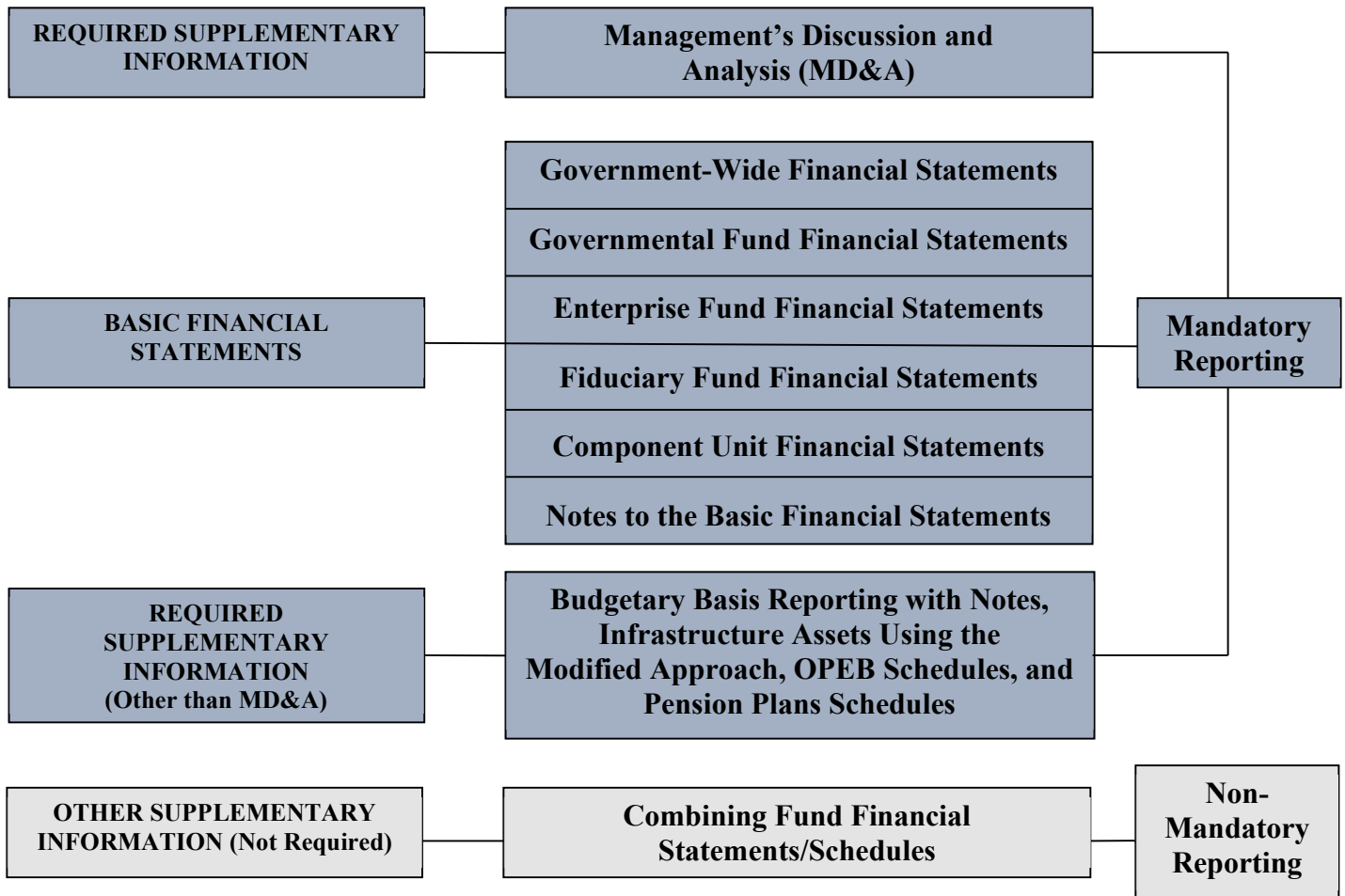
FINANCIAL HIGHLIGHTS

- New York State reported a net position surplus of \$45.3 billion, comprising \$273.9 billion in total assets and \$15.4 billion in deferred outflows of resources, less \$228.1 billion in total liabilities and \$15.9 billion in deferred inflows of resources (Table 1).
- The State's net position increased by \$14.4 billion as a result of this year's operations. The net position for governmental activities increased by \$11.6 billion and the net position for business-type activities increased by \$2.8 billion due to current year operations (Table 2).
- The State's governmental activities had total revenues of \$265.7 billion, which exceeded total expenses of \$249 billion, excluding transfers to business-type activities of \$5.1 billion, by \$16.7 billion (Table 2).
- The total cost of all the State's programs, which includes \$26.7 billion in business-type activities, was \$275.7 billion (Table 2).
- The General Fund reported a surplus this year of \$7.4 billion, which increased the accumulated fund balance to \$50.3 billion.
- Total debt outstanding at year-end was \$61.6 billion, comprising \$46.9 billion in governmental activities and \$14.7 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 one other component unit in with the governmental activities, because it provides 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 18. 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, Enterprise Funds are also required to report a Statement of Cash Flows (page 37).

Reporting the State’s Fiduciary Responsibilities

The State is the trustee, or fiduciary, for certain of its employees’ postretirement benefit and 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 39 and 40, 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 – one provides services exclusively to the State government itself, the Tobacco Settlement Financing Corporation (TSFC), and the rest provide services directly to citizens. The financial position and activities of 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, 2024, the State reported a net position surplus of \$45.3 billion, comprising \$80.3 billion in net investment in capital assets, and \$9.8 billion in restricted net position, offset by an unrestricted net position deficit of \$44.8 billion.

Net position reported for governmental activities increased by \$11.6 billion to a \$58.1 billion net position surplus.

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, 2024 and 2023
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Assets:						
Noncapital assets:						
Cash and investments	\$ 88,838	\$ 88,392	\$ 11,592	\$ 10,994	\$ 100,430	\$ 99,386
Receivables, net	47,922	47,708	3,811	4,968	51,733	52,676
Other	2,968	4,172	406	1,018	3,374	5,190
Total noncapital assets	139,728	140,272	15,809	16,980	155,537	157,252
Capital assets	98,372	97,064	19,977	19,615	118,349	116,679
Total assets	238,100	237,336	35,786	36,595	273,886	273,931
Deferred outflows of resources	12,520	14,739	2,893	3,269	15,413	18,008
Liabilities:						
Other liabilities	64,833	71,870	3,813	3,838	68,646	75,708
Long-term liabilities	116,610	112,936	42,891	44,625	159,501	157,561
Total liabilities	181,443	184,806	46,704	48,463	228,147	233,269
Deferred inflows of resources	11,115	20,816	4,754	6,966	15,869	27,782
Net position:						
Net investment in capital assets	77,740	75,994	2,563	1,688	80,303	77,682
Restricted	7,748	8,957	2,015	1,882	9,763	10,839
Unrestricted deficits	(27,426)	(38,498)	(17,357)	(19,135)	(44,783)	(57,633)
Total net position	\$ 58,062	\$ 46,453	\$ (12,779)	\$ (15,565)	\$ 45,283	\$ 30,888

* As of June 30, 2023 and 2022 for SUNY and CUNY activities

Unrestricted net position for governmental activities is 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. The net position deficit in unrestricted governmental activities of \$27.4 billion decreased by \$11.1 billion (28.8 percent) in 2024, and 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 (\$47.6 billion). Such outstanding debt included: borrowing for local highway and bridge projects (\$3.3 billion), local mass transit projects (\$6.9 billion), and a wide variety of grants and other expenditures not resulting in State capital assets (\$14.4 billion). The majority of such debt resulted in capital assets owned by local governments and public authorities and included a STARC debt refunding grant for NYC. 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 \$2.8 billion (17.9 percent) to \$12.8 billion in 2024 as compared to \$15.6 billion in 2023. The decrease in net position deficit for business-type activities were primarily due to CUNY Senior Colleges' revenues and State support exceeding expenses by \$510 million, SUNY revenues and State support exceeding expenses by \$1.5 billion, and

employer contributions and other revenue exceeding unemployment benefit payments for the Unemployment Insurance Fund by \$720 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, 2024 and 2023
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 30,378	\$ 27,271	\$ 20,566	\$ 19,796	\$ 50,944	\$ 47,067
Operating grants and contributions.....	98,504	100,401	3,629	4,372	102,133	104,773
Capital grants and contributions	1,782	1,805	98	97	1,880	1,902
General revenues:						
Taxes	110,505	117,475	-	-	110,505	117,475
Other.....	24,550	21,266	1,945	967	26,495	22,233
Total revenues.....	265,719	268,218	26,238	25,232	291,957	293,450
Expenses:						
Education.....	48,561	44,877	-	-	48,561	44,877
Public health.....	121,815	109,812	-	-	121,815	109,812
Public welfare.....	22,221	25,064	-	-	22,221	25,064
Public safety	8,748	14,836	-	-	8,748	14,836
Transportation	14,464	12,958	-	-	14,464	12,958
Other.....	33,186	30,928	-	-	33,186	30,928
Lottery	-	-	7,016	7,031	7,016	7,031
Unemployment insurance.....	-	-	3,158	2,305	3,158	2,305
State University of New York ...	-	-	12,515	11,860	12,515	11,860
City University of New York	-	-	3,981	4,284	3,981	4,284
Total expenses.....	248,995	238,475	26,670	25,480	275,665	263,955
Increase (decrease) in net position before transfers	16,724	29,743	(432)	(248)	16,292	29,495
Transfers.....	(5,115)	(4,458)	3,218	3,549	(1,897)	(909)
Changes in net position	11,609	25,285	2,786	3,301	14,395	28,586
Net position,						
beginning of year	46,453	21,168	(15,565)	(18,866)	30,888	2,302
Net position, end of year	\$ 58,062	\$ 46,453	\$ (12,779)	\$ (15,565)	\$ 45,283	\$ 30,888

* As of June 30, 2023 and 2022 for SUNY and CUNY activities

Governmental Activities

In fiscal year 2024, the State's total revenues for governmental activities of \$265.7 billion exceeded its total expenses of \$249 billion by \$16.7 billion (Table 2). Compared to the previous year, the State's change in Net Position before transfers decreased by \$13 billion. The primary reason for this was the

decrease in tax revenues and an increase in expenses. The combined effects of a slowing national economy, a weakening labor market, and declining bonuses, particularly in finance, resulted in a reduction in tax revenues this year, with personal income tax estimated payments being the area most impacted. The increase in expenses resulted from additional spending in Medicaid to provide additional assistance to hospitals and health care providers and workers; in public education reflecting the final year phase-in of full funding of the Foundation Aid formula and State-funded full-day pre-kindergarten programming; and in transportation to provide additional assistance to the Metropolitan Transportation Authority to address operational shortfalls. 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 \$135.1 billion. Overall, the State's governmental program revenues, including intergovernmental aid, fees for services and capital grants, were \$130.7 billion in 2024. The State paid for the remaining "public benefit" portion of governmental activities with \$110.5 billion in taxes and \$24.6 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, 2024 and 2023
(Amounts in millions)

	2024			2023
	Total Cost of Services	Program Revenues	Net Cost of Services	Net Cost of Services
Education	\$ 48,561	\$ 9,251	\$ 39,310	\$ 36,982
Public health	121,815	90,051	31,764	27,529
Public welfare	22,221	16,443	5,778	6,416
Public safety	8,748	2,533	6,215	5,395
Transportation	14,464	3,884	10,580	8,940
All others	33,186	8,502	24,684	23,736
Totals	\$ 248,995	\$ 130,664	\$ 118,331	\$ 108,998

Business-Type Activities

The cost of all business-type activities this year was \$26.7 billion, an increase of \$1.2 billion over the \$25.5 billion cost in 2023 (Table 2). Increases in spending for Unemployment Insurance Benefit Fund payments, SUNY hospitals and clinics, and SUNY Senior Colleges' educational and general expenses were slightly offset by decreases in Lottery benefits and prizes paid and CUNY Senior Colleges' educational and general expenses. 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 \$3.2 billion after activity costs were paid by those directly benefiting from the programs (\$20.6 billion), operating grants and contributions (\$3.6 billion), and capital grants and contributions (\$98 million). The increase in revenues from charges for services (\$770 million) resulted from an increase in SUNY hospital and clinics, and auxiliary enterprises revenues. The decrease in operating grants and contributions (\$743 million) is a result of lower federal and State grants received by the SUNY and CUNY Senior Colleges.

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 \$75.1 billion. Included in this year's total change in fund balance is a surplus of \$7.4 billion in the State's General Fund, resulting from expenditures exceeding revenues by \$21.9 billion, which was offset by net other financing sources of \$29.3 billion to the General Fund. The General Fund reported increases in consumption and uses taxes (\$2.6 billion), business taxes (\$938 million), and miscellaneous revenues (\$5 billion), offset by decreases in personal income taxes (\$6.4 billion) and other taxes (\$1 billion). Compared to the prior year, personal income tax revenue decreased due to the extension of payments for tax years 2022 and 2023 and the decline in payments in 2023 of non-wage income. Total General Fund revenues increased \$1.1 billion, while expenditures increased \$6.4 billion. Local assistance expenditures increased by \$7.9 billion, due primarily to the timing of education assistance as well as public health expenditures, offset by a decrease in public welfare and general government expenditures. State operations expenditures decreased \$1.5 billion. The State ended the 2023-24 fiscal year with a General Fund accumulated fund balance of \$50.3 billion. Due to the nature of activity in the State's Federal Special Revenue Funds there is no fund balance. Revenues and expenditures primarily consist of federal grant receipts and local assistance grants respectively, with the largest spending occurring in the public health and public welfare grant program areas. Revenues exceeded expenditures this year by \$2.3 billion, offset by other financing sources of \$2.3 billion, resulting in a net change to fund balance of zero. Also included in this year's total change in fund balance is a deficit of \$1.1 billion in the State's General Debt Service Fund, resulting from revenues exceeding expenditures by \$37.5 billion, which was offset by net other financing uses of \$38.6 billion. The General Debt Service Fund reported decreases in personal income taxes (\$2.9 billion) and debt service expenditures (\$3.6 billion), offset by increases in consumption and use taxes (\$0.4 billion) and net other financing uses (\$892 million). Compared to the prior year, personal income tax revenue decreased due to a decrease in dedicated revenues. The increase in consumption and use taxes was due to moderate growth in taxable consumption resulting in an increase in allocated revenues. The General Debt Service Fund debt service expenditures decreased \$3.6 billion due to less defeasances on outstanding debt. The increase in net financing uses was primarily due to an increase in transfers of excess revenues (\$0.8 billion) to the General Fund after debt service requirements were met. The General Debt Service Fund ended the 2023-24 fiscal year with an accumulated fund balance of \$5.4 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 reviewed and updated quarterly by the Division of the Budget throughout the year as required by the State Finance Law. The quarterly updates to the 2023-24 financial plan reflected revisions to the original financial plan based on actual operating results and an updated analysis of underlying economic activity and forecasts, programmatic trends and experience, and other actions and developments that impact receipts and disbursements. This discussion includes comparisons to estimates from two different financial plan updates in 2023-24: the

original financial plan (the “Enacted Budget Financial Plan” issued June 9, 2023) and the final quarterly financial plan update (the “Updated Financial Plan” issued February 15, 2024).

General Fund receipts exceeded disbursements by \$2.9 billion in the 2023-24 fiscal year. Total General Fund receipts for the year (including transfers from other funds) were \$103 billion. Total General Fund disbursements for the year (including transfers to other funds) were \$100.1 billion. The State ended the 2023-24 fiscal year in a stronger overall position in comparison to the estimates in both the Enacted Budget Financial Plan and the Updated Financial Plan. Results reflected both strong receipts and disbursements that fell substantially below budgeted levels. Positive results led to additional resources that have been carried forward into future years through the prepayment of expenses and advances, as well as increased fund balances that are expected to offset costs in future years of the Financial Plan.

Tax receipts and General Fund balance continue to be impacted by the enactment of the Pass-Through Entity Tax (PTET) program which resulted in business tax collections of \$14 billion and a reduction in PIT collections by an estimated \$14.2 billion due to PTET credits, resulting in a net \$221 million reduction in tax receipts. The net reduction is offset using a portion of the General Fund reserve of fund balance previously set aside for this purpose, which is intended to cover the timing difference between PTET collections and related PIT credits across fiscal years.

The General Fund ended the fiscal year with a closing cash fund balance of \$46.3 billion, which consisted of \$6.3 billion in the State’s rainy day reserve funds (\$1.6 billion in the Tax Stabilization Reserve Account and \$4.6 billion in the Rainy Day Reserve Fund), \$25 million in the Community Projects Fund, \$21 million in the Contingency Reserve Fund, and \$40 billion in the Refund Reserve Account. At the close of the 2023-24 fiscal year, the Division of the Budget (DOB) informally designated the Refund Reserve Fund balance for specified purposes including: timing of PTET/PIT Credits (\$14.1 billion), economic uncertainties (\$13.8 billion), debt management (\$2.4 billion), transfers to capital projects funds (\$1.1 billion), and labor settlements/agency operations (\$1.8 billion).

General Fund receipts in the 2023-24 fiscal year were \$2.5 billion higher than the Enacted Budget Financial Plan estimate. Tax receipts fell below the initial estimate, however, excluding prepayments totaling \$4.7 billion executed at the close of the fiscal year, tax receipts exceeded the Enacted Budget Financial Plan estimate by \$4.1 billion. General Fund PIT receipts were affected by the prepayment of debt service due in future years, which reduced PIT receipts deposited to the General Fund. PIT receipts, excluding \$3.4 billion in debt prepayments and PTET, were \$742 million higher than projected. The increase is due to stronger than expected withholding, delinquencies, and final returns, coupled with weaker than expected total refunds due to a lower-than-expected state/city offset and advanced credit payments. Consumption/use tax receipts were \$599 million higher than planned, excluding \$1.3 billion in debt prepayments, mainly due to stronger than expected growth in sales tax collections. Higher than projected business taxes were attributable to increased gross Corporate Franchise Tax (CFT) receipts and fewer refunds, partially offset by lower audits of CFT and Bank taxes. PTET collections exceeded projections due to higher-than-expected estimated payments, partially offset by a State/City distribution that was more favorable to the City than originally projected. Other taxes exceeded initial projections due to the receipt of extraordinary estate tax payments. Miscellaneous receipts exceeded initial estimates due mainly to higher investment income due to rising interest rates, Abandoned Property, reimbursements, and licenses and fees. Transfers from other funds exceeded initial estimates due to the Transaction Risk Reserve which was included in the initial estimates to guard against unexpected declines in receipts or costs related to transaction risk execution.

General Fund disbursements in 2023-24 were \$4.3 billion below the Enacted Budget Financial Plan estimate. Assistance and Grants disbursements were \$5.9 billion lower than planned due to routine timing of payments and conservative estimation of disbursements. Agency operations were \$986

million above initial expectations, driven predominantly by the prepayment of the fiscal year 2025 ERS/PFRS pension bill and a deposit into the Retiree Health Benefit Trust Fund (RHBTF), which were partially offset by lower than projected state operations disbursements, including FEMA reimbursements for previously incurred pandemic related expenses. Transfers to other funds were \$655 million higher than initial projections driven largely by higher than projected transfers to reimburse disbursements on capital projects, partially offset by a lower than projected SUNY Operating and other transfers.

Net operating results compared to the Updated Financial Plan were positive by \$1.4 billion. The improvement was composed of lower disbursements of \$3.4 billion, partially offset by \$2 billion in lower receipts. Lower receipts occurred primarily due to the prepayment of debt service due in future years, which reduced tax receipts deposited to the General Fund and offset higher corporate franchise tax receipts, Abandoned Property, and reimbursements. Lower disbursements were driven by normal underspending, routine timing, and conservative estimation of disbursements.

The State's current year General Fund GAAP surplus of \$7.4 billion reported on page 32 differs from the General Fund's cash basis operating surplus of \$2.9 billion reported in the reconciliation found under Budgetary Basis Reporting on page 170. 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, 2024, the State has \$118.3 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 \$1.6 billion over last year.

Table 4
Capital Assets as of March 31, 2024 and 2023
(Net of depreciation, amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2024	2023	2024	2023**	2024	2023
Land and land improvements.....	\$ 4,829	\$ 4,694	\$ 1,157	\$ 1,144	\$ 5,986	\$ 5,838
Land preparation	4,409	4,338	-	-	4,409	4,338
Buildings	5,270	5,376	13,146	13,194	18,416	18,570
Equipment and library books.....	352	346	789	812	1,141	1,158
Leases.....	2,116	2,229	1,033	951	3,149	3,180
Construction in progress....	3,595	3,567	2,747	2,474	6,342	6,041
Infrastructure	77,197	75,920	843	854	78,040	76,774
Artwork and historical treasures	-	-	47	47	47	47
Intangible assets	604	594	215	233	819	827
Totals.....	\$ 98,372	\$ 97,064	\$ 19,977	\$ 19,709	\$ 118,349	\$ 116,773

*As of June 30, 2023 and 2022 for SUNY and CUNY activities

**2023 balances restated as a result of the implementation of GASB 87, *Leases* and GASB 96, *Subscription-Based IT Arrangements*

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 7,941 bridges in the inventory, of which 7,735 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 \$904 million in 2024.

The State's 2024-25 fiscal year capital budget calls for it to spend \$17.7 billion for capital projects, of which \$7.5 billion is for transportation projects. To pay for these capital projects, the State plans to use \$458 million in general obligation bond proceeds, \$6 billion in other financing arrangements with public authorities, \$3.4 billion in federal funds, and \$7.8 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 contractual obligations where the State's legal obligation to make payments is subject to and paid from annual appropriations made by the Legislature. Installation commitments and mortgage loan commitments, which represent \$202 million as of March 31, 2024, 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. As of March 31, 2024, there are no swap agreements outstanding.

At March 31, 2024, the State had \$61.6 billion in bonds, notes, and other financing agreements outstanding compared with \$63.9 billion in the prior year, a decrease of \$2.3 billion as shown below in Table 5.

Table 5
Outstanding Debt as of March 31, 2024 and 2023
(Amounts in millions)

	Governmental Activities		Business-Type Activities*		Total Primary Government	
	2024	2023	2024	2023**	2024	2023**
State-supported debt as defined by the State Finance Law:						
General obligation bonds (voter-approved).....	\$ 2,128	\$ 1,836	\$ -	\$ -	\$ 2,128	\$ 1,836
Other financing arrangements	39,783	40,806	13,097	14,219	52,880	55,025
Installation commitments	-	1	145	156	145	157
Mortgage loan commitments...	-	-	57	59	57	59
Other long-term debt	-	-	32	35	32	35
Unamortized bond premiums (discounts)	4,954	5,298	1,399	1,482	6,353	6,780
Totals.....	\$ 46,865	\$ 47,941	\$ 14,730	\$ 15,951	\$ 61,595	\$ 63,892

*As of June 30, 2023 and 2022 for SUNY and CUNY activities

** 2023 balance restated due to a reclassification of debt as a result of implementation of GASB 87, *Leases*

In addition to the debt outlined above, the State reported \$2.1 billion in collateralized borrowings (\$235 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 \$2.2 billion in collateralized borrowings (\$252 million in governmental activities and \$1.9 billion in business-type activities).

During the 12-month period reported, the State issued \$6.5 billion in bonds, of which \$1.8 billion was for refunding and \$4.7 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	
	2024	2023	2024	2023	2024	2023
Voter-approved debt:						
General obligation:						
New issues	\$ 468	\$ -	\$ -	\$ -	\$ 468	\$ -
Refunding issues.....	105	-	-	-	105	-
Total voter-approved debt	573	-	-	-	573	-
Non-voter-approved debt:						
Other financing arrangements:						
New issues	4,162	3,305	5	1,935	4,167	5,240
Refunding issues.....	1,725	899	-	672	1,725	1,571
Total non-voter-approved debt .	5,887	4,204	5	2,607	5,892	6,811
Totals	\$ 6,460	\$ 4,204	\$ 5	\$ 2,607	\$ 6,465	\$ 6,811

*As of June 30, 2023 and 2022 for SUNY and CUNY activities

The State's assigned general obligation bond ratings on March 31, 2024 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 \$5.9 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 2021-22 and 2022-23 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 2021-22 and 2022-23 was not limited to capital purposes and was not counted towards the statutory caps on debt outstanding and debt service.

ECONOMIC FACTORS AFFECTING THE STATE

Many economists were projecting a national recession at the beginning of 2023; however, in both the first and second quarters of 2023, the national economy expanded at a rate of just over 2 percent, only slightly slower than at the end of 2022. Inflation slowed throughout the year, from 6.4 percent in January to 3.4 percent in December. After increasing interest rates by 100 basis points in January through July 2023, following seven increases of 425 basis points through 2021 and 2022, the Federal Reserve Board did not increase rates further, and maintained rates in the range of 5.25 to 5.50 percent through the end of the year. As a result, the national economy expanded at a faster pace through the second half of the year; the real gross domestic product (GDP) increased by 2.5 percent on an annual basis, an acceleration from the 1.9 percent increase in 2022.

In New York, the results were different: the State economy grew at a faster pace than the nation in 2022, with real gross state product (GSP) increasing 2.3 percent. However, in 2023, New York's economy slowed; real GSP grew by just 0.7 percent, ranking New York 48th among the states for economic growth.

By the middle of 2022, employment nationally had returned to pre-pandemic levels. Growth continued over the remainder of the year and into the following year. By the end of 2023, there were over 3.5 million more jobs than the year prior and nearly 5 million more than in February 2020.

While employment increased in New York in 2023 by over 204,000 jobs, it remained below pre-pandemic levels. At the end of the year, 96.3 percent of the jobs lost during the pandemic were back.

All regions of the State experienced job growth in both 2022 and 2023. Employment in New York City and the Hudson Valley increased at the fastest rates in 2023, 3.1 percent and 2.6 percent, respectively; Central New York and the Mohawk Valley had the slowest growth, 0.7 percent in both. However, no region achieved employment above pre-pandemic levels. New York City was the closest to full recovery at 0.2 percent below 2019 levels; the Mohawk Valley showed the least progress at the end of 2023 at 5.5 percent below 2019.

Employment in New York State was dominated by the health care, professional and business services, and wholesale and retail trade industries. These three sectors provided nearly 4.4 million jobs, over half (53.7 percent) of the total employment in the State in 2023.

The utilities and hospitality industries in New York realized the highest percentage growth in average employment in 2023 with 5.7 percent and 5.6 percent, respectively. The hospitality industry also had the second-highest number of jobs added at more than 48,500; the healthcare and social assistance sector had the largest increase with just over 94,600. Three industries had job losses: manufacturing (0.2 percent), retail trade (0.2 percent), and information (4.9 percent).

After declining by 1.6 percent in 2022, personal income in New York grew by 5.0 percent in 2023, slightly lower than the 5.2 percent growth nationally. Despite volatility in the equity markets at the beginning of the year, nonwage income from dividends, interest, and rent increased by 4.3 percent, due in part to higher interest rates. All other components of personal income – wages, proprietors' income, and transfer receipts (e.g. unemployment benefits and Social Security payments) – also realized growth during the year.

Total wages, which are influenced by employment levels as well as the amounts paid to workers, increased nationally in 2023 by 5.5 percent. With employment increasing at a slower rate in New York in 2023, total wage growth in New York also lagged the nation, 4.3 percent. The healthcare and social insurance industry had the largest increase in total wages, over \$9.6 billion, largely due to the large increase in employment in the sector. As a result of the job losses, the information sector also had a decrease in total wages paid, \$6.4 million.

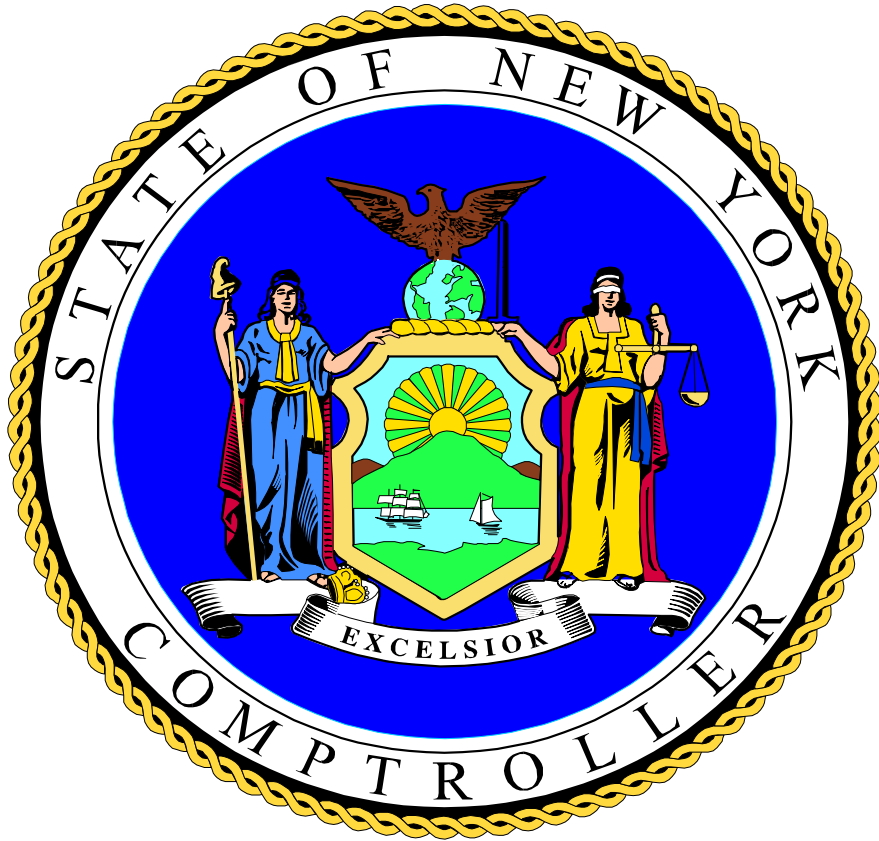
In relation to the growth in average annual wages earned by workers, New York also lagged the nation, with increases of 2.0 percent and 3.4 percent, respectively. The government sector had the largest growth in 2023, 5.5 percent. However, in the finance and insurance industry, wages declined by 1.6 percent due in part to the 25 percent decrease in average bonuses for 2022 paid in the first three months of 2023. In 2022, the unemployment rate decreased by nearly 3 percentage points, from 7.1 percent in 2021 to 4.3 percent; it was only slightly lower in 2023, 4.2 percent. While the labor force continued to expand in 2023, increasing by 122,000 to over 9.7 million, there were still more than 133,000 fewer workers than in 2019.

With more workers, the labor force participation rate in the State increased from 60.2 percent in 2022 to 61.2 percent in 2023. However, the participation rate remained below the national average of 62.6 percent.

According to the 2020 Census, New York State's population was just over 20.2 million. In 2023, the population declined by over 631,000, or 3.1 percent, based on estimates from the U.S. Census Bureau. In comparison, there were over 3.4 million more people nationwide. New York had the largest population decline; California and Illinois ranked second and third.

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.ny.gov.



Basic Financial Statements

Statement of Net Position

March 31, 2024

(Amounts in millions)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS:				
Cash and investments.....	\$ 88,838	\$ 11,592	\$ 100,430	\$ 66,096
Receivables, net of allowances for uncollectibles:				
Taxes.....	20,419	-	20,419	-
Leases.....	34	7	41	3,009
Due from Federal government.....	17,013	57	17,070	-
Loans and notes.....	-	-	-	31,875
Other.....	9,247	4,364	13,611	4,644
Internal balances.....	1,209	(617)	592	-
Net pension asset.....	-	-	-	34
Net other postemployment benefits asset.....	-	112	112	113
Other assets.....	2,968	294	3,262	4,398
Capital assets:				
Land, infrastructure and construction in progress.....	89,250	3,949	93,199	18,023
Buildings, equipment, land improvements and infrastructure, net of depreciation.....	6,403	14,780	21,183	103,856
Leases, net of amortization.....	2,116	1,033	3,149	2,839
Intangible assets, net of amortization.....	603	215	818	646
Derivative instruments.....	-	-	-	97
Total assets.....	238,100	35,786	273,886	235,630
DEFERRED OUTFLOWS OF RESOURCES	12,520	2,893	15,413	10,969
LIABILITIES:				
Tax refunds payable.....	18,777	-	18,777	-
Accounts payable.....	1,044	873	1,917	842
Accrued liabilities.....	17,411	2,168	19,579	21,205
Payable to local governments.....	13,999	-	13,999	-
Interest payable.....	97	216	313	-
Pension contributions payable.....	1	-	1	30
Unearned revenues.....	13,504	556	14,060	4,173
Derivative instruments.....	-	-	-	56
Long-term liabilities:				
Due within one year.....	2,024	1,090	3,114	5,469
Due in more than one year:				
Tax refunds payable.....	1,847	-	1,847	-
Accrued liabilities.....	5,182	1,164	6,346	870
Payable to local governments.....	709	-	709	-
Due to Federal government.....	200	7,433	7,633	-
Lottery prizes payable.....	-	834	834	-
Pension contributions payable.....	-	2	2	-
Net pension liability.....	9,477	2,000	11,477	8,995
Net other postemployment benefits liability.....	47,612	12,942	60,554	26,225
Pollution remediation.....	1,136	-	1,136	149
Asset retirement obligations.....	54	-	54	420
Lease liability.....	1,923	1,026	2,949	2,611
Subscription-based IT arrangements.....	31	70	101	124
Collateralized borrowings.....	218	1,936	2,154	-
Other financing arrangements.....	44,147	14,394	58,541	-
Notes payable.....	-	-	-	687
Bonds payable.....	2,050	-	2,050	94,346
Other long-term liabilities.....	-	-	-	8,062
Derivative instruments.....	-	-	-	198
Total liabilities.....	181,443	46,704	228,147	174,462
DEFERRED INFLOWS OF RESOURCES	11,115	4,754	15,869	12,361
NET POSITION:				
Net investment in capital assets.....	77,740	2,563	80,303	52,822
Restricted for:				
Debt service.....	5,922	(47)	5,875	3,311
Health and patient care.....	857	-	857	182
Education and research programs.....	6	1,551	1,557	4,662
Environmental projects and energy programs.....	11	-	11	10,653
Economic development, housing and transportation.....	300	-	300	4,110
Insurance and administrative requirements.....	151	-	151	2,902
Future lottery prizes.....	-	446	446	-
Pensions.....	-	65	65	-
Other government programs.....	501	-	501	-
Unrestricted deficits.....	(27,426)	(17,357)	(44,783)	(18,866)
Total net position.....	\$ 58,062	\$ (12,779)	\$ 45,283	\$ 59,776

See accompanying notes to the basic financial statements.

Statement of Activities

For the Year Ended March 31, 2024
(Amounts in millions)

Functions/Programs Primary Government:	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		Component Units
						Total	Total	
Governmental activities:								
Education.....	\$ 48,561	\$ 407	\$ 8,844	\$ -	\$ (39,310)	\$ -	\$ (39,310)	\$ -
Public health.....	121,815	19,924	70,032	95	(31,764)	-	(31,764)	-
Public welfare.....	22,221	446	15,997	-	(5,778)	-	(5,778)	-
Public safety.....	8,748	133	2,340	60	(6,215)	-	(6,215)	-
Transportation.....	14,464	1,832	425	1,627	(10,580)	-	(10,580)	-
Environment and recreation.....	2,393	318	586	-	(1,489)	-	(1,489)	-
Support and regulate business.....	2,762	1,099	85	-	(1,578)	-	(1,578)	-
General government.....	26,618	6,219	124	-	(20,275)	-	(20,275)	-
Interest on long-term debt.....	1,413	-	71	-	(1,342)	-	(1,342)	-
Total governmental activities.....	248,995	30,378	98,504	1,782	(118,331)	-	(118,331)	-
Business-Type activities:								
Lottery.....	7,016	10,550	-	-	-	3,534	3,534	-
Unemployment insurance.....	3,158	3,483	24	-	-	349	349	-
State University of New York.....	12,515	5,977	2,238	98	-	(4,202)	(4,202)	-
City University of New York.....	3,981	556	1,367	-	-	(2,058)	(2,058)	-
Total business-type activities.....	26,670	20,566	3,629	98	-	(2,377)	(2,377)	-
Total primary government.....	\$ 275,665	\$ 50,944	\$ 102,133	\$ 1,880	(118,331)	(2,377)	(120,708)	-
Total component units.....	\$ 46,463	\$ 21,235	\$ 13,694	\$ 4,894	-	-	(6,640)	-
General revenues:								
Taxes:								
Personal income.....					68,462	-	68,462	-
Consumption and use.....					21,948	-	21,948	-
Business.....					14,193	-	14,193	-
Other.....					5,902	-	5,902	-
Grants and contributions not restricted to specific programs.....					2,250	-	2,250	3,204
Investment earnings.....					4,305	424	4,729	2,035
Miscellaneous.....					17,995	1,521	19,516	5,438
Total general revenues.....					135,055	1,945	137,000	10,677
Transfers.....					(5,115)	3,218	(1,897)	-
Total general revenues and transfers.....					129,940	5,163	135,103	10,677
Change in net position.....					11,609	2,786	14,395	4,037
Net position - beginning of year, as restated.....					46,453	(15,565)	30,888	55,739
Net position - end of year.....					\$ 58,062	\$ (12,779)	\$ 45,283	\$ 59,776

See accompanying notes to the basic financial statements.

Balance Sheet
Governmental Funds
March 31, 2024

(Amounts in millions)

	Major Funds					Total
	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Eliminations	
ASSETS:						
Cash and investments.....	\$ 56,505	\$ 9,315	\$ 5,476	\$ 17,541	\$ -	\$ 88,837
Receivables, net of allowances for uncollectibles:						
Taxes.....	10,868	-	8,525	1,026	-	20,419
Leases.....	31	-	-	3	-	34
Due from Federal government.....	-	16,535	13	653	-	17,201
Other.....	4,855	1,692	-	2,700	-	9,247
Due from other funds.....	4,082	128	-	2,650	(4,670)	2,190
Other assets.....	2,815	127	-	26	-	2,968
Total assets.....	\$ 79,156	\$ 27,797	\$ 14,014	\$ 24,599	\$ (4,670)	\$ 140,896
LIABILITIES:						
Tax refunds payable.....	\$ 10,863	\$ -	\$ 6,853	\$ 1,061	\$ -	\$ 18,777
Accounts payable.....	652	73	-	318	-	1,043
Accrued liabilities.....	6,865	7,505	15	187	-	14,572
Payable to local governments.....	4,623	8,604	520	252	-	13,999
Due to other funds.....	697	1,474	771	2,183	(4,670)	455
Pension contributions payable.....	1	-	-	-	-	1
Unearned revenues.....	4,119	9,383	-	2	-	13,504
Total liabilities.....	27,820	27,039	8,159	4,003	(4,670)	62,351
DEFERRED INFLOWS OF RESOURCES.....	990	758	442	1,231	-	3,421
FUND BALANCES (DEFICITS):						
Restricted.....	231	-	5,299	1,297	-	6,827
Committed.....	43,689	-	114	14,538	-	58,341
Assigned.....	6,347	-	-	5,055	-	11,402
Unassigned.....	79	-	-	(1,525)	-	(1,446)
Total fund balances.....	50,346	-	5,413	19,365	-	75,124
Total liabilities, deferred inflows of resources and fund balances.....	\$ 79,156	\$ 27,797	\$ 14,014	\$ 24,599	\$ (4,670)	\$ 140,896

See accompanying notes to the basic financial statements.

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

March 31, 2024

(Amounts in millions)

Total fund balances - governmental funds	\$ 75,124
Amounts reported for governmental activities in the statement of net position are different because:	
Capital, lease and intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds.	98,372
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.	3,352
Deferred inflows of resources related to deferred gains on refundings of bonds payable and other financing arrangements are not reported in the funds.	(552)
Deferred inflows of resources related to pension and other postemployment benefits are not reported in the funds.	(10,494)
Medicaid cost recoveries are not available soon enough to reduce current period expenditures that are due to the Federal government.	(188)
Deferred outflows of resources related to deferred losses on refundings of bonds payable and other financing arrangements are not reported in the funds.	100
Deferred outflows of resources related to pension and other postemployment benefits are not reported in the funds.	12,386
Deferred outflows of resources related to asset retirement obligations	34
Some liabilities (listed below) are not due and payable in the current period and therefore are not reported in the funds:	
Interest payable	(97)
Due to business-type activities	(526)
Claimant liability for escheated property	(2,839)
Long-term liabilities due within one year	(2,024)
Tax refunds payable	(1,847)
Accrued liabilities	(5,182)
Payable to local governments	(709)
Due to Federal government	(200)
Net pension liability	(9,477)
Other postemployment benefits	(47,612)
Pollution remediation	(1,136)
Asset retirement obligations	(54)
Lease liability	(1,923)
Subscription-based IT arrangements	(31)
Collateralized borrowings	(218)
Other financing arrangements	(44,147)
Bonds payable	(2,050)
Total net position - governmental activities	\$ 58,062

See accompanying notes to the basic financial statements.

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

Year Ended March 31, 2024
(Amounts in millions)

	Major Funds			Other Governmental Funds	Eliminations	Total
	General	Federal Special Revenue	General Debt Service			
REVENUES:						
Taxes:						
Personal income.....	\$ 32,681	\$ -	\$ 34,196	\$ 1,612	\$ -	\$ 68,489
Consumption and use.....	9,407	-	9,772	2,765	-	21,944
Business.....	10,980	-	-	3,404	-	14,384
Other.....	1,679	-	7	4,244	-	5,930
Federal grants.....	2,249	96,998	31	2,747	-	102,025
Public health/patient fees.....	-	-	-	6,990	-	6,990
Tobacco settlement.....	-	-	-	484	-	484
Miscellaneous.....	36,898	718	93	7,133	-	44,842
Total revenues.....	93,894	97,716	44,099	29,379	-	265,088
EXPENDITURES:						
Local assistance grants:						
Education.....	32,790	8,572	-	6,567	-	47,929
Public health.....	36,092	67,392	-	7,914	-	111,398
Public welfare.....	4,490	14,531	-	1,035	-	20,056
Public safety.....	413	2,066	-	287	-	2,766
Transportation.....	534	62	-	9,712	-	10,308
Environment and recreation.....	9	1	-	837	-	847
Support and regulate business.....	498	11	-	980	-	1,489
General government.....	1,332	64	-	782	-	2,178
State operations:						
Personal service.....	10,997	764	-	259	-	12,020
Non-personal service.....	22,454	1,558	43	2,065	-	26,120
Pension contributions.....	1,509	49	-	27	-	1,585
Other fringe benefits.....	4,710	357	-	116	-	5,183
Capital construction.....	-	-	-	7,237	-	7,237
Debt service, including payments on financing arrangements.....	-	-	6,589	93	-	6,682
Total expenditures.....	115,828	95,427	6,632	37,911	-	255,798
Excess (deficiency) of revenues over expenditures.....	(21,934)	2,289	37,467	(8,532)	-	9,290
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	42,167	-	371	11,893	(50,774)	3,657
Transfers to other funds.....	(12,987)	(2,308)	(38,976)	(5,372)	50,774	(8,869)
General obligation bonds issued.....	-	-	-	468	-	468
Financing arrangements issued.....	188	19	-	4,222	-	4,429
Refunding debt issued.....	-	-	1,830	-	-	1,830
Payments to escrow agents for refundings.....	-	-	(2,050)	-	-	(2,050)
Premiums/discounts on bonds issued.....	-	-	230	353	-	583
Net other financing sources (uses).....	29,368	(2,289)	(38,595)	11,564	-	48
Net change in fund balances.....	7,434	-	(1,128)	3,032	-	9,338
Fund balances at April 1, 2023.....	42,912	-	6,541	16,333	-	65,786
Fund balances at March 31, 2024.....	\$ 50,346	\$ -	\$ 5,413	\$ 19,365	\$ -	\$ 75,124

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, 2024

(Amounts in millions)

Net change in fund balances - total governmental funds **\$ 9,338**

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 and amortization expense. In the current period, these amounts are:

Depreciation and amortization expense, net of asset disposal	\$ (537)	
Disposal of assets	(197)	
Purchase of assets	<u>2,139</u>	1,405

Payments for leases and subscription-based IT arrangements are reported as expenditures in governmental funds, and an asset and long-term liabilities are established in the statement of net position. In the statement of activities those expenditures are reduced to liquidate the long-term liabilities in the statement of net position. The assets are amortized over the term of the arrangement as amortization expense. In the current period, these amounts are:

Arrangement payments	291	
Amortization expense, net	<u>(288)</u>	3

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. Amortization 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	\$ 4,342	
Amortization of Premiums/Discounts	927	
Long-term debt proceeds	(7,062)	
Payments to escrow agents for refundings	<u>2,050</u>	257

Increase in revenues in the statement of activities that do not reduce current financial resources and are not reported in the funds. 669

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	\$ (175)	
State operations	(3,180)	
Capital construction	3,195	
Transfers to business-type activities	<u>97</u>	(63)

Change in net position of governmental activities **\$ 11,609**

See accompanying notes to the basic financial statements.

Statement of Net Position
Enterprise Funds
March 31, 2024

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2023		Total
			SUNY	CUNY	
ASSETS:					
Current assets:					
Cash and cash equivalents.....	\$ 1,526	\$ 79	\$ 3,285	\$ 965	\$ 5,855
Investments.....	97	-	540	607	1,244
Deposits with trustees and DASNY.....	-	-	134	126	260
Receivables, net of allowance for uncollectibles.....	-	-	-	1	1
Leases.....	-	-	-	1	1
Due from Federal government.....	-	57	-	-	57
Other.....	419	2,275	1,342	254	4,290
Due from other funds.....	-	-	251	389	640
Other assets.....	16	-	162	18	196
Total current assets.....	2,058	2,411	5,714	2,360	12,543
Noncurrent assets:					
Restricted cash and cash equivalents.....	-	-	156	5	161
Long-term investments.....	741	-	1,646	382	2,769
Deposits with trustees.....	-	-	1,003	300	1,303
Receivables, net of allowance for uncollectibles.....	-	-	-	6	6
Leases.....	-	-	-	6	6
Other.....	-	-	72	2	74
Due from other funds.....	-	-	590	-	590
Net other postemployment benefits asset.....	-	-	55	57	112
Capital assets:					
Land, construction in progress and artwork.....	-	-	2,174	1,775	3,949
Buildings and equipment, net of depreciation.....	1	-	11,593	3,186	14,780
Leases, net of amortization.....	18	-	464	551	1,033
Intangible assets, net of amortization.....	-	-	80	135	215
Other assets.....	-	-	98	-	98
Total noncurrent assets.....	760	-	17,931	6,399	25,090
Total assets.....	2,818	2,411	23,645	8,759	37,633
DEFERRED OUTFLOWS OF RESOURCES:					
Pension activities.....	7	-	935	93	1,035
Other postemployment benefits activities.....	6	-	1,424	207	1,637
Deferred loss on refunding.....	-	-	87	118	205
Other.....	-	-	9	7	16
Total deferred outflows of resources.....	13	-	2,455	425	2,893
LIABILITIES:					
Current liabilities:					
Accounts payable.....	7	-	555	311	873
Accrued liabilities.....	436	223	1,177	689	2,525
Lottery prizes payable.....	122	-	-	-	122
Pension contributions payable.....	-	-	2	-	2
Due to other funds.....	942	-	905	-	1,847
Interest payable.....	-	-	156	60	216
Unearned revenues.....	8	-	329	219	556
Lease liability.....	2	-	99	53	154
Subscription-based IT arrangements.....	-	-	13	6	19
Collateralized borrowings.....	-	-	100	-	100
Other financing arrangements.....	-	-	242	94	336
Total current liabilities.....	1,517	223	3,578	1,432	6,750

(Continued)

Statement of Net Position (cont'd)
Enterprise Funds

March 31, 2024

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2023		Total
			SUNY	CUNY	
Noncurrent liabilities:					
Accrued liabilities.....	-	-	1,041	123	1,164
Due to Federal government.....	-	7,433	-	-	7,433
Lottery prizes payable.....	834	-	-	-	834
Pension contributions payable.....	-	-	2	-	2
Net pension liability.....	9	-	1,400	591	2,000
Net other postemployment benefits liability.....	59	-	11,327	1,556	12,942
Lease liability.....	16	-	460	550	1,026
Subscription-based IT arrangements.....	-	-	68	2	70
Collateralized borrowing.....	-	-	1,936	-	1,936
Other financing arrangements.....	-	-	9,872	4,522	14,394
Total noncurrent liabilities.....	918	7,433	26,106	7,344	41,801
Total liabilities.....	2,435	7,656	29,684	8,776	48,551
DEFERRED INFLOWS OF RESOURCES:					
Pension activities.....	1	-	116	67	184
Other postemployment benefits activities.....	12	-	3,549	810	4,371
Lease activities.....	-	-	-	6	6
Deferred gain on refunding.....	-	-	142	-	142
Other.....	-	-	51	-	51
Total deferred inflows of resources.....	13	-	3,858	883	4,754
NET POSITION:					
Net investment in capital assets.....	1	-	1,620	942	2,563
Restricted for:					
Nonexpendable purposes:					
Instruction and departmental research.....	-	-	357	-	357
Scholarships, fellowships and general education support.....	-	-	188	-	188
Investments.....	-	-	-	52	52
General operations and other.....	-	-	185	-	185
Expendable purposes:					
Instruction and departmental research.....	-	-	247	-	247
Scholarships, fellowships and general education support.....	-	-	119	179	298
Loans.....	-	-	-	7	7
Debt service.....	-	-	-	(47)	(47)
General operations and other.....	-	-	155	62	217
Future prizes.....	446	-	-	-	446
Pensions.....	-	-	65	-	65
Unrestricted (deficit).....	(64)	(5,245)	(10,378)	(1,670)	(17,357)
Total net position.....	\$ 383	\$ (5,245)	\$ (7,442)	\$ (475)	\$ (12,779)

See accompanying notes to the basic financial statements.

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

Year Ended March 31, 2024

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2023		Total
			SUNY	CUNY	
OPERATING REVENUES:					
Ticket and video gaming sales.....	\$ 10,550	\$ -	\$ -	\$ -	\$ 10,550
Employer contributions.....	-	3,483	-	-	3,483
Tuition and fees, net.....	-	-	1,651	547	2,198
Government grants and contracts.....	-	-	993	352	1,345
Private gifts, grants and contracts.....	-	-	573	118	691
Hospitals and clinics.....	-	-	3,618	-	3,618
Auxiliary enterprises.....	-	-	708	9	717
Other.....	-	19	203	24	246
Total operating revenues.....	10,550	3,502	7,746	1,050	22,848
OPERATING EXPENSES:					
Benefits paid.....	-	3,153	-	-	3,153
Prizes.....	4,918	-	-	-	4,918
Commissions and fees.....	1,869	-	-	-	1,869
Educational and general.....	-	-	6,295	3,449	9,744
Hospitals and clinics.....	-	-	4,265	-	4,265
Auxiliary enterprises.....	-	-	627	-	627
Instant game ticket costs.....	17	-	-	-	17
Depreciation and amortization.....	3	-	829	299	1,131
Other.....	131	5	16	-	152
Total operating expenses.....	6,938	3,158	12,032	3,748	25,876
Operating income (loss).....	3,612	344	(4,286)	(2,698)	(3,028)
NONOPERATING REVENUES (EXPENSES):					
Investment earnings.....	106	-	222	63	391
Other income (expenses), net.....	13	352	22	659	1,046
Private gifts, grants, and contracts.....	-	-	183	1	184
Federal and city appropriations.....	-	-	19	61	80
Federal and State nonoperating grants.....	-	24	653	836	1,513
Net increase (decrease) in the fair value of investments..	(34)	-	22	11	(1)
Plant and equipment write-off.....	-	-	(2)	-	(2)
Interest expense.....	(44)	-	(481)	(233)	(758)
Total nonoperating revenues (expenses).....	41	376	638	1,398	2,453
Income (loss) before other revenues and transfers.....	3,653	720	(3,648)	(1,300)	(575)
TRANSFERS, CAPITAL CONTRIBUTIONS & ADDITIONS TO PERMANENT ENDOWMENTS:					
State transfers.....	140	-	4,279	1,449	5,868
Federal and State hospital support transfers.....	-	-	738	-	738
Education aid transfer.....	(3,775)	-	-	-	(3,775)
Capital transfers.....	-	-	26	361	387
Capital gifts and grants.....	-	-	98	-	98
Additions to permanent endowments.....	-	-	45	-	45
Increase (decrease) in net position.....	18	720	1,538	510	2,786
Net position - beginning of year.....	365	(5,965)	(8,980)	(985)	(15,565)
Net position - end of year.....	\$ 383	\$ (5,245)	\$ (7,442)	\$ (475)	\$ (12,779)

See accompanying notes to the basic financial statements.

Statement of Cash Flows
Enterprise Funds

Year Ended March 31, 2024

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2023		Total
			SUNY	CUNY	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from:					
Contributions.....	\$ -	\$ 3,583	\$ -	\$ -	\$ 3,583
Ticket sales.....	10,508	-	-	-	10,508
Tuition and fees.....	-	-	1,667	579	2,246
Government grants and contracts.....	-	-	899	285	1,184
Private grants and contracts.....	-	-	530	167	697
Hospitals and clinics.....	-	-	3,209	-	3,209
Auxiliary enterprises.....	-	-	691	9	700
Other.....	13	-	180	195	388
Payments for:					
Claims.....	-	(3,126)	-	-	(3,126)
Prizes.....	(4,997)	-	-	-	(4,997)
Commissions and fees.....	(1,902)	-	-	-	(1,902)
Operating expenses.....	(129)	-	(9,543)	(3,223)	(12,895)
Other.....	-	-	(259)	(218)	(477)
Net cash provided (used) by operating activities.....	3,493	457	(2,626)	(2,206)	(882)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer to education.....	(3,336)	-	-	-	(3,336)
Temporary loan from Federal government.....	-	2,259	-	(2)	2,257
Repayment of temporary loan from Federal government.....	-	(2,696)	-	-	(2,696)
Transfers from governmental activities.....	140	-	3,225	1,557	4,922
Federal and State nonoperating grants.....	-	(433)	658	1,081	1,306
Private gifts and grants.....	-	352	175	-	527
Gifts and grants.....	-	11	-	1	12
Proceeds from short-term loans.....	-	-	6	-	6
Repayment of short-term loans.....	-	-	(14)	-	(14)
Direct loan receipts.....	-	-	977	-	977
Direct loan disbursements.....	-	-	(977)	-	(977)
Enterprise fund transactions.....	-	-	31	658	689
Net cash provided (used) by noncapital financing activities.....	(3,196)	(507)	4,081	3,295	3,673
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:					
Proceeds from capital debt.....	-	-	5	-	5
Capital transfers.....	-	-	23	304	327
Purchase of capital assets.....	(1)	-	(930)	(204)	(1,135)
Principal payments on capital debt and leases.....	-	-	(960)	(137)	(1,097)
Principal payments on refunded bonds.....	-	-	-	(233)	(233)
Interest payments on capital debt and leases.....	-	-	(548)	(270)	(818)
Capital gifts and grants received.....	-	-	95	-	95
Deposits advanced from State.....	-	-	247	-	247
Deposits held by bond trustees and DASNY.....	-	-	313	(15)	298
Increase in amounts held by DASNY.....	-	-	-	(42)	(42)
Transfer to/from foundations.....	-	-	-	(2)	(2)
Net cash provided (used) by capital financing activities.....	(1)	-	(1,755)	(599)	(2,355)

(Continued)

Statement of Cash Flows (cont'd)

Enterprise Funds

Year Ended March 31, 2024

(Amounts in millions)

	Lottery	Unemployment Insurance Benefit	June 30, 2023		Total
			SUNY	CUNY	
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest, dividends and realized gains (loss) on investments.....	80	-	198	63	341
Proceeds from sales and maturities of investments.....	94	-	636	2,974	3,704
Purchases of investments.....	(4)	-	(625)	(3,450)	(4,079)
Net cash provided (used) by investing activities.....	170	-	209	(413)	(34)
Net increase (decrease) in cash and cash equivalents.....	466	(50)	(91)	77	402
Cash and cash equivalents - beginning of year.....	1,060	129	3,532	893	5,614
Cash and cash equivalents - end of year.....	\$ 1,526	\$ 79	\$ 3,441	\$ 970	\$ 6,016
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss).....	\$ 3,612	\$ 344	\$ (4,286)	\$ (2,698)	\$ (3,028)
Adjustments to reconcile operating income (loss) to net cash provided (used) by nonoperating and noncash activities:					
Depreciation and amortization.....	3	-	829	299	1,131
Bad debt expense.....	-	-	-	45	45
Investment expense.....	(44)	-	-	-	(44)
Other nonoperating and noncash items.....	13	-	1,985	-	1,998
Change in assets and liabilities:					
Receivables, net.....	(29)	81	(4)	(48)	-
Other assets.....	(16)	-	944	2	930
Lottery prizes payable.....	(50)	-	-	-	(50)
Unclaimed and future prizes.....	(1)	-	-	-	(1)
Accrued liabilities.....	8	32	(1,269)	179	(1,050)
Net pension liability.....	13	-	-	(7)	6
Other postemployment benefits.....	-	-	(772)	4	(768)
Unearned revenues.....	(1)	-	(53)	18	(36)
Other payables.....	(7)	-	-	-	(7)
Deferred outflows.....	3	-	-	-	3
Deferred inflows.....	(11)	-	-	-	(11)
Net cash provided (used) by operating activities.....	\$ 3,493	\$ 457	\$ (2,626)	\$ (2,206)	\$ (882)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Unrealized gains (losses) on investments.....	\$ (34)	\$ -	\$ 24	\$ 9	\$ (1)
Amortization of investment discount.....	\$ 26	\$ -	\$ -	\$ -	\$ 26
Noncash gifts.....	\$ -	\$ -	\$ 38	\$ -	\$ 38
Initiation of Leases.....	\$ 14	\$ -	\$ -	\$ -	\$ 14

See accompanying notes to the basic financial statements.

Statement of Fiduciary Net Position

Fiduciary Funds

March 31, 2024

(Amounts in millions)

	Pension (and Other Employee Benefit) Trusts	Private Purpose Trusts	Custodial Funds
ASSETS:			
Cash and investments.....	\$ 1,568	\$ 46,985	\$ 2,114
Retirement system investments:			
Short-term investments.....	5,845	-	-
Domestic equities.....	76,126	-	-
Global fixed income.....	52,575	-	-
International equities.....	37,944	-	-
Private equities.....	39,570	-	-
Real estate and mortgage loans.....	26,248	-	-
Opportunistic/ARS investments.....	8,139	-	-
Real assets.....	9,335	-	-
Credit assets.....	12,307	-	-
Securities lending collateral, invested.....	28,142	-	-
Forward foreign exchange contracts.....	35	-	-
Receivables, net of allowances for uncollectibles:			
Employer contributions.....	127	-	-
Member contributions.....	12	-	-
Member loans.....	983	-	-
Accrued interest and dividends.....	512	-	-
Investment sales.....	303	-	-
Other.....	95	139	9
Other assets.....	626	-	-
Total assets.....	300,492	47,124	2,123
LIABILITIES:			
Securities lending obligations.....	28,135	-	-
Forward foreign exchange contracts.....	35	-	-
Employer Reserve and Prepayments.....	2,044	-	-
Accounts payable.....	-	-	1
Accounts payable - investments.....	687	-	-
Accounts payable - benefits.....	234	-	-
Other liabilities.....	421	149	-
Payable to local governments.....	-	-	1,402
Total liabilities.....	31,556	149	1,403
NET POSITION:			
Restricted for:			
Pension benefits.....	267,368	-	-
Other postemployment benefits.....	1,568	-	-
Individuals, organizations, and other governments.....	-	46,975	720
Total net position.....	\$ 268,936	\$ 46,975	\$ 720

See accompanying notes to the basic financial statements.

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended March 31, 2024

(Amounts in millions)

	Pension (and Other Employee Benefit) Trusts	Private Purpose Trusts	Custodial Funds
Additions:			
Investment earnings:			
Interest income.....	\$ 1,926	\$ -	\$ -
Dividend income.....	1,526	1,159	-
Securities lending income.....	1,622	-	-
Other income.....	1,700	8	-
Net decrease in the fair value of investments.....	24,310	5,181	-
Total investment earnings.....	31,084	6,348	-
Less:			
Securities lending expenses.....	(1,555)	-	-
Investment expenses.....	(1,098)	(70)	-
Net investment earnings.....	28,431	6,278	-
Contributions:			
College savings.....	-	4,108	-
NY ABLE savings.....	-	13	-
Employers.....	8,001	-	-
Members.....	789	-	-
Interest on accounts receivable.....	7	-	-
Other.....	81	-	-
Total contributions.....	8,878	4,121	-
Collection of sales tax for other governments.....	-	-	23,387
Collection of income tax for other governments.....	-	-	14,037
Collection of real estate tax for other governments.....	-	-	4,378
Miscellaneous.....	-	-	1,894
Total additions.....	37,309	10,399	43,696
Deductions:			
College aid redemptions.....	-	3,747	-
NY ABLE savings.....	-	7	-
Payments of sales tax to local governments.....	-	-	23,387
Payments of income tax to other governments.....	-	-	14,037
Payments of obligations on behalf of other governments.....	-	-	4,378
Payments to beneficiaries.....	-	-	233
Benefits paid:			
Retirement allowances.....	15,809	-	-
Death benefits.....	301	-	-
Other benefits.....	90	-	-
Administrative expenses.....	235	1	-
Other postemployment benefits.....	2,696	-	-
Other expenses.....	-	-	1,754
Total deductions.....	19,131	3,755	43,789
Net increase (decrease) in net position.....	18,178	6,644	(93)
Net position restricted for pension and other postemployment benefits at April 1, 2023.....	250,758	40,331	813
Net position restricted for pension and other postemployment benefits at March 31, 2024.....	\$ 268,936	\$ 46,975	\$ 720

See accompanying notes to the basic financial statements.

**Combining Statement of Net Position
Discretely Presented Component Units**

March 31, 2024

(Amounts in millions)

	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	Non-Major Component Units			
ASSETS:														
Cash and investments.....	\$ 2,013	\$ 3,678	\$ 1,243	\$ 12,473	\$ 8,201	\$ 2,143	\$ 7,431	\$ 19,877	\$ 3,232	\$ 2,900	\$ 12,162	\$ (9,257)	\$ 66,096	
Receivables, net of allowances for uncollectibles.....	-	16,563	-	-	30,812	-	10,176	-	3,068	11,186	971	(40,901)	31,875	
Loans and notes.....	51	-	119	264	16	3	228	-	-	-	2,330	-	3,009	
Leases.....	269	62	134	1,356	461	665	-	373	25	116	1,183	-	4,644	
Other.....	-	-	-	-	-	-	-	-	-	-	34	-	34	
Net pension asset.....	112	-	-	-	-	-	-	-	-	-	1	-	113	
Net other postemployment benefits asset.....	1,000	-	34	1,583	-	1,201	208	5	22	-	374	(29)	4,398	
Other assets.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital assets:														
Land, infrastructure and construction in progress.....	1,028	-	1,019	14,166	2	444	624	5	-	-	735	-	18,023	
Buildings, equipment, land improvement and infrastructure, net of depreciation.....	5,833	-	6,532	75,495	27	8,314	4,360	88	-	-	3,207	-	103,856	
Leases.....	11	47	6	704	35	1,822	103	-	47	-	64	-	2,839	
Intangible assets, net of amortization.....	36	47	3	188	1	331	-	-	-	-	40	-	646	
Derivative instruments.....	-	40	-	-	-	24	-	-	33	-	-	-	97	
Total assets.....	10,353	20,437	9,090	106,229	39,555	14,947	23,128	20,348	6,427	14,202	21,101	(50,187)	235,630	
DEFERRED OUTFLOWS OF RESOURCES:														
Pension activities.....	140	5	73	3,799	26	2	16	-	6	5	247	-	4,319	
Other postemployment benefits activities.....	128	9	102	5,367	35	3	12	51	7	5	192	-	5,911	
Asset retirement obligation.....	19	-	2	-	-	15	-	-	-	-	-	-	36	
Derivative instruments.....	40	-	-	108	-	25	-	-	-	-	-	-	173	
Deferred loss on refunding.....	-	-	5	398	-	120	1	-	3	-	3	-	530	
Total deferred outflows of resources.....	327	14	182	9,672	61	165	29	51	16	10	442	-	10,969	
LIABILITIES:														
Accounts payable.....	-	6	-	571	-	-	-	-	-	-	265	-	842	
Accrued liabilities.....	830	400	401	4,065	3,384	571	343	11,929	49	234	1,745	(2,746)	21,205	
Pension contributions payable.....	-	-	-	30	-	-	-	-	-	-	-	-	30	
Notes payable.....	229	-	-	-	-	345	-	-	-	-	8	-	582	
Bonds payable.....	31	314	165	2,678	358	287	130	-	121	315	76	(372)	4,103	
Derivative instruments.....	-	-	-	-	-	56	-	-	-	-	-	-	56	
Unearned revenues.....	-	416	117	1,905	1,229	-	-	340	-	-	166	-	4,173	
Long-term liabilities due within one year.....	15	3	9	101	7	402	155	-	3	-	89	-	784	
Long-term liabilities due in more than one year:														
Accrued liabilities.....	-	-	-	-	476	307	-	-	-	-	87	-	870	
Net pension liability.....	175	7	89	8,335	28	3	20	6	10	6	322	-	8,995	
Net other postemployment benefits liability.....	-	40	1,082	22,435	181	28	133	679	42	34	1,571	-	26,225	
Pollution remediation.....	-	-	6	142	-	-	-	-	-	-	1	-	149	
Asset retirement obligations.....	289	-	4	-	-	127	-	-	-	-	-	-	420	
Lease liability.....	9	44	5	900	34	1,424	99	-	44	-	52	-	2,611	
Subscription-based IT arrangements.....	8	-	1	98	-	5	614	-	-	-	12	-	124	
Notes payable.....	35	-	-	-	-	-	-	-	-	-	38	-	687	
Bonds payable.....	2,910	17,781	6,318	45,112	33,556	9,292	16,580	-	2,810	5,138	1,958	(47,109)	94,346	
Other long-term liabilities.....	344	-	10	6,073	72	660	655	-	-	-	123	-	7,937	
Derivative instruments.....	-	-	-	133	-	65	-	-	-	-	-	-	198	
Unearned revenues.....	-	42	-	-	-	-	-	-	-	-	83	-	125	
Total liabilities.....	4,875	19,053	8,207	92,578	39,325	13,572	18,729	12,948	3,079	5,727	6,596	(50,227)	174,462	

(Continued)

Combining Statement of Net Position (cont'd)
Discretely Presented Component Units

March 31, 2024

(Amounts in millions)

	Major Component Units											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	Non-Major Component Units		Eliminations
DEFERRED INFLOWS OF RESOURCES:													
Pension activities.....	11	-	8	429	2	-	1	-	-	-	39	-	490
Other postemployment benefits activities.....	190	16	342	5,398	81	2	48	135	22	19	752	-	7,005
Leases.....	45	-	286	232	2	3	215	-	-	-	2,400	-	3,183
Derivative instruments.....	4	41	-	-	-	24	-	-	46	-	-	-	115
Deferred gain on refunding.....	-	-	14	17	-	22	-	-	-	-	-	-	53
Other.....	480	-	-	-	-	662	355	-	-	-	18	-	1,515
Total deferred inflows of resources.....	730	57	650	6,076	85	713	619	135	68	19	3,209	-	12,361
NET POSITION:													
Net investment in capital assets.....	3,361	-	1,249	41,333	52	460	3,396	-	-	-	2,971	-	52,822
Restricted for:													
Debt service.....	-	1,020	138	876	173	316	-	-	731	-	57	-	3,311
Health and patient care.....	-	-	-	-	-	-	-	-	-	-	182	-	182
Education and research programs.....	-	-	-	-	-	-	-	-	-	-	4,662	-	4,662
Environmental projects and energy programs.....	-	-	-	-	-	-	-	-	-	8,451	2,202	-	10,653
Economic development, housing and transportation.....	-	-	138	2,443	-	-	413	-	-	-	1,116	-	4,110
Insurance and administrative requirements.....	-	-	-	275	-	-	-	-	-	-	14	-	2,902
Unrestricted.....	1,714	321	(1,110)	(27,680)	(19)	51	-	7,316	(48)	15	534	40	(18,866)
Total net position.....	\$ 5,075	\$ 1,341	\$ 415	\$ 17,247	\$ 206	\$ 827	\$ 3,809	\$ 7,316	\$ 3,296	\$ 8,466	\$ 11,738	\$ 40	\$ 59,776

See accompanying notes to the basic financial statements.

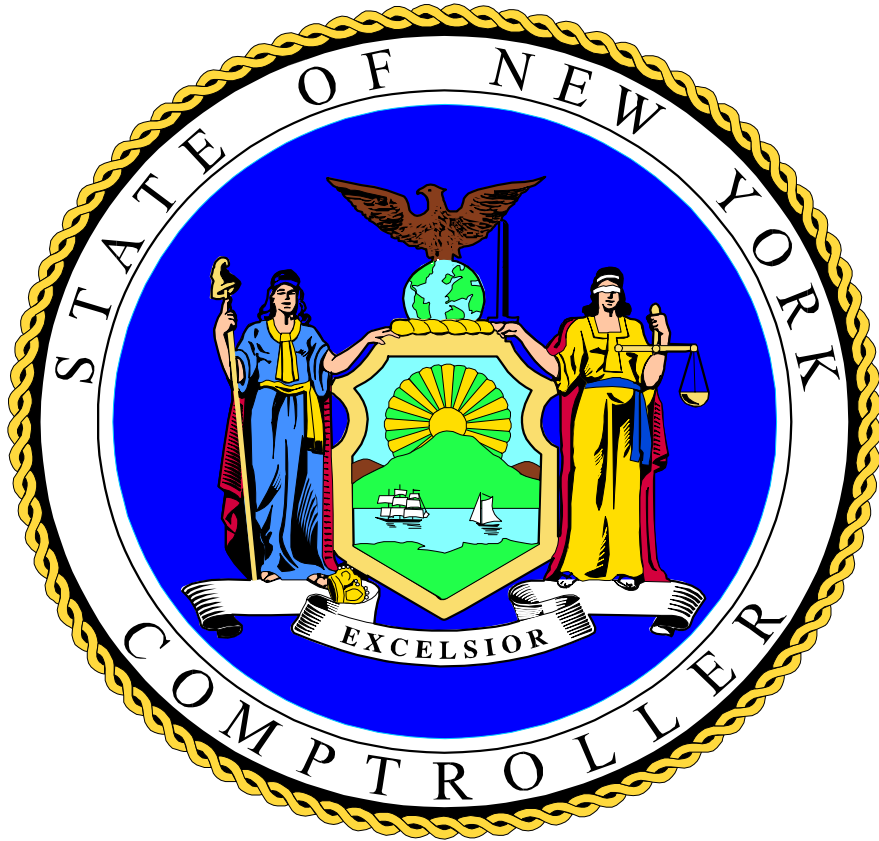
**Combining Statement of Activities
Discretely Presented Component Units**

Year Ended March 31, 2024
(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.....	\$ 2,611	\$ 677	\$ 449	\$ 16,131	\$ 112	\$ 2,903	\$ 994	\$ 1,948	\$ 71	\$ 340	\$ 10,505	\$ (37)	\$ 36,704
Interest on long-term debt.....	52	640	203	1,838	1,491	410	449	-	80	233	30	(2,168)	3,258
Other interest.....	28	-	-	-	-	-	-	-	-	-	6	-	34
Depreciation and amortization.....	307	-	362	3,712	-	448	175	-	-	-	281	-	5,285
Other expenses.....	-	-	3	-	790	-	515	62	65	-	262	(515)	1,182
Total expenses.....	2,998	1,317	1,017	21,681	2,393	3,761	2,133	2,010	216	573	11,084	(2,720)	46,463
PROGRAM REVENUES:													
Charges for services.....	3,034	757	910	7,073	1,707	3,699	26	1,851	123	257	3,206	(1,408)	21,235
Operating grants and contributions.....	-	-	2	6,971	-	-	1,774	-	-	253	5,755	(1,061)	13,694
Capital grants and contributions.....	-	-	-	3,908	-	-	-	-	-	675	311	-	4,894
Total program revenues.....	3,034	757	912	17,952	1,707	3,699	1,800	1,851	123	1,185	9,272	(2,469)	39,823
Net program revenue (expenses).....	36	(560)	(105)	(3,729)	(686)	(62)	(333)	(159)	(93)	612	(1,812)	251	(6,640)
GENERAL REVENUES:													
Non-State grants and contributions Not restricted to specific programs.....	-	18	-	2,854	-	42	-	-	-	-	296	(6)	3,204
Investment earnings:													
Restricted.....	-	120	-	-	267	5	-	737	106	140	130	-	1,505
Unrestricted.....	84	-	64	-	2	75	231	-	-	-	305	(231)	530
Miscellaneous.....	10	545	-	1,153	498	70	257	784	181	-	1,971	(31)	5,438
Total general revenues.....	94	683	64	4,007	767	192	488	1,521	287	140	2,702	(268)	10,677
Change in net position.....	130	123	(41)	278	81	130	155	1,362	194	752	890	(17)	4,037
Net position - beginning of year, as restated.....	4,945	1,218	456	16,969	125	697	3,654	5,954	3,102	7,714	10,848	57	55,739
Net position - end of year.....	\$ 5,075	\$ 1,341	\$ 415	\$ 17,247	\$ 206	\$ 827	\$ 3,809	\$ 7,316	\$ 3,296	\$ 8,466	\$ 11,738	\$ 40	\$ 59,776

See accompanying notes to the basic financial statements.



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NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2024

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 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, 2024 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 two 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, leases, subscription-based IT arrangements, 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 other debt and contractual obligations.

Other Governmental Funds – is a summarization of all the non-major 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, 2023.

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, 2023.

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 (and Other Employee Benefit) Trusts – account for the activities of the New York State and Local Retirement System and the Retiree Health Benefit Trust Fund, for the purpose of accumulating resources for pension benefit payments to qualified public employees and 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, 2023.

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 income and 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, are prepared using the economic resources measurement focus and are accounted for on the accrual basis of accounting. The State Insurance Fund prepares 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 \$78 million are included in cash and investments at March 31, 2024. 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' Statement 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 Statement 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 lease category represents the amounts owed to the State for future payments the State will receive due to lease agreements in effect at fiscal year-end. The Due from federal government category represents amounts owed to the State to reimburse it for expenditures incurred pursuant to federally funded programs. Loans and notes receivable represents amounts due in accordance with various housing and clean water and drinking water financing agreements. 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.

Other assets in the General Fund include the prepayment of the pension estimate of \$1.6 billion for fiscal year 2025 along with a pension reserve of \$304 million which will be used for future pension expenditures. The prepayments generate State interest savings.

h. Capital Assets (excluding lease and subscription-based IT arrangement assets)

Capital assets (excluding lease and subscription-based IT arrangement assets) are reported in the Statement of Net Position for government-wide and enterprise funds, and all capital assets are 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 and land costs are capitalized. Improvements to buildings and land 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:

<u>Assets</u>	<u>Governmental Activities (Years)</u>	<u>Business-Type Activities (Years)</u>
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. Leases (Lessee and Lessor) and Similar Subscription-Based Information Technology (IT) Arrangements

As Lessee

The State is a lessee for various noncancellable leases. The State also has noncancellable subscription-based IT arrangements for the right-to-use information technology and hardware. Both are reported in the Statement of Net Position for government-wide and enterprise funds and further disclosed in Note 5.

Short-term Leases and Subscription-Based IT Arrangements

For leases and subscription-based IT arrangements with a maximum possible term of 12 months or less at commencement, the State recognizes an expense/expenditure based on the provisions of the lease contract or subscription-based IT arrangement, respectively.

Leases and Subscription-Based IT Arrangements other than short-term

For all other leases and subscription-based IT arrangements, the State recognizes a lease or subscription-based IT liability and an intangible right-to-use lease asset or subscription-based IT asset, respectively.

Measurement of Lease Amounts

At lease commencement, the State initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the State is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

Measurement of Subscription-Based IT Amounts

At subscription commencement, the State initially measures the subscription-based IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT liability is reduced by the principal portion of subscription payments made. The subscription-based IT asset is initially measured as the initial amount of the subscription-based IT liability, plus payments made to the vendor at or before the subscription commencement date, plus capitalizable implementation costs. The subscription-based IT arrangement asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

To measure the lease or subscription-based IT arrangement liability, the State generally uses its estimated incremental borrowing rate as the discount rate unless the lease contract or subscription-based IT arrangement contains an explicit rate. The State's incremental borrowing rate is based on the rate of interest it would need to pay if it issued general obligation bonds, or similar, to borrow an amount equal to the payments under similar terms at the commencement or remeasurement date. The term includes the noncancellable period, plus any additional periods covered by an option to extend for which it is reasonably certain to be exercised, or by an option to terminate for which it is reasonably certain not to be exercised. Periods in which both the State and the lessor/vendor have a unilateral option to terminate (or if both parties must agree to extend) are excluded from the lease or subscription term. The State evaluates payments to determine if they should be included in the measurement of the lease and subscription-based IT liabilities, including those payments that require a determination of whether they are reasonably certain to be made. The State monitors lease and subscription-based IT arrangements for possible changes that may require remeasurement if they could materially affect the amount of the liability and related asset that should be recognized.

As Lessor

The State is also a lessor for various noncancelable leases.

Short-term Leases

For leases with a maximum possible term of 12 months or less at commencement, the State recognizes revenue based on the provisions of the lease contract.

Leases other than short-term

For all other leases, the State initially recognizes a lease receivable at the present value of lease payments expected to be received during the lease term. It also recognizes a deferred inflow of resources at the amount of the initial measurement of the lease receivable, adjusted for any lease payments received prior to the commencement of the lease term.

Lease receivables and the related deferred inflows of resources are reported in the accompanying financial statements as further disclosed in Note 4 and Note 1j, respectively.

Measurement of Lease Amounts

Similar to lessee arrangements, at the commencement of the lease, the State initially measures the lease receivable at the present value of lease payments expected to be received from lessees over the lease term. The estimated payments are discounted using the State's estimated incremental borrowing rate. Lease receivables are subsequently reduced by the principal portion of lease payments received.

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Deferred lease inflows are recognized as revenue over the lease term on a straight-line basis.

j. 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, 2024 are as follows (amounts in millions):

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government</u>
Deferred outflows of resources:			
Pension activities	\$ 7,330	\$ 1,035	\$ 8,365
Other postemployment benefits activities ...	5,056	1,637	6,693
Asset retirement obligation.....	34	-	34
Loss on refunding of debt	100	205	305
Other	-	16	16
Total deferred outflows of resources.....	\$ 12,520	\$ 2,893	\$ 15,413
Deferred inflows of resources:			
Pension activities	\$ 529	\$ 184	\$ 713
Other postemployment benefits activities ...	9,966	4,371	14,337
Leases	31	31	62
Deferred gain on refunding.....	552	142	694
Federal grants.....	37	-	37
Other	-	26	26
Total deferred inflows of resources.....	\$ 11,115	\$ 4,754	\$ 15,869

The components of the deferred inflows of resources related to the governmental funds at March 31, 2024 are as follows (amounts in millions):

	<u>General</u>	<u>Federal Special Revenue</u>	<u>General Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Deferred inflows of resources:					
Taxes considered unavailable...	\$ 607	\$ -	\$ 442	\$ 26	\$ 1,075
Medicaid receivables	312	381	-	-	693
Medicaid liabilities	-	340	-	-	340
Financial settlements	-	-	-	891	891
Oil spill	-	-	-	82	82
Miscellaneous agency	35	-	-	217	252
Federal grants	-	37	-	-	37
Leases	31	-	-	3	34
ENCON ⁽¹⁾	-	-	-	4	4
Public health/patient fees.....	-	-	-	8	8
Other	5	-	-	-	5
Total.....	<u>\$ 990</u>	<u>\$ 758</u>	<u>\$ 442</u>	<u>\$ 1,231</u>	<u>\$ 3,421</u>

(1) State Department of Environmental Conservation

k. 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 and the present value of the liability related to leases and subscription-based IT arrangements are 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.

l. Compensated Absences

The estimated vacation leave liability for State employees at March 31, 2024 is \$1.1 billion, which represents an increase of \$36 million from 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 \$353 million and \$206 million for SUNY and CUNY, respectively, at June 30, 2023.

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 \$78 million for sick leave credits in other postemployment benefits liabilities at June 30, 2023.

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 million as of March 31, 2024.

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

n. 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, 2024 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, 2024, the prize liabilities of approximately \$1.3 billion were reported at a discounted value of approximately \$1 billion (at interest rates ranging from 0.28 percent to 6.65 percent).

o. 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, 2024, the Governmental Activities reported restricted net position of \$7.7 billion due to restrictions externally imposed by creditors or enabling legislation. This included \$5.9 billion restricted for debt service payments from various capital reserve funds, \$857 million restricted for health and patient care, \$300 million restricted for economic development, housing and transportation, \$151 million restricted for insurance and administrative requirements, \$11 million restricted for environmental projects and energy programs, \$6 million restricted for education and research programs, and \$501 million restricted for other purposes, of which \$415 million is for financing civil legal services.

The following terms, if applicable for the fiscal year, 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, and leases, net of accumulated amortization and depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and liabilities 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, 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.

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.

p. 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, 2024 is \$1.6 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 25 percent of the aggregate amount projected to be disbursed from the General Fund during the then 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, 2024 is \$4.6 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, 2024 include (amounts in millions):

<u>Fund Type</u>	<u>Amount</u>
General	\$ 1,439
Federal Special Revenue ⁽¹⁾	1,698
Other Special Revenue	102
Federal Capital Projects ⁽¹⁾	4,345
Other Capital Projects	7,673

(1) Spending in federal funds is typically reimbursed by the federal government

Fund Balances

Fund balances at March 31, 2024 are as follows (amounts in millions):

	Major Funds			Other Governmental Funds
	General Fund	Federal Special Revenue	General Debt Service	
Restricted for:				
Education.....	\$ -	\$ -	\$ -	\$ 6
Public health.....	80	-	-	1
Health care initiatives.....	-	-	-	378
Environment and recreation	-	-	-	20
Transportation	-	-	-	314
Workers' Compensation.....	151	-	-	-
General administration	-	-	-	481
Debt service.....	-	-	5,299	89
Capital purposes	-	-	-	8
Committed to:				
Education.....	16	-	-	253
Public health.....	-	-	-	169
Mental hygiene.....	6	-	-	-
Health care initiatives.....	-	-	-	2,192
Environment and recreation	13	-	-	378
Public safety	-	-	-	1,031
Transportation	-	-	-	1,491
Economic development.....	-	-	-	24
General administration	76	-	-	565
Debt service.....	-	-	114	420
Capital purposes	-	-	-	8,015
Fund reserves	43,578	-	-	-
Assigned to:				
Education.....	204	-	-	985
Public health.....	2,635	-	-	-
Mental hygiene.....	5	-	-	-
Public welfare.....	18	-	-	-
Environment and recreation	8	-	-	27
Public safety	230	-	-	-
Transportation	2	-	-	-
Workers' Compensation.....	-	-	-	3,430
Insurance	-	-	-	613
General administration	3,124	-	-	-
Support and regulate business...	121	-	-	-
Unassigned	79	-	-	(1,525)
Total fund balance.....	\$ 50,346	\$ -	\$ 5,413	\$ 19,365

q. 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.

r. 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 the employees of the primary government, excluding SUNY Construction Fund, SUNY Hospitals, and CUNY, to cover future other postemployment benefits (OPEB) obligations that is separate from the State and the assets of which are currently held in the 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.

s. Deficit Fund Balances

As of March 31, 2024, a \$5.2 billion fund deficit was reported in the General Fund Local Assistance Account. In addition, Capital Projects Funds reported fund deficits in the Mental Hygiene Facilities Capital Improvement Fund (\$492 million), the Housing Program Fund (\$443 million), Correctional Facilities Capital Improvement Fund (\$199 million), the Hazardous Waste Remedial Fund (\$84 million), and Miscellaneous Funds (\$10 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.

t. 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.

u. Implementation of New Accounting Pronouncements and Immaterial Corrections

During the fiscal year ended March 31, 2024, the State adopted the following new accounting standards as issued by GASB.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASBS 94). The objective of GASBS 94 is to improve financial reporting addressing issues related to Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPPs). PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets. The implementation of this standard did not have an impact on the primary government's financial statements or notes.

GASB Statement No. 99, *Omnibus 2022 par. 11-25* (GASBS 99). GASBS 99, paragraph 11-25 will enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of the GASB Statements relating to Leases, PPP and SBITAs. Implementation of the remainder of GASBS 99 is planned for State fiscal year 2025. The implementation of this standard did not have an impact on the financial statements or notes.

The effect on beginning net position in discretely presented component units of the State relating to the implementation of new accounting pronouncements were as follows (amounts in millions):

	Net Position at March 31, 2023, as previously published	Effect of new accounting pronouncements (restatements)	Net Position at April 1, 2023, as revised (restated)
Discretely Presented Component Units:			
Metropolitan Transportation Authority	\$ 16,917	\$ 52	\$ 16,969
Urban Development Corporation	3,652	2	3,654
Total Discretely Presented Component Unit	\$ 20,569	\$ 54	\$ 20,623

The Metropolitan Transportation Authority restatement is the result of implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASBS 96). The Urban Development Corporation restatement is related to the implementation of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASBS 94).

NOTE 2 - Cash and Investments

Governmental Activities, Private Purpose and Custodial Funds

Deposits

The State maintains approximately 1,500 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 which are highly rated 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 \$12.8 billion and were fully collateralized at the end of the 2024 fiscal year. Included in these balances were certificates of deposit held in the STIP with a book and bank balance of \$3.7 billion. Also included are deposits with a book and bank balance of \$353 million held by the State's fiscal agent, of which \$352 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, 2024, the average daily balance of the STIP was \$81.5 billion, with an average annual yield of 5.3 percent and total investment income of \$4.3 billion.

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, 2024 (except for New York's 529 College Savings Program, which is as of December 31, 2023), the State had the following investments and maturities (amounts in millions):

Investment Type	Carrying Value	Investment Maturities (in Years)		
		Less than 1	1-5	6-10
U.S. Treasury bills	\$ 52,129	\$ 52,129	\$ -	\$ -
Commercial paper	17,041	17,041	-	-
Government-sponsored agency bonds	4,017	3,943	-	74
U.S. Treasury notes/bonds	3,458	3,379	48	31
Municipal bonds.....	316	200	116	-
Repurchase Agreements.....	43	43	-	-
U.S. Treasury State and Local Government Series.....	28	28	-	-
Other	4	4	-	-
Subtotal	77,036	\$ 76,767	\$ 164	\$ 105
Investments held in an agent or trust capacity	48,130			
Total	\$ 125,166			

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 \$46.8 billion and \$21 million, respectively, at December 31, 2023. 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 \$1.3 billion at March 31, 2024. The State holds cash and securities deposited by contractors in lieu of retainage on contract payments (carrying amount and fair value of \$2 million).

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. For those short-term investments that are not obligations or guaranteed by the U.S. Government, the investments must have the highest rating from two independent rating services. 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. Investments in government-sponsored agency bonds and municipal bonds must be assigned the highest rating by all rating agencies that rate such bonds.

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):

<u>Investment Type</u>	<u>Fair Value</u>
U.S. Treasury bills.....	\$ 4,574
Government-sponsored agency bonds.....	3,785
U.S. Treasury notes/bonds.....	2,259
Total.....	\$ 10,618

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. All investments in the STIP portfolio mature in 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, 2024, 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.....	\$ 47,187	\$ 46,852	\$ 335	\$ -
Equity securities	936	932	1	3
Municipal bonds	118	-	118	-
U.S. Treasury notes/bonds.....	79	-	79	-
Government-sponsored agency bonds	74	-	74	-
Debt securities	5	-	5	-
Subtotal.....	48,399	\$ 47,784	\$ 612	\$ 3
Investments valued at amortized cost.....	76,767			
Total.....	\$ 125,166			

Business-Type Activities

Deposits

SUNY does not have a formal policy for collateral requirements for cash deposits. At June 30, 2023, SUNY had \$3.3 billion in deposits held by the State Treasury and invested in the STIP, and \$59 million held by other local depositories. Deposits not held in the State Treasury that are not covered by depository insurance are: uncollateralized (\$66 million) and collateralized with securities held by a pledging financial institution (\$118 million). In addition, SUNY has \$130 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 \$973 million (carrying value of \$970 million), of which \$446 million was insured and \$527 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, 2024, Lottery had \$1.5 billion in deposits held by the State Treasury, which were invested in the STIP.

The Unemployment Insurance Benefit Fund has a total of \$14 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. The Unemployment Insurance Benefit Fund has an additional \$3 million in a trust fund held with the U.S. Treasury and managed by the Secretary of the U.S. Treasury and \$61 million held jointly by the State's Commissioner of Taxation and Finance and the State Comptroller.

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, 2023 (except for the State Lottery, which is as of March 31, 2024), the business-type type activities had the following investments and maturities (amounts in millions):

Investment Type	Carrying Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
U.S. Treasury bills	\$ 876	\$ 876	\$ -	\$ -	\$ -
U.S. Treasury notes/bonds	537	84	187	113	153
Government sponsored agency bonds	500	500	-	-	-
Municipal bonds	314	-	66	11	237
Certificates of deposit	303	303	-	-	-
Mutual funds non-equities	101	6	15	68	12
AID bonds	66	-	66	-	-
Fixed income	45	-	10	23	12
Corporate bonds	15	7	8	-	-
U.S. fixed income	8	-	8	-	-
U.S. Treasury STRIPS	6	-	6	-	-
U.S. Treasury inflation-protected securities	6	-	3	2	1
Subtotal	2,777	\$ 1,776	\$ 369	\$ 217	\$ 415
External investment pools	1,465				
Cash and cash equivalents	423				
Global equities	199				
Hedge funds	97				
Multi-strategy funds	96				
Limited partnership	91				
Private equity	89				
US Equities	87				
Foreign equities	26				
Equity mutual funds	17				
U.S. money market fund	6				
Credit securities	3				
Other	68				
Total	\$ 5,444				

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, 2023 (except for the State Lottery, which is as of March 31, 2024), the business-type activities had the following investments with ratings (amounts in millions):

Investment Type	Total	AAA	AA	A	BBB	Not Rated
Government-sponsored agency bonds	\$ 500	\$ 476	\$ -	\$ -	\$ -	\$ 24
Municipal bonds	314	314	-	-	-	-
Mutual funds non-equities.....	101	11	-	59	-	31
AID bonds	66	-	-	-	-	66
Fixed income	45	26	7	12	-	-
Corporate bonds	15	-	1	5	9	-
Total.....	\$ 1,041	\$ 827	\$ 8	\$ 76	\$ 9	\$ 121

Custodial Credit Risk

At June 30, 2023, SUNY had \$1.1 billion 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, 2023, CUNY had \$426 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, 2023, are presented in the table as follows (fair value amounts in millions):

<u>Pool Type</u>	<u>Unit Value</u>	<u>Fair Value</u>
Cornell Statutory Colleges:		
Endowments:		
Long-term Investment Pool.....	\$ 71.34	\$ 1,383
Charitable Gift Annuities Master Trust Units	2.84	8
Charitable Trusts:		
Endowment Strategy	70.93	32
Common Trust Fund – Growth	57.50	6
Common Trust Fund – Income	11.11	3
Pooled Life Income Funds (PLIF):		
PLIF A.....	1.32	-
PLIF B.....	2.70	1
Alfred Ceramics:		
Endowment Long-term Investment Pool	8.61	32
Total External Investment Pools.....		\$ 1,465

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, 2023. 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, 2023, 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, 2023 (except for the State Lottery, which is as of March 31, 2024), 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 bills.....	\$ 876	\$ 445	\$ 431	\$ -
U.S. Treasury notes/bonds.....	537	500	37	-
Government-sponsored agency bonds	500	-	500	-
Cash equivalents.....	388	388	-	-
Municipals	314	-	314	-
Certificates of deposit.....	303	-	303	-
Mutual fund non-equities	101	101	-	-
U.S. equities	87	87	-	-
Global equity	81	51	30	-
AID bonds	66	-	66	-
Fixed income	45	45	-	-
Foreign equities	26	26	-	-
Equity mutual funds	17	17	-	-
Corporate bonds	15	-	15	-
U.S. fixed income.....	8	8	-	-
U.S. Treasury STRIPS.....	6	6	-	-
U.S. Treasury inflation- protected securities	6	6	-	-
U.S. money market fund.....	6	6	-	-
Other.....	48	43	-	5
Total.....	\$ 3,430	\$ 1,729	\$ 1,696	\$ 5

SUNY investments at June 30, 2023, 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	\$ 1,465	Monthly for funds functioning as endowments only	Two months
Global equities.....	118	Monthly, Quarterly, Annually	30-90 days
Private equity.....	89	N/A – See below	N/A
Multi-strategy funds	80	Monthly, Quarterly	45-95 days
Hedge funds (equities).....	72	Quarterly	90 days
Credit securities.....	3	Monthly, Quarterly	45 days
Other.....	20	N/A	N/A
Total.....	\$ 1,847		

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, 2023 of approximately \$87 million.

CUNY investments at June 30, 2023, 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.....	\$ 91	\$ 30	Illiquid	N/A
Multi-strategy funds	16	-	Monthly	90 days
Global macro hedge funds	9	-	Monthly	60 days
Systematic trading hedge fund...	8	-	Daily	2 days
Global equity long/short hedge funds	8	-	Monthly	30 days
Total.....	\$ 132	\$ 30		

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 net asset values 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 \$6.5 billion or 12.29 percent of the System's \$52.6 billion long-term bond portfolio is rated AAA by NRSROs. For the balance of the portfolio: 86.91 percent is rated BBB to AA; 0.16 percent is rated C to BB; and 0.64 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 5.93 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 \$500 million 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.

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, 2024, 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 securities lending agents are 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. As of March 31, 2024, there were no violations of legal or contractual provisions. The System has not experienced any losses resulting from the default of a borrower or lending agent during the year ended March 31, 2024.

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 fair 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, 2024, the fair value of securities on loan was \$27.7 billion. The associated collateral was \$28.2 billion, all of which was cash collateral. The fair value of the invested cash collateral, as of March 31, 2024, was \$28.2 billion and the securities lending obligations were \$28.2 billion. The unrealized gain in invested cash collateral on March 31, 2024 was \$8 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, 2024 was 17 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, 2024, 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 \$18.7 billion; \$26.6 billion in private equity, opportunistic, absolute return strategy, real asset and credit funds; and \$4.5 billion in real property owned, made, or located outside the United States. The approximate total fair market value of the System's investments made outside of the United States is \$83.5 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, 2024, the composition of the System's investments by levels within the fair value hierarchy as of March 31, 2024 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	\$ 71	\$ 71	\$ -	\$ -
Global fixed income securities	53	-	53	-
International equities	36	36	-	-
Securities lending collateral, invested	25	-	25	-
Short-term instruments	5	-	5	-
Real estate	2	-	-	2
Mortgage loans	1	-	-	1
Subtotal	193	\$ 107	\$ 83	\$ 3
Investments valued at amortized cost	4			
Total	\$ 197			

The System's investments at March 31, 2024, measured at the net asset value (NAV) were as follows (amounts in billions):

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity	\$ 39	\$ 15	N/A	N/A
Real Estate	24	8	N/A	N/A
Credit assets	12	9	N/A, Monthly, 1-3 years	N/A, 1-60 days, 18 months
Real assets	9	6	N/A	N/A
Opportunistic/ARS investments	8	4	N/A, Monthly, Quarterly	N/A, 5-90 days
Domestic equities.....	5	-	N/A, Weekly, Monthly, Annually	N/A, 2-90 days
International equity funds.....	2	-	Daily, Monthly, Quarterly	15-120 days
Total	\$ 99	\$ 42		

Domestic equities consist of one 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 (13.3 percent of the System's total investments and securities lending collateral invested at March 31, 2024) 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 (2.8 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 (3.2 percent) consist of commodities, farmland, capital assets, infrastructure, and renewables. Credit assets (4.2 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. Real estate investments (8.4 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, 2024, the OPEB Trust had \$1.6 billion 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 5.43 percent for the fiscal year ended March 31, 2024.

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

Taxes receivable represent amounts owed by taxpayers for the 2023 calendar year and the first quarter of the 2024 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 2024 calendar year, payments with final returns which relate to the 2023 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, 2024 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, 2024 for the governmental funds totaled approximately \$20.4 billion. The following table summarizes taxes receivable by major tax type for the governmental funds (amounts in millions):

	<u>General</u>	<u>General Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Current taxes receivable:				
Personal income	\$ 7,741	\$ 7,622	\$ 459	\$ 15,822
Consumption and use	614	567	158	1,339
Business	588	-	115	703
Other.....	1,469	-	275	1,744
Subtotal	10,412	8,189	1,007	19,608
Long-Term taxes receivable:				
Personal income	355	377	22	754
Consumption and use	65	65	2	132
Business	14	-	2	16
Other.....	173	-	-	173
Subtotal	607	442	26	1,075
Allowance for uncollectibles.....	(151)	(106)	(7)	(264)
Total.....	\$ 10,868	\$ 8,525	\$ 1,026	\$ 20,419

Tax Refunds Payable

Tax refunds payable primarily represent amounts owed to taxpayers because of overpayments of their 2023 calendar year and first quarter 2024 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 2024 tax liability and payments of 2023 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, 2024 are summarized as follows (amounts in millions):

Governmental Activities:

	<u>Current</u>				
	<u>General</u>	<u>General</u>	<u>Other</u>	<u>Total</u>	
		<u>Service</u>	<u>Governmental</u>	<u>Funds</u>	<u>Current</u>
Personal income.....	\$ 8,375	\$ 6,758	\$ 405	\$ 15,538	\$ 679
Consumption and use	96	95	24	215	506
Business.....	2,300	-	211	2,511	624
Other	92	-	421	513	38
Total.....	\$ 10,863	\$ 6,853	\$ 1,061	\$ 18,777	\$ 1,847

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, 2024, 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 2023.....	\$657 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 2023	\$20 million	\$7 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 2023.....	\$107 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 2023	\$188 million	\$51 million

Program Name	New York City (NYC) Musical and Theatrical Production Tax Credit
Program Purpose	The program is designed to help revitalize NYC's entertainment industry and support tourism as the city recovers from the COVID-19 pandemic.
Taxes being abated.....	Personal income tax; Corporation franchise tax
Authority under which abatements are entered into	State tax law: Article 1, Section 24-c Article 9-A, Section 210-b(57) Article 22, Section 606(mmm)
Criteria to be eligible to receive abatements and commitment of the taxpayer.....	Companies must implement State approved diversity and arts jobs training plan and take actions to increase access to productions for low-income residents. Production must occur in a qualified production facility in NYC.
How taxes are reduced	The credit is 25 percent of qualified production expenditures.
How amount of abatement is determined.....	Companies that apply with a first paid performance date prior to January 1, 2023 can receive up to \$3 million per production. The cap remains at \$3 million per production for all projects which have submitted original applications prior to June 30, 2023.
Provisions for recapturing abated taxes	N/A
Type of commitments other than taxes.....	N/A
Total revenue estimated to be reduced for calendar year 2023.....	\$189 million

The State had additional tax abatement programs each amounting to \$10 million or less in revenue estimated to be reduced in calendar year 2023. In total, these programs resulted in \$27 million in estimated tax abatements. These include Musical and Theatrical, the Employee Training Incentive Program, Empire State Digital Gaming Media Production Tax Credit, the Historic Homeownership Rehabilitation Tax Credit, the Excelsior Business Program (formerly START-UP NY Tax Elimination Credit), the Recovery Tax Credit, and the Workers with Disabilities Tax Credit.

NOTE 4 – Lessor Leases and Other Receivables**Lessor Leases**

The State is the lessor of buildings and land. The related receivables are presented in the Statement of Net Position for the amounts equal to the present value of lease payments expected to be received during the lease term. The total amount of lease revenue, interest revenue, and other lease-related revenues recognized in the current reporting period from leases is \$2 million.

The State does not have any variable payment clauses within its lease arrangements as the lessor. Likewise, the State did not earn revenue related to residual value guarantees or lease termination penalties. It also does not currently have agreements that include sale-leaseback and lease-leaseback transactions.

As of June 30, 2023, CUNY had leases as a lessor. The related receivables are presented in the Statement of Net Position for the amounts equal to the present value of lease payments expected to be received during the lease term. The total amount of lease revenue, interest revenue, and other lease-related revenues recognized in the current reporting period from leases is \$1.1 million.

CUNY does not have any leases as a lessor with partial or completely variable payments.

Other Receivables

Other receivables at March 31, 2024 are summarized as follows (amounts in millions):

Governmental Activities:

	<u>General</u>	<u>Federal Special Revenue</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Activities</u>
Other current receivables:				
Medicaid	\$ 2,811	\$ 1,493	\$ -	\$ 4,304
Public health/patient fees	4	-	729	733
Financial settlements	3	-	105	108
Tobacco settlement	-	-	327	327
Escheated property	260	-	-	260
Miscellaneous agency	155	52	223	430
Investment earnings	353	-	-	353
Health insurance	705	-	-	705
Oil spill	-	-	8	8
Public authorities	81	-	-	81
Casino	23	-	-	23
Other	176	18	104	298
Subtotal	4,571	1,563	1,496	7,630

	<u>General</u>	<u>Federal Special Revenue</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Activities</u>
Other long-term receivables:				
Medicaid	312	188	-	500
Public health/patient fees	-	-	12	12
Financial settlements	-	-	891	891
Appropriated loans.....	10	-	125	135
Miscellaneous agency	70	261	974	1,305
Oil spill	-	-	128	128
Other	-	-	14	14
Subtotal.....	392	449	2,144	2,985
Gross receivables	4,963	2,012	3,640	10,615
Allowance for uncollectibles	(108)	(320)	(940)	(1,368)
Total other receivables	\$ 4,855	\$ 1,692	\$ 2,700	\$ 9,247

Other receivables at June 30, 2023 (except for the State Lottery and Unemployment Insurance Benefit, which are as of March 31, 2024) are summarized as follows (amounts in millions):

Business-Type Activities:

	<u>Lottery</u>	<u>Unemployment Insurance Benefit</u>	<u>June 30, 2023</u>		<u>Total</u>
			<u>SUNY</u>	<u>CUNY</u>	
Other current receivables:					
Ticket sales.....	\$ 409	\$ -	\$ -	\$ -	\$ 409
Public health/patient fees	-	-	1,259	-	1,259
Student loans	-	-	76	2	78
Contributions.....	-	3,540	-	-	3,540
Benefit overpayments	-	444	-	-	444
State agencies/municipalities ..	-	13	-	-	13
Other.....	11	62	506	372	951
Subtotal	420	4,059	1,841	374	6,694
Allowance for uncollectibles	(1)	(1,784)	(499)	(120)	(2,404)
Net current receivables	419	2,275	1,342	254	4,290
Other long-term receivables:					
Accounts, notes and loans	-	-	57	2	59
Contributions.....	-	-	39	-	39
Subtotal	-	-	96	2	98
Allowance for uncollectibles	-	-	(24)	-	(24)
Net long-term receivables	-	-	72	2	74
Total other receivables.....	\$ 419	\$ 2,275	\$ 1,414	\$ 256	\$ 4,364

NOTE 5 - Capital Assets

Capital asset activity for the year ended March 31, 2024 was as follows (amounts in millions):

Governmental Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Depreciable and amortizable assets:				
Buildings and building improvements.....	\$ 14,737	\$ 317	\$ 95	\$ 14,959
Land improvements.....	947	127	3	1,071
Infrastructure.....	560	7	7	560
Equipment.....	1,098	82	33	1,147
Leases.....	2,498	233	81	2,650
Intangible assets – easements.....	205	-	-	205
Intangible assets – computer software.....	1,232	104	2	1,334
Intangible assets – subscription-based IT arrangements.....	71	35	5	101
Total depreciable and amortizable assets.....	21,348	905	226	22,027
Less accumulated depreciation and amortization:				
Buildings and building improvements.....	(9,361)	(393)	(65)	(9,689)
Land improvements.....	(579)	(42)	(3)	(618)
Infrastructure.....	(214)	(24)	(5)	(233)
Equipment.....	(752)	(71)	(28)	(795)
Leases.....	(269)	(301)	(36)	(534)
Intangible assets – easements.....	(123)	(10)	-	(133)
Intangible assets – computer software.....	(774)	(100)	(2)	(872)
Intangible assets – subscription-based IT arrangements.....	(17)	(18)	(4)	(31)
Total accumulated depreciation and amortization.....	(12,089)	(959)	(143)	(12,905)
Total depreciable and amortizable assets, net.....	9,259	(54)	83	9,122
Nondepreciable and nonamortizable assets:				
Land.....	4,326	51	1	4,376
Land preparation.....	4,338	71	-	4,409
Construction in progress (buildings).....	1,286	753	401	1,638
Construction in progress (roads and bridges).....	2,281	1,091	1,415	1,957
Infrastructure (roads and bridges).....	75,574	1,352	56	76,870
Total nondepreciable and nonamortizable assets.....	87,805	3,318	1,873	89,250
Governmental activities, capital assets, net.....	\$ 97,064	\$ 3,264	\$ 1,956	\$ 98,372

As of June 30, 2023 (except for the State Lottery, which is as of March 31, 2024), the business-type activities had the following capital assets (amounts in millions):

Business-Type Activities:

	Beginning Balance, as restated ⁽¹⁾	Additions	Retirements	Ending Balance
SUNY:				
Depreciable and amortizable assets:				
Infrastructure and land improvements.....	\$ 1,690	\$ 62	\$ -	\$ 1,752
Buildings.....	16,646	469	7	17,108
Equipment and library books	3,327	163	101	3,389
Leases.....	576	54	24	606
Intangible assets – subscription-based IT arrangements	95	-	-	95
Total depreciable and amortizable assets	22,334	748	132	22,950
Less accumulated depreciation and amortization:				
Infrastructure and land improvements.....	(886)	(70)	-	(956)
Buildings.....	(6,610)	(470)	(6)	(7,074)
Equipment and library books	(2,537)	(187)	(98)	(2,626)
Leases.....	(83)	(87)	(28)	(142)
Intangible assets – subscription-based IT arrangements	-	(15)	-	(15)
Total accumulated depreciation and amortization.....	(10,116)	(829)	(132)	(10,813)
Total depreciable and amortizable assets, net	12,218	(81)	-	12,137
Nondepreciable assets:				
Land	821	13	-	834
Construction in progress	1,075	764	536	1,303
Artwork.....	37	-	-	37
Total nondepreciable assets.....	1,933	777	536	2,174
SUNY capital assets, net	14,151	696	536	14,311
CUNY:				
Depreciable and amortizable assets:				
Buildings and building improvements	6,869	127	-	6,996
Land improvements.....	56	1	-	57
Equipment.....	484	20	14	490
Infrastructure.....	165	6	-	171
Leases.....	527	173	3	697
Intangible assets – computer software	254	-	-	254
Intangible assets – subscription-based IT arrangements	-	22	-	22
Total depreciable and amortizable assets.....	8,355	349	17	8,687

Business-Type Activities (cont'd):

	Beginning Balance, as restated ⁽¹⁾	Additions	Deletions	Ending Balance
Less accumulated depreciation and amortizable				
Buildings and building improvements	(3,711)	(173)	-	(3,884)
Land improvements	(54)	(1)	-	(55)
Equipment	(462)	(17)	(14)	(465)
Infrastructure	(115)	(9)	-	(124)
Leases	(76)	(74)	(4)	(146)
Intangible assets – computer software	(116)	(16)	-	(132)
Intangible assets – subscription-based IT arrangements	-	(9)	-	(9)
Total accumulated depreciation and amortization	(4,534)	(299)	(18)	(4,815)
Total depreciable and amortizable assets, net	3,821	50	(1)	3,872
Nondepreciable assets:				
Land	321	-	-	321
Construction in progress	1,399	173	128	1,444
Artwork and historical treasures	10	-	-	10
Total nondepreciable assets	1,730	173	128	1,775
CUNY capital assets, net	5,551	223	127	5,647
Lottery:				
Equipment	-	1	-	1
Leases	9	14	-	23
Total depreciable and amortizable assets	9	15	-	24
Less accumulated depreciation and amortization:				
Leases	(2)	(3)	-	(5)
Total accumulated depreciation and amortization:	(2)	(3)	-	(5)
Lottery capital assets, net	7	12	-	19
Business-type activities, capital assets, net	\$ 19,709	\$ 931	\$ 663	\$ 19,977

⁽¹⁾ Restated due to SUNY's reclassification of assets among asset categories as well as the implementation of GASB 96, *Subscription-based IT Arrangements*.

As of March 31, 2024 (business-type as of June 30, 2023 for SUNY and CUNY and March 31, 2024 for Lottery), the State had the following lease assets by major class of underlying asset (amounts in millions):

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total Primary Government</u>
Lease asset:			
Lease buildings.....	\$ 2,630	\$ 1,213	\$ 3,843
Less accumulated amortization	(526)	(259)	(785)
Lease buildings, net	2,104	954	3,058
Lease equipment.....	7	100	107
Less accumulated amortization	(4)	(33)	(37)
Lease equipment, net.....	3	67	70
Lease land.....	-	13	13
Less accumulated amortization	-	(1)	(1)
Lease land, net	-	12	12
Lease other.....	13	-	13
Less accumulated amortization	(4)	-	(4)
Lease other, net.....	9	-	9
Total lease assets	\$ 2,116	\$ 1,033	\$ 3,149

For the year ended March 31, 2024, governmental activities charged depreciation and amortization expense to the following governmental functions (amounts in millions):

Allocation of depreciation and amortization:	<u>Capital Assets</u>	<u>Lease Assets</u>	<u>Subscription- Based IT Arrangement Asset</u>	<u>Total Governmental Activities</u>
Education	\$ 3	\$ 8	\$ -	\$ 11
Public health	218	51	5	274
Public welfare	25	53	4	82
Public safety.....	176	27	7	210
Transportation.....	60	37	-	97
Environment and recreation.....	39	4	-	43
Support and regulate business..	5	20	-	25
General government.....	114	101	2	217
Total depreciation and amortization expense	\$ 640	\$ 301	\$ 18	\$ 959

As of June 30, 2023, (except for the State Lottery, which is as of March 31, 2024), business-type activities charged depreciation and amortization expense to the following business-type functions (amounts in millions):

Allocation of depreciation and amortization:	Capital Assets	Lease Assets	Subscription-Based IT Arrangement Asset	Total Business-Type Activities
SUNY.....	\$ 727	\$ 87	\$ 15	\$ 829
CUNY	216	74	9	299
Lottery.....	-	3	-	3
Total depreciation and amortization expense	\$ 943	\$ 164	\$ 24	\$ 1,131

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, 2023	Issued	Redeemed	Outstanding March 31, 2024
Accelerated capacity and transportation improvements of the 1990s.....	\$ 7	\$ -	\$ 2	\$ 5
Clean water/clean air	268	21	45	244
Environmental quality (1986):				
Land acquisition, development, restoration, and forests	1	-	-	1
Solid waste management	54	3	17	40
Environmental quality (1972):				
Land and wetlands	3	-	1	2
Water.....	3	2	1	4
Housing:				
Low income	1	-	1	-
Pure waters.....	11	4	1	14
Transportation capital facilities:				
Energy conservation through improved transportation	1	-	1	-
Rebuild New York transportation infrastructure renewal:				
Rapid transit, rail, and aviation	1	-	1	-
Rebuild and Renew New York transportation:				
Highway facilities	468	35	91	412
Canals and waterways.....	4	-	1	3
Aviation	37	2	3	36
Mass transit - DOT	11	1	3	9
Mass transit - MTA.....	643	285	58	870
Rail and port.....	79	1	7	73
Smart Schools Bond Act.....	244	219	48	415
Total	\$ 1,836	\$ 573	\$ 281	\$ 2,128

Debt service expenditures (principal and interest) related to the above general obligation bonds during the year were approximately \$212 million. The total amount of general obligation bonds authorized but not issued at March 31, 2024 was \$5.9 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):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025.....	\$ 187	\$ 76	\$ 263
2026.....	180	71	251
2027.....	191	65	256
2028.....	178	58	236
2029.....	153	53	206
2030-2034	595	187	782
2035-2039	456	91	547
2040-2044	186	13	199
2045-2049	2	-	2
Total.....	\$ 2,128	\$ 614	\$ 2,742

Debt service requirements were calculated based upon actual rates ranging from 0.91 percent to 5.62 percent.

During the fiscal year ended March 31, 2024, \$105 million in general obligation refunding bonds (Series 2023C) were issued. The issue refunded \$135 million in existing debt with cash flow savings of \$11 million and a present value gain of \$9 million. The differences between the reacquisition price and the net carrying value of the refunded bonds generated a deferred accounting gain, which is reported as deferred inflows of resources. The total deferred accounting gain was \$29 million, of which \$27 million will be amortized into interest expense in future years.

NOTE 7 - 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 financing 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, 2023, the cumulative debt outstanding and debt service caps were at 4 and 5 percent and the actual levels of debt outstanding and debt service costs were in compliance with the statutory caps. There was \$36.7 billion of State-supported debt outstanding applicable to the debt reform cap, which was about \$22.7 billion below the statutory debt outstanding limitation. The debt service cost on this new debt was \$3.8 billion, about \$7.8 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 was not limited to capital purposes and was not counted towards the statutory caps on debt outstanding and debt service. Following this temporary two-year suspension, the provisions of the Debt Reform Act were reinstated for State-supported debt issued in the fiscal year 2022-23 and beyond. One limited exception to the Debt Reform Act remains for debt issuances undertaken by the State for MTA capital projects which 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.

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, 2024, 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. In the fiscal year ended March 31, 2018, bonds secured by annual payments from tobacco manufacturers under the MSA were retired. 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 \$327 million were recognized and \$62 million of Medicaid payments were made.

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 seven times, most recently in 2024, up to \$21.5 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 \$40.2 billion issued for both governmental and business-type activities were outstanding as of March 31, 2024.

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 originally by the pledge of payments from this fund, which received 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 increased 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 \$11.5 billion issued for both governmental and business-type activities were outstanding as of March 31, 2024.

Governmental Activities – Long-Term Debt

Changes in governmental activities long-term debt for the year were as follows (amounts in millions):

<u>Issuer</u>	<u>Outstanding April 1, 2023</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding March 31, 2024</u>
Public Benefit Corporations:				
Dormitory Authority	\$ 18,938	\$ 4,001	\$ 2,771	\$ 20,168
Thruway Authority	5,017	-	295	4,722
Urban Development Corporation	16,851	1,886	3,844	14,893
Total	\$ 40,806	\$ 5,887	\$ 6,910	\$ 39,783

Debt service expenditures (principal and interest) for the aforementioned obligations during the fiscal year were \$6.5 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 \$63 million (\$28 million related to governmental activities and \$35 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 \$74 million at March 31, 2024 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 debt. The actual amounts of future interest to be paid are affected by changes in variable interest rates. Fixed rate interest ranges from 1.39 percent to 5.88 percent and variable rate interest is at 3.93 percent (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025.....	\$ 233	\$ 1,774	\$ 2,007
2026.....	1,001	1,763	2,764
2027.....	366	1,716	2,082

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2028.....	\$ 1,002	\$ 1,692	\$ 2,694
2029.....	2,424	1,641	4,065
2030-2034	10,811	6,636	17,447
2035-2039	7,401	4,520	11,921
2040-2044	6,136	2,989	9,125
2045-2049	6,491	1,615	8,106
2050-2054	2,875	528	3,403
2055-2059	932	130	1,062
2060-2064	111	14	125
Total.....	\$ 39,783	\$ 25,018	\$ 64,801

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.

	<u>Bonds Outstanding</u>	<u>Assets Pledged as Collateral</u>	<u>Events of Default</u>	<u>Termination Events</u>	<u>Subjective Acceleration Clauses</u>
Dormitory Authority:					
Personal Income Tax (Multiple Purposes)	\$ 15,561	(1)	(5)	(7)	(8)
Sales Tax (Multiple Purposes).....	4,559	(2)	(5)	(7)	(8)
Department of Health	48	(3)	(6)	(7)	(9)
Urban Development Corporation:					
Personal Income Tax (Multiple Purposes)	11,252	(1)	(5)	(7)	(8)
Sales Tax (Multiple Purposes).....	3,641	(2)	(5)	(7)	(8)
Thruway Authority:					
Personal Income Tax (Multiple Purposes)	4,499	(1)	(5)	(7)	(8)
Dedicated Highway & Bridge.....	223	(4)	(5)	(7)	(8)
Total.....	\$ 39,783				

Footnotes for the column identified as Assets Pledged as Collateral:

- (1) Effective April 1, 2018, a statutory allocation of 50 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) A statutory allocation of 2 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. 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) 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.

- (4) 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:

- (5) 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.
- (6) 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:

- (7) There are no termination events with financial consequences.

Footnotes for the column identified as Subjective Acceleration Clauses:

- (8) 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.
- (9) 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.

Refunding

During the fiscal year ended March 31, 2024, the State, acting through certain public authorities, refunded \$2,074 million in existing fixed and variable rate bonds by issuing refunding bonds in a par amount of \$1,725 million at a \$220 million premium and releasing a net amount of \$142 million from reserves and debt service accounts. The result will produce an estimated gain of \$325 million in future cash flow, with an estimated present value gain of \$244 million. The differences between the reacquisition prices and the net carrying values of the refunded bonds generated deferred accounting gains, resulting in deferred inflows of resources. The accounting gain was \$296 million, of which \$285 million was deferred and will be amortized as an adjustment to interest expense in future years. The impact of the refunding issues is presented in the following table (amounts in millions):

<u>Issue Description</u>	<u>Refunding Amount</u>	<u>Refunded Amount</u>	<u>Cash Flow Gain (Loss)</u>	<u>Present Value Gain</u>
Dormitory Authority PIT General Purpose Bonds Series 2023A.....	\$ 885	\$ 989	\$ 141	\$ 105
Dormitory Authority PIT General Purpose Bond Series 2023B	38	47	(15)	(5)
Dormitory Authority PIT General Purpose Bond Series 2024A	315	459	88	59
Dormitory Authority PIT General Purpose Bond Series 2024B	5	9	(1)	-
Dormitory Authority Sales Tax Bond Series 2023A-1	204	243	36	27
Urban Development Corporation PIT General Purpose Bond Series 2023B-2.....	278	327	76	58
Total	\$ 1,725	\$ 2,074	\$ 325	\$ 244

Defeasance Using Only Existing Resources

During the fiscal year ended March 31, 2024, the State, acting through certain public authorities, deposited \$3.8 billion of cash into irrevocable escrow accounts for the defeasance of debt to provide debt service savings and significant debt cap relief. The differences between the reacquisition prices and the net carrying values of the defeased bonds generated a net gain of \$528 million. The gain was recognized in the Statement of Activities for the fiscal year ended March 31, 2024.

The State defeased certain of its obligations, whereby proceeds of new obligations or cash were placed in an irrevocable trust to provide for all future debt service payments on the defeased obligations. At March 31, 2024, approximately \$7.4 billion of such defeased obligations were outstanding. The assets and liabilities are not reported in the accompanying basic financial statements.

Business-Type Activities – Long-Term Debt

The State has issued bonds for SUNY educational facilities through the Dormitory Authority of the State of New York (DASNY) and the Urban Development Corporation (UDC). SUNY residence halls are issued through DASNY. CUNY Senior Colleges educational facilities have bonds issued through DASNY. Such debt, totaling \$14.5 billion, is funded by payments from the State's General Fund. The remainder of the debt of SUNY and CUNY (\$234 million) is funded from student fees and other operating aid provided by the State.

The following represents year-end principal balances (at June 30, 2023 for SUNY and CUNY) for financing arrangements for business-type activities (amounts in millions):

	Beginning Outstanding, as restated	Issued	Redeemed	Ending Outstanding
DASNY and UDC:				
SUNY educational facilities	\$ 9,839	\$ 5	\$ 830	\$ 9,014
Unamortized premium	1,003	-	50	953
CUNY educational facilities	4,380	-	297	4,083
Unamortized premium	479	-	33	446
Total DASNY and UDC	15,701	5	1,210	14,496
SUNY installation commitments	123	-	8	115
SUNY other long-term debt.....	35	-	3	32
CUNY installation commitments.....	33	-	3	30
CUNY mortgage loan commitments	59	-	2	57
Total	\$ 15,951	\$ 5	\$ 1,226	\$ 14,730

The following represents a year-end summary at June 30, 2023 of future minimum debt service payments on the bonds issued by DASNY and UDC for SUNY, including interest rates ranging from 1.88 percent to 5.63 percent (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024.....	\$ 180	\$ 409	\$ 589
2025.....	169	400	569
2026.....	264	391	655
2027.....	157	378	535
2028.....	406	375	781
2029-2033	1,817	1,607	3,424
2034-2038	1,752	1,184	2,936
2039-2043	1,947	753	2,700
2044-2048	1,839	305	2,144
2049-2053	483	26	509
Total.....	\$ 9,014	\$ 5,828	\$ 14,842

The following represents a year-end summary at June 30, 2023 of future minimum debt service payments on the bonds issued by DASNY for CUNY Senior Colleges, including interest rates ranging from 1.9 percent to 5.6 percent (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024.....	\$ 90	\$ 189	\$ 279
2025.....	98	185	283
2026.....	131	180	311
2027.....	78	173	251
2028.....	192	169	361
2029-2033	838	724	1,562
2034-2038	926	512	1,438
2039-2043	1,308	267	1,575
2044-2048	420	39	459
2049-2051	2	-	2
Total	\$ 4,083	\$ 2,438	\$ 6,521

The following represents a year-end summary at June 30, 2023 for SUNY and CUNY of future minimum debt service payments on installation commitments, mortgage loan commitments, other State-supported debt and other long-term debt for business-type activities (amounts in millions):

Fiscal Year	SUNY		CUNY		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 12	\$ 4	\$ 4	\$ 1	\$ 16	\$ 5
2025	13	3	5	1	18	4
2026	12	3	5	-	17	3
2027	11	2	5	-	16	2
2028	10	2	6	-	16	2
2029-2033	43	9	62	1	105	10
2034-2038	29	4	-	-	29	4
2039-2043	17	1	-	-	17	1
Total	\$ 147	\$ 28	\$ 87	\$ 3	\$ 234	\$ 31

The liabilities for mortgage loans, other State-supported debt and other long-term debt are reported as 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, 2023 totaled \$1.8 billion.

During SUNY's fiscal year ending June 30, 2023, Personal Income Tax (PIT) Bonds were issued with a par amount of \$5 million for the purpose of financing capital construction and major rehabilitation for educational facilities.

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, 2023, outstanding educational facility obligations of \$879 million and outstanding residence halls obligations of \$425 million were considered defeased.

During CUNY's fiscal year ending June 30, 2023, DASNY used a prepayment of \$233 million to defease \$57 million of existing debt.

At June 30, 2023, a total of \$218 million of previously outstanding CUNY Senior Colleges debt was defeased.

Leases

Governmental Activities – Leases

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The State, as a lessee, leases a significant amount of nonfinancial assets such as real property, land, equipment, and infrastructure. The related obligations are presented in the amounts equal to the present value of lease payments payable during the remaining lease term. As the

lessee, a lease liability and the associated lease asset is recognized on the government-wide Statement of Net Position.

As of March 31, 2024, the State had minimum principal and interest payment requirements for its leasing activities, with a remaining term in excess of one year, as follows (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 252	\$ 40	\$ 292
2026	239	34	273
2027	225	31	256
2028	213	27	240
2029	200	24	224
2030-2034.....	705	74	779
2035-2039.....	241	22	263
2040-2044.....	19	8	27
2045-2049.....	6	7	13
2050-2054.....	8	6	14
2055-2059.....	9	5	14
2060-2064.....	8	5	13
2065-2069.....	10	4	14
2070-2074.....	12	4	16
2075+.....	28	2	30
Total.....	\$ 2,175	\$ 293	\$ 2,468

Additionally, the State currently has no variable payment clauses associated with its lease arrangements, and did not incur expenses with its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. Furthermore, there are currently no agreements that include sale-leaseback and lease-leaseback transactions. The State had no commitments for leases that have not commenced as of March 31, 2024, nor lease arrangements with third parties where it is a sublessee.

Business-Type Activities – Leases

As of June 30, 2023, SUNY and CUNY reported minimum principal and interest payment requirements for its leasing activities, with a remaining term in excess of one year, as follows (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 152	\$ 32	\$ 184
2025	142	27	169
2026	136	24	160
2027	121	18	139
2028	113	15	128
2029-2033.....	300	38	338
2034-2038.....	96	18	114
2039-2043.....	61	10	71
2044-2048.....	28	4	32
2049-2053.....	13	1	14
Total.....	\$ 1,162	\$ 187	\$ 1,349

As of March 31, 2024, Lottery reported minimum principal and interest payment requirements for its leasing activities, with a remaining term in excess of one year, as follows (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2	\$ 1	\$ 3
2026	2	1	3
2027	2	1	3
2028	2	1	3
2029	1	-	1
2030-2034	4	1	5
2035-2039	5	1	6
Total	\$ 18	\$ 6	\$ 24

Business-type activities reported \$12 million in variable expenses associated with its lease arrangements, however, no expenses were incurred with its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. Furthermore, there are currently no agreements that include sale-leaseback and lease-leaseback transactions. There were no commitments for leases that have not commenced as of June 30, 2023 or March 31, 2024, or lease arrangements with third parties where SUNY, CUNY or Lottery were a sublessee.

Subscription-Based IT Arrangements

Governmental Activities – Subscription-Based IT Arrangements

A subscription-based IT arrangement (SBITA) is defined as a contractual agreement that conveys control of the right-to-use another entity's IT asset, alone, or in conjunction with a tangible capital asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The State enters into a significant amount of these SBITAs such as software licenses downloaded or available remotely, data storage, and hardware necessary to use the IT asset. The related obligations are presented in the amounts equal to the present value of SBITA payments, payable during the remaining SBITA term. As the lessee, the State recognizes a SBITA liability and an associated intangible-SBITA asset on the government-wide Statement of Net Position.

As of March 31, 2024, the State had minimum principal and interest payment requirements for SBITA, with a remaining term in excess of one year, as follows (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 27	\$ 1	\$ 28
2026	22	1	23
2027	5	-	5
2028	1	-	1
2029	1	-	1
2030-2034	2	-	2
Total	\$ 58	\$ 2	\$ 60

The State has a variety of variable payment clauses within its SBITA, including variable payments based on future performance, usage of the underlying asset, number of software licenses, or hours of access necessary. Such amounts are recognized as an expense in the period in which the obligation for those

payments is incurred. Components of variable payments that are fixed in substance, are included in the measurement of the SBITA liability presented in the table above. During the year, the State recorded \$14 million for variable payments related to SBITA. As of March 31, 2024, the State had no losses reported from impairments of SBITA or payments for arrangements that have not yet commenced.

Business-Type Activities – Subscription-Based IT Arrangements

As of June 30, 2023, SUNY and CUNY reported minimum principal and interest payment requirements for SBITA, with a remaining term in excess of one year, as follows (amounts in millions):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 19	\$ 2	\$ 21
2025	16	2	18
2026	11	1	12
2027	10	1	11
2028	8	1	9
2029-2033	25	1	26
Total	\$ 89	\$ 8	\$ 97

For business-type activities, as of June 30, 2023, SUNY reported \$6 million in variable payments related to SBITA and as of March 31, 2024, Lottery reported \$273 million. As of June 30, 2023, business-type activities had no losses reported from impairments of SBITA or payments for arrangements that have not yet commenced.

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, 2024, principal and interest outstanding were \$235 million and \$72 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 GASBS 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):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 17	\$ 11	\$ 28
2026	18	10	28
2027	19	9	28
2028	19	9	28
2029	20	8	28
2030-2034	115	24	139
2035-2039	27	1	28
Total	\$ 235	\$ 72	\$ 307

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, 2023 amounted to \$552 million. There were interest payments of \$69 million and no principal payments during the fiscal year ending June 30, 2023. At June 30, 2023, total principal and interest outstanding on the bonds were \$1.9 billion and \$662 million, respectively. Annual principal and interest payments will continue through July 1, 2049 (amounts in millions):

Fiscal Year	Principal	Interest	Total
2024	\$ 94	\$ 66	\$ 160
2025	95	62	157
2026	98	59	157
2027	103	56	159
2028	101	51	152
2029-2033	526	200	726
2034-2038	457	115	572
2039-2043	334	43	377
2044-2048	93	10	103
2049-2053	16	-	16
Total.....	\$ 1,917	\$ 662	\$ 2,579

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

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Tax refunds payable.....	\$ 1,780	\$ 67	\$ -	\$ 1,847	\$ -
Accrued liabilities:					
Payroll and fringe benefits	\$ 193	\$ -	\$ 2	\$ 191	-
Compensated absences	1,066	94	58	1,102	65
Medicaid	1,671	157	76	1,752	85
Health insurance	192	-	-	192	-
Litigation	45	83	21	107	22
Workers' compensation reserve ...	2,748	386	569	2,565	578
Arbitrage Rebate.....	-	15	-	15	1
Miscellaneous	11	11	11	11	2
Total.....	\$ 5,926	\$ 746	\$ 737	\$ 5,935	\$ 753

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Payable to local governments:					
Education aid	\$ 305	\$ -	\$ -	\$ 305	-
Medicaid	-	306	-	306	-
Miscellaneous	79	20	1	98	-
Total.....	\$ 384	\$ 326	\$ 1	\$ 709	-
Due to federal government.....	\$ 400	\$ -	\$ 100	\$ 300	100
Net pension liability	\$ 113	\$ 9,364	\$ -	\$ 9,477	-
Other postemployment benefits.....	\$ 52,616	\$ 3,581	\$ 8,585	\$ 47,612	-
Pollution remediation	\$ 1,151	\$ 392	\$ 204	\$ 1,339	203
Asset retirement obligations.....	\$ 65	\$ 1	\$ 8	\$ 58	4
Lease liability	\$ 2,257	\$ 232	\$ 314	\$ 2,175	252
Subscription-based IT arrangements	\$ 51	\$ 35	\$ 28	\$ 58	27
Collateralized borrowings.....	\$ 252	\$ -	\$ 17	\$ 235	17
General obligation bonds payable:					
General obligation bonds payable	\$ 1,836	\$ 573	\$ 281	\$ 2,128	187
Deferred amounts:					
Unamortized premiums	85	49	13	121	12
Total.....	\$ 1,921	\$ 622	\$ 294	\$ 2,249	199
Other financing arrangements:					
Installation commitments	\$ 1	\$ -	\$ 1	\$ -	-
Other financing arrangements.....	40,806	5,887	6,910	39,783	233
Deferred amounts:					
Unamortized premiums	5,215	534	915	4,834	237
Unamortized discounts	(2)	-	(1)	(1)	(1)
Total.....	\$ 46,020	\$ 6,421	\$ 7,825	\$ 44,616	469
Total due within one year					\$ 2,024

Changes in Long-Term Liabilities – Business-Type Activities

Description	Beginning Balance, as restated	Additions	Deletions	Ending Balance	Due Within One Year
Accrued liabilities:					
Compensated absences	\$ 558	\$ 203	\$ 194	\$ 567	\$ 337
Litigation	746	-	139	607	18
Miscellaneous	364	5	22	347	2
Total.....	\$ 1,668	\$ 208	\$ 355	\$ 1,521	357
Due to Federal government (UIB Fund).....	\$ 8,298	\$ 2,203	\$ 3,068	\$ 7,433	-
Lottery prizes payable.....	\$ 1,007	\$ 54	\$ 105	\$ 956	122
Pension contributions payable.....					
SUNY (June 30, 2023)	\$ 10	\$ -	\$ 6	\$ 4	2
Total.....	\$ 10	\$ -	\$ 6	\$ 4	2
Net pension liability:					
SUNY (June 30, 2023)	\$ 6	\$ 1,609	\$ 215	\$ 1,400	-
CUNY (June 30, 2023).....	620	-	29	591	-
Lottery	-	9	-	9	-
Total.....	\$ 626	\$ 1,618	\$ 244	\$ 2,000	-
Other postemployment benefits:					
SUNY (June 30, 2023)	\$ 12,294	\$ -	\$ 967	\$ 11,327	-
CUNY (June 30, 2023).....	1,542	32	18	1,556	-
Lottery	66	-	7	59	-
Total.....	\$ 13,902	\$ 32	\$ 992	\$ 12,942	-
Lease liability:					
SUNY (June 30, 2023) ⁽¹⁾	\$ 627	\$ 37	\$ 105	\$ 559	99
CUNY (June 30, 2023)	487	169	53	603	53
Lottery	7	14	3	18	2
Total.....	\$ 1,121	\$ 220	\$ 161	\$ 1,180	154
Subscription-based IT arrangements:					
SUNY (June 30, 2023)	\$ 95	\$ -	\$ 14	\$ 81	13
CUNY (June 30, 2023).....	18	4	14	8	6
Total.....	\$ 113	\$ 4	\$ 28	\$ 89	19
Collateralized borrowings:					
SUNY (June 30, 2023).....	\$ 1,918	\$ -	\$ 1	\$ 1,917	94
Unamortized premiums.....	124	-	5	119	6
Total.....	\$ 2,042	\$ -	\$ 6	\$ 2,036	100

Description	Beginning Balance, as restated	Additions	Deletions	Ending Balance	Due Within One Year
Other financing arrangements:					
SUNY (June 30, 2023) ⁽¹⁾	\$ 9,997	\$ 5	\$ 841	\$ 9,161	\$ 192
CUNY (June 30, 2023).....	4,472	-	302	4,170	94
Unamortized premiums:					
SUNY (June 30, 2023)	1,003	-	50	953	50
CUNY (June 30, 2023).....	479	-	33	446	-
Total.....	\$ 15,951	\$ 5	\$ 1,226	\$ 14,730	\$ 336
Total due within one year					\$ 1,090

⁽¹⁾ Restated due to the reclassification of liabilities related to the implementation of GASB 87, *Leases*.

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, 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, 2024 for governmental activities (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total Governmental Activities
Payroll.....	\$ 730	\$ 31	\$ -	\$ 44	\$ 805
Fringe benefits	453	4	-	18	475
Medicaid.....	4,883	6,931	-	-	11,814
Health programs	121	-	-	-	121
Public school aid.....	-	260	-	-	260
Public welfare	-	184	-	-	184
Miscellaneous	678	95	15	125	913
Total Governmental Funds....	\$ 6,865	\$ 7,505	\$ 15	\$ 187	14,572
Claimant liability for escheated property.....					2,839
Total.....					\$ 17,411

Payable to Local Governments – Governmental Funds

The following table summarizes amounts payable to local governments at March 31, 2024 for governmental funds (amounts in millions):

Description	General	Federal Special Revenue	General Debt Service	Other Governmental Funds	Total
Education programs.....	\$ 2,109	\$ 444	\$ -	\$ 34	\$ 2,587
Temporary and disability assistance.....	701	1,185	-	-	1,886
Local health programs	1,271	679	-	71	2,021
Mental hygiene programs	201	25	-	-	226
Criminal justice programs	6	8	-	-	14
Child and family services programs	40	-	-	-	40
Local share of tax revenues	-	-	520	-	520
Public safety	18	4	-	29	51
Emergency management	44	6,116	-	-	6,160
Transportation	-	-	-	8	8
Miscellaneous.....	233	143	-	110	486
Total.....	\$ 4,623	\$ 8,604	\$ 520	\$ 252	\$ 13,999

Accrued Liabilities – Business-Type Activities

The following table summarizes current accrued liabilities at March 31, 2024 for business-type activities (June 30, 2023 for SUNY and CUNY) (amounts in millions):

Description	Lottery	Unemployment Insurance Benefit	SUNY	CUNY	Total
Payroll.....	\$ -	\$ -	\$ 362	\$ 117	\$ 479
Fringe benefits	-	-	299	82	381
Employer overpayments	-	108	-	-	108
Benefits due claimants	-	111	-	-	111
Unclaimed and future prizes ...	435	-	-	-	435
Miscellaneous	-	4	283	367	654
Total	435	223	944	566	2,168
Long-term accrued liabilities - due within one year.....	1	-	233	123	357
Total	\$ 436	\$ 223	\$ 1,177	\$ 689	\$ 2,525

NOTE 9 - Interfund Transactions and Other Transfers**Interfund Transfers**

Interfund transfers for the year ended March 31, 2024 consisted of the following (amounts in millions):

Transfers From	Transfers To						Total
	General	General Debt Service	Other Governmental	Elimination	Total Governmental Funds	Business-Type Activities	
General	\$ -	\$ 239	\$ 6,602	\$ -	\$ 6,841	\$ 6,146	\$ 12,987
Federal Special Revenue.....	291	-	1,567	-	1,858	450	2,308
General Debt Service.....	37,347	-	-	-	37,347	1,629	38,976
Other Governmental.....	4,470	132	126	-	4,728	644	5,372
Elimination.....	-	-	-	(50,774)	(50,774)	-	(50,774)
Total Governmental Funds.....	42,108	371	8,295	(50,774)	-	8,869	8,869
SUNY.....	59	-	(177)	-	(118)	-	(118)
Lottery.....	-	-	3,775	-	3,775	-	3,775
Governmental Activities	-	-	-	-	-	(97)	(97)
Total.....	\$ 42,167	\$ 371	\$ 11,893	\$ (50,774)	\$ 3,657	\$ 8,772	\$ 12,429

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 \$37.3 billion. Transfers to the General Fund from Other Governmental Funds are primarily due to: mental health patient fees in excess of debt service and rental reserve requirements of \$2 billion; excess real property transfer tax receipts from clean water and clean air programs of \$914 million; \$838 million from the Dedicated Highway and Bridge Trust Fund to make required service contract payments; and \$407 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 \$239 million. Transfers from the Other Governmental Funds to the General Debt Service Fund include \$52 million to the State Capital Project Fund, \$46 million to the Dedicated Highway and Bridge Trust Fund, and \$31 million to the Clean Water Clean Air Fund. Transfers from the General Fund to Other Governmental Funds include: \$3.4 billion to the State Capital Project Fund for capital projects; \$798 million to the Dedicated Highway and Bridge Trust Fund; \$905 million to the Housing Program Fund; \$125 million to the Health Care Transformation Fund; \$399 million to the MTA Financial Assistance Fund; and \$350 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 (\$6 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 (\$1.6 billion). Transfers from the Lottery to Other Governmental Funds represent Lottery support for school aid payments (\$3.8 billion). The eliminations of \$50.8 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, 2023. 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 \$1.9 billion. The following is a reconciliation of transfers resulting from different year-ends (amounts in millions):

Governmental Activities transfers:	
SUNY	\$ (6,585)
CUNY	(2,165)
Lottery (State transfers)	(140)
Lottery (Education aid)	3,775
Total Governmental Activities transfers	<u>(5,115)</u>
Business-Type Activities transfers:	
State	5,868
Federal and State hospital support transfers	738
Education aid	(3,775)
Capital	387
Total Business-Type Activities transfers	<u>3,218</u>
Total transfers	<u>\$ (1,897)</u>

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, 2024 (amounts in millions):

<u>Due To Other Funds</u>									
<u>Due From Other Funds</u>	<u>General</u>	<u>Federal Special Revenue</u>	<u>General Debt Service</u>	<u>Other Governmental</u>	<u>Elimination</u>	<u>Total Governmental Funds</u>	<u>Business-Type Activities</u>	<u>Governmental Activities</u>	<u>Total</u>
General	\$ -	\$ 1,199	\$ 769	\$ 2,104	\$ -	\$ 4,072	\$ 10	\$ -	\$ 4,082
Federal Special Revenue	128	-	-	-	-	128	-	-	128
Other Governmental	195	273	2	-	-	470	2,180	-	2,650
Elimination	-	-	-	-	(4,670)	(4,670)	-	-	(4,670)
Total Governmental Funds	<u>323</u>	<u>1,472</u>	<u>771</u>	<u>2,104</u>	<u>(4,670)</u>	<u>-</u>	<u>2,190</u>	<u>-</u>	<u>2,190</u>
Business-Type Activities	374	2	-	79	-	455	-	526	981
Total	<u>\$ 697</u>	<u>\$ 1,474</u>	<u>\$ 771</u>	<u>\$ 2,183</u>	<u>\$ (4,670)</u>	<u>\$ 455</u>	<u>\$ 2,190</u>	<u>\$ 526</u>	<u>\$ 3,171</u>

The more significant balances in due to/from other funds include \$2.2 billion due to the General Fund to cover cash overdrafts in the short-term investment pool. These temporary interfund loans include \$149 million to the Federal Special Revenue Fund and \$2.1 billion to Other Governmental Funds. Due to other funds in the General Debt Service Fund includes \$769 million 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, 2023. 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 \$526 million. Of this amount, \$504 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.

Health care providers have a right to appeal Medicaid reimbursement rates. Based on an analysis of appeals, a liability of \$277 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, 2024, the State has reimbursed the federal government \$1.65 billion and, accordingly, has reported the remaining liabilities of \$300 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 4.20 percent as of March 31, 2024, the State is liable for unfunded claims and incurred but not reported claims totaling \$2.6 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, and auto claims in fiscal years 2023 and 2024 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
2022-2023	\$ 4,285	\$ 245	\$ 1,140	\$ 3,390
2023-2024	\$ 3,390	\$ 421	\$ 632	\$ 3,179

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, 2024, the Fund included \$1.3 billion of securities not yet liquidated and not subject to the State Finance Law’s cash provisions. Net collections from inception (1942) to March 31, 2024 of approximately \$19.1 billion, excluding interest, represent a contingent liability to the State since the owners of such property may file claims for refunds.

At March 31, 2024 the Fund had \$2.8 billion, representing the probable amount of escheat property that will be reclaimed and paid to claimants, reported as an accrued liability 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, 2024, the amount reported was \$1.3 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 \$476 million.

The State is liable for costs relating to the closure and post-closure of landfills totaling \$3 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 \$392 million, spent \$149 million in activities related to pollution remediation obligations and recognized adjustments decreasing the liability by \$55 million. The State recovered \$50 million from other responsible parties. At March 31, 2024, the State had an outstanding pollution remediation liability of \$1.34 billion, with an estimated potential recovery of \$99 million from other responsible parties.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, provides guidance for state and local governments in estimating and reporting the potential costs of asset retirement. GASBS 83 defines an Asset Retirement Obligation (ARO) as a legally enforceable liability associated with the retirement of a tangible capital asset with a legal obligation to perform future asset retirement activities. A liability exists with the occurrence of both an external and internal obligating event from normal operations.

An external event is one of the following:

- The approval of federal, state, or local laws or regulations;
- The creation of a legally binding contract;
- The issuance of a court judgement.

An internal event is one of the following:

- A contamination occurrence resulting from normal operations and not in the scope of pollution remediation;
- An occurrence resulting from placing a tangible capital asset into operations and consuming a portion of it in normal operations;
- An occurrence of acquiring a tangible capital asset.

At March 31, 2024, the State had an outstanding asset retirement obligation of \$58 million in two areas, petroleum bulk storage tanks and dams.

The Department of Environmental Conservation has AROs of \$46 million to take petroleum bulk storage tanks out of service. The AROs are measured using the current cost for closure or the best estimate for taking the tanks out of service, which consists of emptying the tanks, removing the secondary containment, and proper disposal. The tanks have estimated remaining useful lives of less than 1 year to 30 years. The petroleum bulk storage tanks are regulated under the New York Code, Rules, and Regulations Part 613 (6NYCRR Part 613). The AROs will be funded by state appropriations and there are no assets restricted for payment of the liabilities.

The Office of Parks, Recreation and Historic Preservation and the Department of Corrections and Community Supervision oversee numerous dams owned and regulated by the State. The AROs, calculated using the best estimate to dismantle the facilities, are projected to be \$12 million. The assets have estimated remaining useful lives of 4 to 19 years. Dams are regulated under the New York Code, Rules, and Regulations Part 673 (6NYCRR Part 673). The AROs will be funded by state appropriation and there are no assets restricted for payment of the liabilities.

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 fiscal year 2024 Enacted Budget Financial Plan, which includes projections up to fiscal year 2027, the State provides \$1.9 billion to fully support fringe benefit costs of SUNY employees at State-operated campuses. The State is also projected to pay \$868 million in fiscal year 2025 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, 2023, these outstanding contractual commitments totaled approximately \$1.2 billion. CUNY Senior Colleges have also entered into contracts for the construction and improvement of various capital assets. At June 30, 2023, these outstanding contractual commitments totaled approximately \$400 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 2023-24, the State Department of Labor (DOL) unemployment claim filings returned to pre-pandemic levels. There remains an inherent risk of fraudulent claims and the risk of improper unemployment benefit payments. To mitigate this risk, DOL continues to use the enhanced controls put in place during the pandemic for processing claims and identity verification procedures. DOL 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 \$611 million in the primary government; \$107 million is related to governmental activities and \$504 million pertains to SUNY. SUNY reported \$607 million as of December 31, 2023 for awarded claims, anticipated unfavorable judgments, and incurred but not reported loss estimates related to medical malpractice claims. The difference of \$103 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 \$58 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 osc.ny.gov/retirement.

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 through 6 must generally have five years of service to be eligible to collect a retirement benefit. The full benefit age for members of Tiers 2 through 5 is 62. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members. Members generally need five years of service to be 100 percent vested. Members with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions; membership is automatically terminated once seven years has lapsed since employment if the years of service was not at least five years. Members with at least five years of service but less than ten years of service may choose: (1) to withdraw and obtain a refund of employee contributions plus interest or (2) leave contributions in their account and qualify for a retirement benefit at age 55.

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 were not required to make employee contributions. Generally, 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, 2024 was approximately 13.1 percent of covered payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2024 was approximately 27.8 percent of covered payroll. The State's contributions for the fiscal year ended March 31, 2024 were \$1.6 billion for ERS and \$236 million for PFRS.

Net Pension Liabilities and Other Pension-Related Amounts

For purposes of determining net pension liabilities 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 shares of the collective net pension liability for ERS and net pension liability for PFRS reported at March 31, 2024, were measured as of March 31, 2023, and were determined using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liabilities to March 31, 2023. The overall State's ERS proportion of the net pension liability measured at March 31, 2023 was 45.43 percent, of which, the State's share net of SUNY hospitals and SUNY Construction Fund (SUCF) was 42.41 percent. The overall State's PFRS proportion of the net pension liability measured at March 31, 2023 was 20.06 percent, of which, the State's share net of SUNY hospitals and SUCF was 20.02 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, 2023 of 42.41 percent was allocated 39.38 percent to governmental activities, 2.99 percent to the SUNY enterprise fund, and 0.04 percent to the Lottery enterprise fund. In addition to its allocation of the State proportion, SUNY recognized a proportion of the ERS collective net pension liability of 3.02 percent associated with specific related entities excluded from the State proportion measured at March 31, 2023. The State proportion of the PFRS collective net pension liability measured at March 31, 2023 of 20.02 percent was allocated 18.72 percent to governmental activities and 1.30 percent to the SUNY enterprise fund. In addition to its allocation of the State proportion, SUNY recognized a proportion of the PFRS collective net pension liabilities of 0.04 percent associated with specific related entities excluded from the State proportion measured at March 31, 2023.

The State recognized a net pension liability of \$8.5 billion in governmental activities for its proportionate share of the ERS collective net pension liability. The State recognized a net pension liability of \$1 billion in governmental activities for its proportionate share of the PFRS collective net pension liability. Pension expense recognized by the State in governmental activities was \$2.9 billion for ERS and \$306 million for PFRS for the year ended March 31, 2024. The State reported the following deferred outflows of resources and deferred inflows of resources in governmental activities for ERS and PFRS at March 31, 2024 (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	\$ 900	\$ 237	\$ 101	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	50	2	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	34	153	3	44
Changes in assumptions	4,101	45	502	-
Contributions made subsequent to measurement date	1,466	-	221	-
Total	\$ 6,501	\$ 485	\$ 829	\$ 44

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended March 31, 2025. 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):

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>
2025.....	\$ 1,057	\$ 101
2026.....	(479)	(35)
2027.....	1,691	298
2028.....	2,281	184
2029.....	-	16
Total	\$ 4,550	\$ 564

SUNY recognized a net pension liability of \$1.3 billion for its proportionate share of the ERS collective net pension liability measured on March 31, 2023. SUNY recognized a net pension liability of \$74 million for its proportionate share of the PFRS collective net pension liability measured on March 31, 2023. For the year ended June 30, 2023, SUNY recognized pension expense of \$438 million and \$22 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):

	<u>SUNY</u>			
	<u>ERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience.....	\$ 137	\$ 36	\$ 7	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	8	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	28	50	-	3
Changes in assumptions	626	7	36	-
Total.....	\$ 791	\$ 101	\$ 43	\$ 3

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):

<u>Fiscal Year</u>	<u>SUNY</u>	
	<u>ERS</u>	<u>PFRS</u>
2024.....	\$ 159	\$ 7
2025.....	(75)	(2)
2026.....	259	21
2027.....	347	13
2028.....	-	1
Total	\$ 690	\$ 40

The Lottery recognized a net pension liability of \$9 million for its proportionate share of the ERS net pension liability. For the year ended March 31, 2024, Lottery recognized pension expense of \$3 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	\$ -
Changes in assumptions	4	1
Contributions made subsequent to measurement date	2	-
Total.....	\$ 7	\$ 1

The amounts of deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the total 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, 2023 measurement date was determined by using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liability to March 31, 2023. The actuarial valuation for both ERS and PFRS used the following actuarial assumptions:

- Actuarial cost method..... Entry age normal
- Inflation 2.9 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..... 1.5 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-2021

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 weighing 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, 2023 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Rate of Return ⁽¹⁾
Domestic equities.....	32 %	4.30 %
International equities	15 %	6.85 %
Private equities.....	10 %	7.50 %
Real estate.....	9 %	4.60 %
Opportunistic/Absolute return strategies portfolio	3 %	5.38 %
Credit	4 %	5.43 %
Real assets	3 %	5.84 %
Fixed income	23 %	1.50 %
Cash	1 %	0.00 %
Total	100 %	

(1) Real rates of return are net of long-term inflation assumption of 2.5 percent.

Discount Rate

The discount rate used to measure the ERS and PFRS total pension liabilities as of March 31, 2023 was 5.9 percent. 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 (asset) 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).....	\$ 20,409	\$ 8,446	\$ (1,552)
Governmental activities PFRS net pension liability	2,150	1,031	105
SUNY - ERS net pension liability (asset)	3,114	1,289	(237)
SUNY - PFRS net pension liability.....	154	74	8
Lottery - ERS net pension liability (asset)	21	9	(2)

Voluntary Defined Contribution Plan

The Voluntary Defined Contribution Plan (VDCP) is offered through the Teachers Insurance and Annuity Association (TIAA). 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:

<u>Annual Wage</u>	<u>Employee Contribution Rate</u>
\$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 \$6 million and \$4 million, respectively, for March 31, 2024.

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. TRS issues a publicly available financial report that includes financial statements, expanded disclosures, and required supplementary information for TRS. 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. TRS 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 or 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 or 1.75 percent of final average salary per year of credited service for 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 generally vest after five years of credited service. Vested Tier 6 members with an inactive membership must be at least 63 to retire. 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 TRS 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 TRS. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 through 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 2022-23 salaries was 10.29 percent. For the fiscal year ended June 30, 2023, SUNY employer contributions were \$16 million.

Net Pension Liability and Pension-Related Amounts

SUNY's proportionate share of the collective TRS net pension liability reported at June 30, 2023 of \$18 million was measured at June 30, 2022. 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, 2022. SUNY's proportionate share of the collective TRS net pension liability was 0.93 percent measured at June 30, 2022.

For purposes of determining net pension liability 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 TRS. 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, 2023, SUNY recognized pension expense of \$21 million related to TRS. At June 30, 2023, SUNY reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources (amounts in millions):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 19	\$ 1
Net difference between projected and actual investment earnings on pension plan investments.....	23	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	4
Changes in assumptions.....	35	7
Employer contributions subsequent to measurement date	18	-
Total	<u><u>\$ 95</u></u>	<u><u>\$ 12</u></u>

The employer contributions of \$18 million subsequent to the measurement date will be recognized as a reduction in the total pension liability in SUNY’s fiscal year ended June 30, 2024. 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):

<u>Fiscal Year</u>	
2024	\$ 12
2025	6
2026	(4)
2027	45
2028	6
Total	<u><u>\$ 65</u></u>

Actuarial Assumptions

The net pension liability for the June 30, 2022 measurement date was determined by using an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The actuarial valuation used the following actuarial assumptions:

Inflation.....	2.4 percent
Investment rate of return, including inflation	6.95 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-2021. Rates of projected salary increases differ based on service. They have been calculated based on recent TRS member experience and range from 1.95 percent to 5.18 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, 2022 are as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return⁽¹⁾
Domestic equities	33 %	6.5 %
International equities	16 %	7.2 %
Global equities.....	4 %	6.9 %
Real estate.....	11 %	6.2 %
Private equities	8 %	9.9 %
Domestic fixed income securities.....	16 %	1.1 %
Global fixed income securities	2 %	0.6 %
Private debt.....	2 %	5.3 %
Real estate debt.....	6 %	2.4 %
High-yield fixed income securities.....	1 %	3.3 %
Cash equivalents.....	1 %	(0.3) %
Total	100 %	

(1) Real rates of return are net of long-term inflation assumption of 2.4 percent.

Discount Rate

The discount rate used to measure the total pension asset was 6.95 percent at June 30, 2022. 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 of SUNY, calculated using the discount rate of 6.95 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 (5.95 percent) and 1 percentage point higher (7.95 percent) than the current year rate (amounts in millions):

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Net pension liability (asset)	\$ 165	\$ 18	\$ (106)

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. For the fiscal year ended June 30, 2023, SUNY employer contributions were \$0. Employees do not contribute to the plan. At January 1, 2023, membership of the Upstate Plan totaled 1,132 members, comprising 227 active members, 113 inactive vested members, and 792 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 liability related to the Upstate Plan of \$19 million as of June 30, 2023, based on the net pension liability as reported by the plan in their financial statements as of December 31, 2022, as follows (amounts in millions):

Total pension liability	\$ 101
Plan fiduciary net position	(82)
Net pension liability	<u>\$ 19</u>

Pension expense for the year was \$6 million. At June 30, 2023, 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
Net difference between projected and actual investment earnings on pension plan investments.....	\$ 6	\$ -
Total	\$ 6	\$ -

There were no employer contributions made subsequent to the measurement date to be recognized in SUNY's fiscal year ending June 30, 2024. 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	
2024	\$ (1)
2025	1
2026	2
2027	4
Total	\$ 6

Actuarial Assumptions

The total pension liability at June 30, 2023 was determined by using an actuarial valuation as of January 1, 2023. The actuarial assumptions included an inflation factor of 3 percent, projected salary increases of 3.5 percent and an investment rate of return of 5.5 percent. Mortality rates were based on the sex-distinct Pri-2012 Mortality Tables with mortality improvements projected using Scale MP-2021 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, 2022 is as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. equities	40 %	4.35 %
Non-U.S. equities	15 %	4.25 %
Fixed income	40 %	(0.50) %
Alternatives (Real assets)	5 %	3.50 %
Total.....	100 %	

Discount Rate

The discount rate used to measure the net pension liability measured at January 1, 2023 was 5.5 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 5.5 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.5 percent) or 1 percentage point higher (6.5 percent) than the current rate (amounts in millions):

	1% Decrease (4.5%)	Current Assumption (5.5%)	1% Increase (6.5%)
Net pension liability	\$ 29	\$ 19	\$ 11

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, Corebridge (formerly 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, 2023, SUNY recognized a pension expense of \$213 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 represent pension expense, were \$32 million for the year ended June 30, 2023, which is 100 percent of the required contributions.

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 statutes 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, 2023 in the amounts of \$32 million and \$97 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, 2023, CUNY reported liabilities of \$163 million and \$428 million for NYCERS and NYCTRS, respectively, for its proportionate share of each plan's net pension liability, measured as of June 30, 2023. CUNY's proportions of the respective net pension liabilities at June 30, 2023 were based on CUNY's actual contributions to NYCERS and NYCTRS relative to the total contributions of participating employers for each plan for fiscal year ended June 30, 2023, which were 0.9 percent and 3.1 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, 2023 was approximately \$23 million and \$100 million, respectively. The following presents a summary of the deferred outflows of resources and deferred inflows of resources at June 30, 2023 (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	\$ 1	\$ 5	\$ 45
Net difference between projected and actual investment earnings on pension plan investments.....	20	-	-	5
Changes in proportion and differences between employer contributions and proportionate share of contributions.....	(46)	(8)	96	6
Changes in assumptions	-	2	-	16
Total.....	\$ (8)	\$ (5)	\$ 101	\$ 72

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
2024	\$ (5)	\$ (29)
2025	(8)	(25)
2026	15	75
2027	(4)	(8)
2028	(1)	7
Thereafter.....	-	9
Total.....	\$ (3)	\$ 29

Actuarial Assumptions

The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 and rolled forward to CUNY’s measurement date of June 30, 2023 for both NYCERS and NYCTRS. The total pension liability in the June 30, 2022 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 2021. 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:

	NYCERS	
Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. public market equities	27.0 %	6.9 %
Developed public market equities	12.0 %	7.2 %
Emerging public market equities	5.0 %	9.1 %
Public markets fixed income	30.5 %	2.7 %
Private market equities	8.0 %	11.1 %
Private real estate	7.5 %	7.1 %
Infrastructure	4.0 %	6.4 %
Opportunistic fixed income	6.0 %	8.6 %
Total	100.0 %	

Asset Class	NYCTRS	
	Target Allocation	Long-Term Expected Rate of Return
U.S. public market equities.....	25.0 %	5.3 %
Developed public market equities.....	10.0 %	6.1 %
Emerging public market equities	9.5 %	7.5 %
Public fixed income	32.5 %	2.1 %
Private market equities.....	7.0 %	10.4 %
Private real estate	7.0 %	7.8 %
Infrastructure.....	4.0 %	7.9 %
Opportunistic fixed income.....	5.0 %	5.2 %
Total	100.0 %	

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2023 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 liabilities would be if they 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.....	\$ 263	\$ 163	\$ 7
NYCTRS.....	\$ 718	\$ 428	\$ 185

TIAA

CUNY also provides defined contribution pension plans for its employees through the Teachers' Insurance and Annuity Association of America (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 ended June 30, 2023 amounted to approximately \$76 million. The employer contributions recognized as pension expense for the fiscal year ended June 30, 2023 were \$90 million.

Primary Government Aggregate Pension Tables

Primary Government Aggregate Liabilities

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

Plan	Governmental	Lottery	SUNY	CUNY	Total
	Activities				
	3/31/2024	3/31/2024	6/30/2023	6/30/2023	by plan
ERS.....	\$ 8,446	\$ 9	\$ 1,289	\$ -	\$ 9,744
PFRS.....	1,031	-	74	-	1,105
VDCP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TRS.....	-	-	18	-	18
Upstate Plan.....	-	-	19	-	19
ORP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TIAA ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
NYCERS.....	-	-	-	163	163
NYCTRS.....	-	-	-	428	428
Total.....	\$ 9,477	\$ 9	\$ 1,400	\$ 591	\$ 11,477

(1) VDCP, ORP, and TIAA are defined contribution plans and therefore do not have any long-term liabilities/assets.

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 3/31/2024	Lottery 3/31/2024	SUNY 6/30/2023	CUNY 6/30/2023	Total by plan
ERS.....	\$ 2,896	\$ 3	\$ 438	\$ -	\$ 3,337
PFRS.....	306	-	22	-	328
VDCP.....	6	-	-	-	6
TRS.....	-	-	21	-	21
Upstate Plan.....	-	-	6	-	6
ORP.....	-	-	213	-	213
TIAA.....	-	-	32	90	122
NYCERS.....	-	-	-	23	23
NYCTRS.....	-	-	-	100	100
Total.....	\$ 3,208	\$ 3	\$ 732	\$ 213	\$ 4,156

Primary Government Deferred Outflows

The table below summarizes the aggregate deferred outflows of resources related to pensions recognized for each pension plan reported within the State, for the period stated (amounts in millions).

Plan	Governmental Activities 3/31/2024	Lottery 3/31/2024	SUNY 6/30/2023	CUNY 6/30/2023	Total by plan
ERS.....	\$ 6,501	\$ 7	\$ 791	\$ -	\$ 7,299
PFRS.....	829	-	43	-	872
VDCP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TRS.....	-	-	95	-	95
Upstate Plan.....	-	-	6	-	6
ORP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TIAA ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
NYCERS.....	-	-	-	(8)	(8)
NYCTRS.....	-	-	-	101	101
Total.....	\$ 7,330	\$ 7	\$ 935	\$ 93	\$ 8,365

(1) VDCP, ORP, and TIAA are defined contribution plans and therefore do not have any long-term deferred outflows.

Primary Government Deferred Inflows

The table below summarizes the aggregate deferred inflows of resources related to pensions recognized for each pension plan reported within the State, for the period stated (amounts in millions).

Plan	Governmental Activities 3/31/2024	Lottery 3/31/2024	SUNY 6/30/2023	CUNY 6/30/2023	Total by plan
ERS.....	\$ 485	\$ 1	\$ 101	\$ -	\$ 587
PFRS.....	44	-	3	-	47
VDCP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TRS.....	-	-	12	-	12
Upstate Plan....	-	-	-	-	-
ORP ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
TIAA ⁽¹⁾	n/a	n/a	n/a	n/a	n/a
NYCERS.....	-	-	-	(5)	(5)
NYCTRS.....	-	-	-	72	72
Total.....	\$ 529	\$ 1	\$ 116	\$ 67	\$ 713

(1) VDCP, ORP, and TIAA are defined contribution plans and therefore do not have any long-term deferred inflows.

NOTE 13 - Other Postemployment Benefits (OPEB)**New York State Health Insurance Program**

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 441 New York State agencies, 97 PEs, and 805 PAs in NYSHIP. NYSHIP currently covers approximately 616,000 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. Of the State's 43 discretely presented component units, which are considered PEs, a majority participate in NYSHIP. At March 31, 2024, NYSHIP enrollment was as follows:

<u>Enrollment</u>	<u>State⁽¹⁾</u>	<u>PEs</u>	<u>PAs</u>	<u>Total</u>
Current active participants ⁽²⁾	170,434	36,836	101,840	309,110
Vestee participants	217	66	173	456
COBRA participants	446	454	257	1,157
Other inactive participants ⁽³⁾	175,522	23,834	106,164	305,520
Total participants.....	346,619	61,190	208,434	616,243

(1) Includes State and SUNY participants.

(2) Excludes active employees (8,877 State and 259 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, 2024, 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.

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

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: (1) 12 percent or 16 percent of the health insurance premium for enrollee-only coverage; and, if they have dependent coverage: (2) 27 percent or 31 percent of the health insurance premium for the additional cost of the dependents. The retiree contribution 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 – SUNY	88 %	73 %
Active Graduate Student Employees Union – CUNY	90 %	75 %
Active (Union and Management-Confidential) – Below Grade 10	88 %	73 %
Active (Union and Management-Confidential) – Grade 10 and above	84 %	69 %
Preferred list – Below Grade 10.....	88 %	73 %
Preferred list – Grade 10 and above.....	84 %	69 %
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 for 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.

OPEB Plans

The State provides several other postemployment benefit (OPEB) plans to employees and retirees primarily through participation in NYSHIP, including plans which are funded by trusts as well as plans which do not have any associated trusts. The funded plans include the Retiree Health Benefit Trust Fund (the OPEB Trust), the SUNY Research Foundation and the CUNY Research Foundation. The unfunded plans cover employees and retirees of SUNY Construction Fund (SUCF), SUNY hospitals, and CUNY.

Funded Plans

Retiree Health Benefit Trust Fund

Legislation establishing the Retiree Health Benefit Trust Fund (the OPEB Trust), a trust meeting the criteria of GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (GASBS 74) was enacted in 2017 in the joint custody of the Commissioner of the Department of Civil Service and the State Comptroller. The OPEB Trust provides health care and insurance benefits to participating retirees of the State (including Lottery, the New York State and Local Retirement System (NYSLRS), and SUNY excluding SUNY hospitals, SUNY Construction Fund, and SUNY Research Foundation) and their eligible beneficiaries. The OPEB Trust is considered a single-employer, defined benefit plan in accordance with GASBS 74 because the assets of the OPEB Trust can be used to pay the benefits of any employees covered by the OPEB Trust and are not legally restricted by beneficiary.

Contributions in excess of PAYGO amounts to the OPEB Trust are to be made at the request of the Director of the Budget. Legislation does not require such contributions to be made to the OPEB Trust but limits the maximum contributions. As of March 31, 2024, in excess of PAYGO contributions were limited to 1.5% of the total actuarial accrued liability included in the State's Annual Comprehensive Financial Report. The OPEB Trust was initially funded in March 2022. For the year ended March 31, 2024, the State contributed \$250 million in excess of PAYGO amounts to the OPEB Trust.

The OPEB Trust is reported as a fiduciary postemployment trust fund in the accompanying financial statement. The OPEB Trust does not issue a stand-alone audited financial report.

The following presentation displays the financial statements of the OPEB Trust for the fiscal year ended March 31, 2024 (amounts in millions):

Statement of Fiduciary Financial Position	
Assets:	
Cash and investments	\$ 1,568
Total assets	1,568
Total liabilities	-
Net position restricted for other postemployment benefits	\$ 1,568
Statement of Changes in Fiduciary Net Position	
Contributions – employers	\$ 2,946
Net investment income	68
Deductions – other benefits	(2,696)
Net increase in net position	318
Net Position restricted for other postemployment benefits at April 1, 2023	1,250
Net Position restricted for other postemployment benefits at March 31, 2024	\$ 1,568

As of the April 1, 2023 actuarial valuation, plan membership consisted of the following:

Health care Participants	State⁽¹⁾	SUNY⁽²⁾
Active Employees.....	122,968	33,594
Inactive participants entitled to but not yet receiving benefits	159	68
Retirees and beneficiaries receiving benefit payments.....	142,303	26,040
Total Participants	265,430	59,702

(1) Includes State, New York State and Local Retirement System, and Lottery participants.

(2) Does not cover employees and retirees of SUNY hospitals, SUNY Construction Fund, or SUNY Research Foundation.

The Commissioner of the Department of Civil Service is the trustee of the OPEB Trust, and the responsibility for management of the OPEB Trust’s investments has been delegated to the State Comptroller. Investments must be consistent with State Finance Law Section 98. Additional information related to the OPEB Trust’s investments for the year ended March 31, 2024, including the money-weighted return on investments, is presented in Note 2.

Net OPEB Liability of the OPEB Trust Required Under GASBS 74

Components of the net OPEB liability as of March 31, 2024 are as follows (amounts in millions):

Total OPEB Liability, Ending Balance	\$	59,832
Plan fiduciary net position.....		<u>(1,568)</u>
Net OPEB Liability.....	\$	<u>58,264</u>

Plan fiduciary net position as a percentage of the total OPEB liability **2.6 %**

Sensitivity of net OPEB liability to changes in discount rate. The following presents the net OPEB liability of the OPEB Trust as of March 31, 2024 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 (2.58%)	Current Rate (3.58%)	1% Increase (4.58%)
Net OPEB Liability	<u>\$ 69,223</u>	<u>\$ 58,264</u>	<u>\$ 49,676</u>

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, 2024 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	<u>\$ 48,994</u>	<u>\$ 58,264</u>	<u>\$ 70,280</u>

Actuarial Methods and Assumptions

The net OPEB liability as of March 31, 2024 was determined using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the net OPEB liability to March 31, 2024. The net OPEB liability was calculated using the Entry Age Normal cost method. The actuarial valuations included the following actuarial assumptions:

<u>Assumptions</u>	<u>March 31, 2024</u>
Inflation	2.50 %
Discount Rate	3.58 %
Expected Return on Assets.....	3.50 %

The discount rate is based on the Bond Buyer 20-year General Obligation Municipal Bond Index rate at March 31, 2024.

The salary increase rates for Police and Military employees (Military and Naval, State Police, and Corrections) starts at 9 percent and decreases to 2.5 percent after 30 years of service. The salary increase rates for SUNY starts at 4 percent and decreases to 2 percent after 32 years of service. The salary increase rates for all other New York State employees start at 7.25 percent and decrease to 2.5 percent after 31 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 6.5 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 5.5 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 8.5 percent and decreases to a 4.5 percent long-term trend rate after seven years. Additionally, a trend of 14.3 percent for the first year, decreasing to 3 percent per year thereafter 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. In order to reflect future mortality improvement, the mortality was projected generationally using the Society of Actuaries MP-2021 projection scale modified to consider both near-term and long-term adjustments for the impact of COVID-19, which resulted in a 0.6 percent decrease in liability.

Changes in assumptions and other inputs include a change in the discount rate from 3.5 percent in fiscal year 2023 to 3.58 percent in fiscal year 2024. The discount rate is based on the Bond Buyer 20-Year General Obligation Municipal Bond Index rate in effect at March 31, 2023 for fiscal year 2023 and March 31, 2024 for fiscal year 2024. 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, 2024.

Net OPEB Liability Related to the OPEB Trust Recognized Under GASBS 75

The changes in the OPEB Trust's net OPEB liability recognized by the State under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (GASB 75) as of March 31, 2024, measured as of March 31, 2023, are as follows (amounts in millions):

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) – (b)
Beginning Balances.....	\$ 62,797	\$ 320	\$ 62,477
Service cost	1,824	-	1,824
Interest.....	1,730	-	1,730
Difference between expected and actual experience.....	860	-	860
Changes in assumptions	(6,787)	-	(6,787)
Benefit payments.....	(2,496)	(2,496)	-
Employer contributions	-	3,415	(3,415)
Net investment income.....	-	11	(11)
Net changes	(4,869)	930	(5,799)
Ending Balances	\$ 57,928	\$ 1,250	\$ 56,678

Sensitivity of net OPEB liability to changes in discount rate. The following presents the net OPEB liability of the OPEB Trust recognized by the State as of March 31, 2024 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 (2.5%)	Current Rate (3.5%)	1% Increase (4.5%)
Net OPEB Liability	\$ 67,317	\$ 56,678	\$ 48,345

Sensitivity of net OPEB liability to changes in health care cost trend rates. The following presents the net OPEB liability of the OPEB Trust recognized by the State as of March 31, 2024 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	\$ 47,667	\$ 56,678	\$ 68,365

OPEB Expense and Deferred Outflows and Inflows of Resources Related to the OPEB Trust

The State recognized \$118 million in OPEB expenses related to the OPEB Trust for the year ended March 31, 2024. As of March 31, 2024, 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	\$ 1,021	\$ 1,014
Changes in assumptions.....	2,622	11,656
Employer contributions made subsequent to the measurement date.....	2,576	-
Total	\$ 6,219	\$ 12,670

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 net OPEB liability in the year ended March 31, 2025. The net of deferred outflows and inflows of resources related to the OPEB Trust as of measurement date will be recognized in future OPEB expense for the fiscal years ending March 31 as follows (amounts in millions):

<u>Fiscal Year:</u>		
2025.....	\$	(2,655)
2026.....		(2,875)
2027.....		(2,330)
2028.....		(1,097)
Thereafter		(70)
Total	\$	(9,027)

Actuarial Methods and Assumptions

The total OPEB liability related to the OPEB Trust as reported by the State as of March 31, 2024 was measured as of March 31, 2023 and was determined using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total OPEB liability to the March 31, 2023 measurement date. The total OPEB liabilities were calculated using the Entry Age Normal cost method. The actuarial valuations included the following actuarial assumptions:

<u>Assumptions</u>	<u>March 31, 2023</u>
Inflation	2.50 %
Discount Rate	3.50 %

The discount rate of 3.50 percent was based on the Bond Buyer 20-year General Obligation Municipal Bond Index rate at March 31, 2023 and was applied to all periods of projected benefit payments to determine the OPEB Trust’s total OPEB liability as of March 31, 2023.

The salary increase rate varies by population and grades based on years of service. The salary increase rates for Police and Military employees (Military and Naval, State Police, and Corrections) starts at 9 percent and decreases to 2.5 percent after 30 years of service. The salary increase rates for SUNY starts at 4 percent and decreases to 2 percent after 32 years of service. The salary increase rates for all other New York State employees starts at 7.25 percent and decreases to 2.5 percent after 31 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 6 percent and decreases to 4.5 percent long-term trend rate for all health care benefits after eight years. The trend assumption for post-65 begins at 5.5 percent and decreases to a 4.5 percent long-term trend rate for all health care benefits after eight years. The drug assumption begins at 8 percent and decreases to a 4.5 percent long-term trend rate after eight 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. In order to reflect future mortality improvement, the mortality is projected generationally using the Society of Actuaries MP-2021 projection scale.

Changes in assumptions and other inputs include a change in the discount rate from 2.73 percent in measured as of March 31, 2022 to 3.5 percent measured as of March 31, 2023. 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 had an effect on the total OPEB liability as of March 31, 2024.

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.

As noted previously, the OPEB Trust includes the State, the NYSLRS, the Lottery, and certain SUNY participants. Accordingly, a portion of the OPEB Trust’s OPEB liability and related OPEB expenses, deferred outflows and inflows is proportionally allocated to those entities. See aggregate OPEB tables that follow for detailed allocations.

The proportionate allocations of the OPEB Trust recognized by NYSLRS include a net OPEB liability of \$233 million and expense related to OPEB of \$5 million as of March 31, 2024. As of March 31, 2024, NYSLRS reported deferred outflows of resources of \$25 million and deferred inflows of resources of \$49 million.

SUNY Research Foundation

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. SUNY Research Foundation had a net OPEB asset of \$55 million, deferred outflows of resources of \$10 million and deferred inflows of resources of \$14 million as of June 30, 2023. SUNY Research Foundation recognized a benefit related to OPEB of \$16 million at June 30, 2023.

CUNY Research Foundation

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, 2023, CUNY Research Foundation’s post-retirement plan consisted of (amounts in millions):

Benefit obligations	\$	(134)
Fair value of plan assets		191
Funding status	\$	57

Unfunded Plans

SUNY Unfunded

The OPEB Trust covers SUNY employees and retirees excluding those who are employees and retirees of SUNY Construction Fund (SUCF), SUNY hospitals, and SUNY Research Foundation. Employees and retirees of SUNY hospitals and SUNY Construction Fund are referred to herein as SUNY Unfunded. SUNY Research Foundation employees and retirees were addressed previously, as a trust exists for such employees and retirees separate from the Retiree Health Benefit Trust Fund.

As of the April 1, 2022 actuarial valuation, plan membership consisted of the following:

<u>Health care Participants</u>	<u>SUNY Unfunded⁽¹⁾</u>
Active Employees	12,704
Inactive participants entitled to but not yet receiving benefits.....	39
Retirees and beneficiaries receiving benefit payments	4,558
Total Participants	<u>17,301</u>

(1) Includes those employees and retirees of SUNY hospitals, SUNY Construction Fund.

At June 30, 2023, SUNY reported an OPEB liability related to SUNY Unfunded measured as of March 31, 2023. SUNY Unfunded's total OPEB liability was determined using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total OPEB liability to the March 31, 2023 measurement date. Actuarial methods and assumptions for SUNY Unfunded are the same as those of the OPEB Trust recognized by the State under GASBS 75 and are discussed in further detail previously in this note.

SUNY Unfunded changes in the total OPEB liability as of June 30, 2023 were as follows (amounts in millions):

	<u>Total OPEB Liability</u>
Total OPEB Liability, Beginning Balance	\$ 2,754
Service cost.....	109
Interest	77
Difference between expected and actual experience.....	12
Changes in assumptions	(329)
Benefit payments	(70)
Net changes	(201)
Total OPEB Liability, Ending Balance	<u>\$ 2,553</u>

Sensitivity of total OPEB liability to changes in discount rate. The following presents the total OPEB liability of SUNY Unfunded as of June 30, 2023 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 (2.50%)	Current Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 3,096	\$ 2,553	\$ 2,136

Sensitivity of total OPEB liability to changes in health care cost trend rates. The following presents the total OPEB liability of SUNY Unfunded as of June 30, 2023 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	\$ 2,105	\$ 2,553	\$ 3,145

SUNY Unfunded recognized \$3 million in benefit related to OPEB at June 30, 2023. As of June 30, 2023, SUNY Unfunded 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	\$ 89	\$ 118
Change in assumptions	172	771
Employer contributions subsequent to the measurement date ...	18	-
Total	\$ 279	\$ 889

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 SUNY’s fiscal year ended June 30, 2024. 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:	
2024	\$ (173)
2025	(154)
2026	(141)
2027	(101)
2028	(50)
Thereafter	(9)
Total	\$ (628)

CUNY

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.

Employees covered by benefit terms, as of the June 30, 2022 actuarial valuation date:

Health care Participants

Active Employees	14,508
Inactive participants entitled to but not yet receiving benefits	909
Inactive participants and beneficiaries receiving benefit payments.....	5,888
Total Participants.....	21,305

Actuarial Methods and Assumptions

At June 30, 2023, CUNY recognized a total OPEB liability of \$1.6 billion measured as of June 30, 2023. The total OPEB liability was determined using an actuarial valuation as of June 30, 2022 with update procedures used to roll forward the total OPEB liability to the June 30, 2023 measurement date. 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 4.13 percent as of June 30, 2023 as per New York City Office of Actuary.
- The salary increase rates vary by experience and vary from 12.31 percent decreasing to 1.84 percent for those with 40 years of service.
- Health care cost trend rates were split into three categories: pre-Medicare plan rates trended from 7 percent to 6.5 percent from 2023 to 2027 and beyond; medical post-Medicare rates trended from 4.8 percent to 4.6 percent from 2023 to 2027 and beyond; and welfare fund contributions used health care trend rates which trended from 1.41 percent to 3.5 percent from 2023 to 2027 and beyond.
- 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, 2023 were as follows (amounts in millions):

Total OPEB Liability, Beginning Balance	\$	1,542
Service cost		73
Interest		65
Difference between expected and actual experience		(106)
Changes in assumptions		17
Benefit payments		(35)
Net changes		14
Total OPEB Liability, Ending Balance.....	\$	1,556

Sensitivity of total OPEB liability to changes in discount rate. The following presents the total OPEB liability of CUNY as of June 30, 2023, 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 (3.13%)	Current Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$ 1,784	\$ 1,556	\$ 1,368

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, 2023 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	\$ 1,300	\$ 1,556	\$ 1,893

CUNY recognized \$42 million in expenses related to OPEB at June 30, 2023. As of June 30, 2023, 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	\$ 154	\$ 330
Change in assumptions	53	480
Total	\$ 207	\$ 810

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:	
2024.....	\$ (77)
2025.....	(77)
2026.....	(77)
2027.....	(84)
2028.....	(100)
Thereafter.....	(188)
Total	\$ (603)

Aggregate OPEB Tables

Aggregate Liabilities

The table below summarizes the aggregate OPEB liabilities recognized for each OPEB plan reported within the State, in the accompanying financial statements (amounts in millions).

Plan	Governmental Activities	Lottery	SUNY	CUNY	Primary Government Total	NYSLRS	Total By Plan
Retiree Health Benefit Trust (Net).....	\$ 47,612	\$ 59	\$ 8,774	\$ -	\$ 56,445	\$ 233	\$ 56,678
SUNY Hospitals and SUCF (Total)	-	-	2,553	-	2,553	-	2,553
SUNY Research Foundation (Net).....	-	-	-	-	-	-	-
CUNY (Total)	-	-	-	1,556	1,556	-	1,556
CUNY Research Foundation (Net).....	-	-	-	-	-	-	-
Total.....	\$ 47,612	\$ 59	\$ 11,327	\$ 1,556	\$ 60,554	\$ 233	\$ 60,787

Aggregate Assets

The table below summarizes the aggregate OPEB assets recognized for each OPEB plan reported within the State, in the accompanying financial statements (amounts in millions).

<u>Plan</u>	<u>Governmental Activities</u>	<u>Lottery</u>	<u>SUNY</u>	<u>CUNY</u>	<u>Primary Government Total</u>	<u>NYSLRS</u>	<u>Total By Plan</u>
Retiree Health Benefit Trust (Net)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUNY Hospitals and SUCF (Total).....	-	-	-	-	-	-	-
SUNY Research Foundation (Net)	-	-	55	-	55	-	55
CUNY (Total)	-	-	-	-	-	-	-
CUNY Research Foundation (Net)	-	-	-	57	57	-	57
Total.....	\$ -	\$ -	\$ 55	\$ 57	\$ 112	\$ -	\$ 112

Aggregate Expenses

The table below summarizes the aggregate OPEB expenses recognized for each OPEB plan reported within the State, in the accompanying financial statements (amounts in millions).

<u>Plan</u>	<u>Governmental Activities</u>	<u>Lottery</u>	<u>SUNY</u>	<u>CUNY</u>	<u>Primary Government Total</u>	<u>NYSLRS</u>	<u>Total By Plan</u>
Retiree Health Benefit Trust.....	\$ 496	\$ (1)	\$ (382)	\$ -	\$ 113	\$ 5	\$ 118
SUNY Hospitals and SUCF	-	-	(3)	-	(3)	-	(3)
SUNY Research Foundation.....	-	-	(16)	-	(16)	-	(16)
CUNY	-	-	-	42	42	-	42
CUNY Research Foundation.....	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total.....	\$ 496	\$ (1)	\$ (401)	\$ 42	\$ 136	\$ 5	\$ 141

Deferred Outflows

The table below summarizes the aggregate deferred outflows of resources related to OPEB recognized for each OPEB plan reported within the State, in the accompanying financial statements (amounts in millions).

Plan	Governmental Activities	Lottery	SUNY	CUNY	Primary Government Total	NYSLRS	Total By Plan
Retiree Health							
Benefit Trust ⁽¹⁾	\$ 5,056	\$ 6	\$ 1,132	\$ -	\$ 6,194	\$ 25	\$ 6,219
SUNY Hospitals and SUCF	-	-	279	-	279	-	279
SUNY Research Foundation	-	-	10	-	10	-	10
CUNY	-	-	-	207	207	-	207
CUNY Research Foundation	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	\$ 5,056	\$ 6	\$ 1,421	\$ 207	\$ 6,690	\$ 25	\$ 6,715

(1) Does not tie to the Statement of Net Position nor to Note 1.j due to changes in proportionate shares between SUNY and the State reflected in amounts included in the Statement of Net Position.

Deferred Inflows

The table below summarizes the aggregate deferred inflows of resources related to OPEB recognized for each OPEB plan reported within the State, in the accompanying financial statements (amounts in millions).

Plan	Governmental Activities	Lottery	SUNY	CUNY	Primary Government Total	NYSLRS	Total By Plan
Retiree Health							
Benefit Trust ⁽¹⁾	\$ 9,966	\$ 12	\$ 2,646	\$ -	\$ 12,624	\$ 46	\$ 12,670
SUNY Hospitals and SUCF	-	-	889	-	889	-	889
SUNY Research Foundation	-	-	14	-	14	-	14
CUNY	-	-	-	810	810	-	810
CUNY Research Foundation	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	\$ 9,966	\$ 12	\$ 3,549	\$ 810	\$ 14,337	\$ 46	\$ 14,383

(1) Does not tie to the Statement of Net Position nor to Note 1.j due to changes in proportionate shares between SUNY and the State reflected in amounts included in the Statement of Net Position.

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, 2024, 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:

Dormitory Authority of the State of New York	<u>Fiscal Year-End</u> March 31, 2024 ⁽¹⁾
Long Island Power Authority	December 31, 2023 ⁽¹⁾
New York Power Authority	December 31, 2023 ⁽¹⁾
New York Racing Association, Inc.	December 31, 2023 ⁽¹⁾
New York State Energy Research and Development Authority	March 31, 2024 ⁽¹⁾
New York State Environmental Facilities Corporation	March 31, 2024 ⁽¹⁾
New York State Higher Education Services Corporation	March 31, 2024 ⁽¹⁾
State University of New York Foundations and Auxiliary Corporations.	June 30, 2023 ⁽²⁾

Entities Audited by Other Auditors:

Aggregate Trust Fund.....	<u>Fiscal Year-End</u> December 31, 2023
Agriculture and New York State Horse Breeding Development Fund Corporation	December 31, 2023 ⁽¹⁾

Albany Convention Center Authority	December 31, 2023 ⁽¹⁾
Capital District Transportation Authority	March 31, 2024 ⁽¹⁾
Central New York Regional Transportation Authority.....	March 31, 2024 ⁽¹⁾
City University of New York–Senior College Supporting Organizations.....	June 30, 2023
Greenway Conservancy for the Hudson River Valley, Inc.....	March 31, 2024
Health Research, Inc.....	March 31, 2024 ⁽¹⁾
Homeless Housing and Assistance Corporation	March 31, 2024 ⁽¹⁾
Housing Trust Fund Corporation	March 31, 2024 ⁽¹⁾
Hudson River-Black River Regulating District.....	June 30, 2023 ⁽¹⁾
Hugh L. Carey Battery Park City Authority.....	October 31, 2023 ⁽¹⁾
Metropolitan Transportation Authority.....	December 31, 2023 ⁽¹⁾
The Long Island Rail Road Company.....	December 31, 2023
Metro-North Commuter Railroad Company	December 31, 2023
Staten Island Rapid Transit Operating Authority.....	December 31, 2023
First Mutual Transportation Assurance Company	December 31, 2023
MTA Construction and Development	December 31, 2023
MTA Bus Company	December 31, 2023
MTA Grand Central Madison Concourse Operating Company.....	December 31, 2023
New York City Transit Authority	December 31, 2023
Triborough Bridge and Tunnel Authority	December 31, 2023
Municipal Bond Bank Agency	October 31, 2023 ⁽¹⁾
Natural Heritage Trust.....	March 31, 2024 ⁽¹⁾
Governor Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation	March 31, 2024 ⁽¹⁾
New York Convention Center Operating Corporation.....	March 31, 2024 ⁽¹⁾
New York State Affordable Housing Corporation.....	March 31, 2024 ⁽¹⁾
New York State Bridge Authority.....	December 31, 2023 ⁽¹⁾
New York State Health Foundation	December 31, 2023
New York State Housing Finance Agency.....	October 31, 2023 ⁽¹⁾
New York Job Development Authority.....	March 31, 2024 ⁽¹⁾
New York State Olympic Regional Development Authority.....	March 31, 2024 ⁽¹⁾
New York State Thoroughbred Breeding and Development Fund Corporation	December 31, 2023 ⁽¹⁾
New York State Thruway Authority	December 31, 2023 ⁽¹⁾
Niagara Frontier Transportation Authority	March 31, 2024 ⁽¹⁾
Ogdensburg Bridge and Port Authority.....	March 31, 2024 ⁽¹⁾
Port of Oswego Authority	March 31, 2024 ⁽¹⁾
Research Foundation for Mental Hygiene, Inc.	March 31, 2024 ⁽¹⁾
Rochester-Genesee Regional Transportation Authority.....	March 31, 2024 ⁽¹⁾
Roosevelt Island Operating Corporation.....	March 31, 2024 ⁽¹⁾
Roswell Park Cancer Institute	March 31, 2024 ⁽¹⁾
State Insurance Fund	December 31, 2023
State of New York Mortgage Agency	October 31, 2023 ⁽¹⁾
Urban Development Corporation	March 31, 2024 ⁽¹⁾

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

- (2) KPMG LLP audited 28 percent of the total assets and 19 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 are presented as major and comprise 93 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 not to report conduit debt and related assets on its Statement of Net Position. As of March 31, 2024, the liability reported in DASNY's footnotes for such debt was approximately \$22 billion. HFA elected to report conduit debt and related assets on its Statement of Net Position. As of October 31, 2023, the liability HFA reported for such debt was approximately \$11.4 billion. As of March 31, 2024, EFC's Statement of Net Position did not include \$140 million in bonds it issued for certain private companies. NYSEDA has issued conduit debt for participating gas and electric utility companies and other private purpose users, the principal of which totaled approximately \$1.4 billion as of March 31, 2024, which is not included on NYSEDA'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. As of March 31, 2024, the principal on these bonds totaled approximately \$18.5 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, purchases, and sells electric power and energy as authorized by law. NYPA is a transmission-owning member of the New York Independent System Operator, Inc. (NYISO) which operates the State's bulk electricity grid, administers the State's wholesale electricity markets, and provides comprehensive reliability planning for the State's bulk electricity system. In addition, NYPA sells and purchases capacity, energy and ancillary services in the NYISO wholesale energy markets.

NYPA owns and operates five major generating facilities, eleven small electric generating units located at seven facilities, four small hydroelectric facilities, and approximately 1,550 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, 1,167.5 and 823 megawatts, respectively.

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: housing units for sale or rent to low- and moderate-income persons, families, and senior citizens; 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, provides rental 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- and moderate-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 \$31.3 billion to finance housing projects, and approximately \$13.6 billion in Service Contract Obligation Revenue Bonds, Service Contract Revenue Bonds and Personal Income Tax Revenue Bonds. As of October 31, 2023, the total bond indebtedness reported was approximately \$18.1 billion.

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.

In 2021, NYSTA entered into a 33-year public-private partnership agreement with Empire State Thruway Partners, LLC (Empire) for the design, construction, finance, operation, and maintenance of NYSTA's 27 Service Areas. Under the agreement, Empire will rebuild 23 of the 27 service area restaurant buildings and perform significant renovations to the remaining four.

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 metropolitan area. The accounts presented as the MTA are the combined accounts of its headquarters and nine affiliates and subsidiaries. The MTA is North America's largest transportation network, serving a population of 15.3 million people across a 5,000-square-mile travel area surrounding New York City, Long Island, southeastern New York State, and Connecticut. The MTA network comprises the nation's largest bus fleet and more subway and commuter rail cars than all other U.S. transit systems combined. The MTA is dependent upon the State for a portion of its revenues. During the MTA fiscal year ended December 31, 2023, the MTA reported \$6.7 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.

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.

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 for use by public and private educational, healthcare, and other not-for-profit 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 \$33.9 billion consist of debt issued for New York State agency projects of \$19.4 billion, SUNY projects of \$10.2 billion, and CUNY projects of \$4.3 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 codified LIPA Reform Act which created the Securitization Law that established the Utility Debt Securitization Authority (UDSA) to permit the issuance of restructuring bonds to allow LIPA to retire a portion of its outstanding indebtedness in order to provide debt service savings to LIPA's customers. In accordance with GASBS 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 UDSA to issue additional securitized bonds for refinancing, storm hardening and resiliency purposes with 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 and is the State's primary agent for economic development. 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 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. To carry out its economic development mission, UDC invests strategically in

infrastructure, innovation, placemaking and revitalization, tradable sectors and workforce development; responsive to the needs of diverse communities; supports the retention and health of existing businesses, and the development of new businesses and industries; promotes equality of economic opportunities; provides early-stage support for new ventures; and strengthens New York State's innovation-based economy through partnerships with acclaimed universities, promoting entrepreneurialism through the development of incubators and next generation manufacturing and technology hubs across the State.

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: 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 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. SIF is primarily engaged in providing workers' compensation and disability benefit insurance for employers in the State of New York.

During previous fiscal years, 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 financial statement presentation of SIF. Further, after recognizing the total OPEB liability noted below, the resulting fund balance is approximately \$7 billion.

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 SIF's financial statements to recognize a total OPEB liability of \$679 million in accordance with GASB Statement No. 75 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 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 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.

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 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 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, 2024 was approximately \$5.5 billion and total bonds receivable was approximately \$6.6 billion.

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

Eliminations

Eliminations are made primarily to avoid duplicate reporting of assets and liabilities. Eliminations related to bonds payable are explained in Note 7, where the State services a significant portion of the bonds and notes payable of certain Corporations. An elimination is also made regarding the contingent receivable report by SIF.

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 State has an interest in two material joint ventures which are the Gateway Development Corporation (GDC) and the Port Authority of New York and New Jersey (Port Authority).

Gateway Development Corporation

The GDC was created by the Gateway Development Commission Act, Chapter 108 of the Laws of 2019, as a bi-state commission between the States of New York and New Jersey, which shall be deemed to be acting in the public interest and exercising essential government functions. The GDC is a government sponsored authority consisting of seven Commissioners, three each from the states of New York and New Jersey and one Commissioner appointed by Amtrak.

The GDC will facilitate the Gateway Program, which consists of several critical rail infrastructure projects between Newark, New Jersey and Penn Station in New York City. Completion of these projects is critical to improving reliability and increasing capacity in the Northeast Corridor. Projects will include the Gateway Hudson Tunnel Project, which will serve hundreds of thousands of passengers traveling across the Hudson River each day, as well as rehabilitation of existing infrastructure and additional safety and security measures to continue the efficiency and reliability of the rail system.

New York State and the GDC have entered into a service contract whereby the State pledged to fund contract payments to be made by GDC to the Federal Department of Transportation in order for the GDC to secure project funding through a Railroad Rehabilitation and Improvement Financing (RRIF) loan. The contract payments equate to the required loan payments, including total principal not to exceed \$2.85 billion plus any interest, including capitalized interest, and related expenses and fees. The State has also entered into an agreement to annually provide one-third, approximately \$20 million, of the GDC operational costs.

Port Authority of New York and New Jersey

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 \$26.5 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, 2023 disclosed the following (amounts in millions):

Financial Position	
Total assets.....	\$ 62,447
Total deferred outflows of resources	1,544
Total liabilities	(41,605)
Total deferred inflows of resources	(5,724)
Net position	\$ 16,662
Operating Results	
Operating revenues	\$ 6,563
Operating expenses	(3,735)
Depreciation and amortization	(1,917)
Income from operations	911
Passenger facility charges	309
Financial income (expense), net	(940)
Contribution in aid of construction and grants ...	328
Increase in net position	\$ 608
Changes in Net Position	
Balance at January 1, 2023, as restated.....	\$ 16,054
Increase in net position	608
Balance at December 31, 2023	\$ 16,662

NOTE 16 - Subsequent Events**Financing Arrangements Issued**

The Statement of Net Position presents bonds and other financing arrangements outstanding as of the statement date of March 31, 2024 (except for business-type activities related to the SUNY and CUNY Enterprise Funds, which are reported as of June 30, 2023). 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
Dormitory Authority.....	CUNY Senior Colleges	8/15/2023	Sales Tax, Series 2023A-1	\$ 2
Dormitory Authority.....	SUNY Educational Facilities	8/15/2023	Sales Tax, Series 2023A-1	\$ 65
Dormitory Authority.....	CUNY Senior Colleges, Refunding	8/15/2023	Sales Tax, Series 2023A-1	\$ 202
Dormitory Authority.....	SUNY Educational Facilities, Refunding	8/15/2023	Sales Tax, Series 2023A-1	\$ 192
Dormitory Authority.....	SUNY Educational Facilities	8/15/2023	Sales Tax, Series 2023A-2	\$ 282
Dormitory Authority.....	SUNY Educational Facilities	8/15/2023	Sales Tax, Series 2023B	\$ 21
Dormitory Authority.....	SUNY Grant Program, Refunding	9/29/2023	Personal Income Tax, Series 2023A	\$ 2
Dormitory Authority.....	CUNY Senior Colleges, Refunding	3/21/2024	Personal Income Tax, Series 2024A	\$ 219
Dormitory Authority.....	SUNY Educational Facilities, Refunding	3/21/2024	Personal Income Tax, Series 2024A	\$ 543
Dormitory Authority.....	SUNY Educational Facilities	3/21/2024	Personal Income Tax, Series 2024B	\$ 2
Dormitory Authority.....	SUNY Educational Facilities, Refunding	3/21/2024	Personal Income Tax, Series 2024B	\$ 16
Dormitory Authority.....	CUNY Senior Colleges	3/27/2024	Fifth General Resolution Revenue Bonds, Series 2024A	\$ 242
Dormitory Authority.....	General Purposes	7/17/2024	Sales tax, Series 2024A	\$ 1,223

**Collateralized Borrowings
Subsequent to Date of the Statement of Net Position**

Issuer	Purpose	Date	Series	Amount
Dormitory Authority.....	SUNY Dormitory Facilities	9/7/2023	Revenue Bonds, Series 2023AB	\$ 352

On September 28, 2023, October 6, 2023, October 27, 2023 and February 29, 2024, the Dormitory Authority, the Urban Development Corporation and the Thruway Authority defeased bonds on behalf of SUNY totaling \$614 million and CUNY Senior totaling \$228 million.

*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, 2024
(Amounts in millions) (Unaudited)

	General			Federal Special Revenue		
	Financial Plan Amounts		Actual (Budgetary Basis)	Financial Plan Amounts		Actual (Budgetary Basis)
	Original	Final		Original	Final	
RECEIPTS:						
Taxes.....						
Personal income.....	\$ 24,693	\$ 24,483	\$ 25,312	\$ -	\$ -	\$ -
Consumption and use.....	9,797	9,885	9,872	-	-	-
Business.....	15,836	17,039	17,425	-	-	-
Other.....	1,617	1,903	1,876	-	-	-
Miscellaneous.....	3,801	4,295	4,878	367	367	1,121
Federal grants.....	2,250	2,250	2,250	87,057	90,326	89,234
Total receipts.....	57,994	59,855	61,613	87,424	90,693	90,355
						(338)
DISBURSEMENTS:						
Local assistance grants ⁽¹⁾	75,055	74,048	69,119	82,485	85,557	87,938
Personal service.....	10,619	10,552	9,998	696	702	777
Non-personal.....	2,759	2,332	2,303	2,899	2,674	2,558
General State charges ⁽¹⁾	7,587	9,379	9,651	391	391	412
Total disbursements.....	96,020	96,311	91,071	86,471	89,324	91,685
						(2,286)
Excess (deficiency) of receipts over disbursements...	(38,026)	(36,456)	(29,458)	953	1,369	(1,330)
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	42,504	45,151	41,385	-	-	-
Transfers to other funds.....	(8,392)	(7,178)	(9,047)	(2,381)	(2,590)	(2,343)
Net other financing sources (uses).....	34,112	37,973	32,338	(2,381)	(2,590)	247
						247
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ (3,914)	\$ 1,517	\$ 2,880	\$ (1,428)	\$ (1,221)	\$ (3,673)
						\$ (2,377)

(1) The variance does not indicate the spending authority has been exceeded in the General Fund by \$272 million or \$2,382 million, \$75 million and \$21 million in the Federal Special Revenue 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 and general state charges through March 31, 2024.

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. If the budget is not enacted by April 1st, the Legislature typically enacts special emergency appropriations to continue government functions, as was last done in April 2024. 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.

Appropriations provide the statutory authorization for the purposes designated, up to the stated amount of the appropriation establishing the budgetary control for spending. 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. 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. The cash basis financial plans are intended to project monies received and disbursed over the 12-month fiscal year (April 1 – March 31). 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. In addition, many appropriations enacted are not intended to be used, although they are required by law. These types of appropriations, coupled with the timing of disbursements, 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 projections are based upon State's expectations at the time they were prepared and are necessarily dependent upon assumptions, estimates, calculations, and data that it believes are reasonable as of the date made, but that may not be reflective of actual results (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.

The legal level of budgetary control for spending is established within each agency by fund at the major account level in accordance with the appropriation purpose. The Statewide Financial System includes controls over expenditures to ensure that the maximum spending authority is not exceeded during the life of the appropriation. The cash basis financial plan provides a comprehensive outline of a government's financial resources and spending requirements that is managed by fund and appropriation purpose for each State agency. The State routinely executes cash management actions to manage the State's large and complex budget. These actions are intended to adhere to spending targets, and better position the State to address unanticipated costs, including economic downturns, revenue deterioration, and unplanned expenses to maintain a balanced budget in accordance with the State Constitution, which may or may not align with projections. A detailed supplementary report is available by emailing FinRep@osc.ny.gov.

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.....	\$ 2,880	\$ (3,673)
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.....	(1,484)	1,932
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	36	-
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.....	(232)	-
Temporary interfund cash loans	230	59
Basis of accounting differences:		
Revenue accrual adjustments.....	4,660	(1,942)
Expenditure accrual adjustments	1,344	3,624
Net Change in Fund Balances.....	\$ 7,434	\$ -

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 7,941 bridges in the inventory, of which 7,735 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:**

<u>Year</u>	<u>Pavement - Average Condition Rating</u>	<u>Bridges - Average Condition Rating</u>	<u>Percentage of Highway Bridges Assessed Structurally Deficient</u>
2023	7.10	N/A	7.7
2022	7.06	N/A	6.8
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

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	2024	2023	2022	2021	2020
Roads:					
Estimated	\$ 672	\$ 764	\$ 1,503	\$ 1,173	\$ 1,625
Actual	658	1,200	1,201	1,250	1,126
Bridges:					
Estimated	259	492	1,458	1,461	769
Actual	246	272	192	237	229
Total roads and bridges:					
Estimated	931	1,256	2,961	2,634	2,394
Actual	904	1,472	1,393	1,487	1,355

The 2024 changes in estimated and actual figures, for both Roads and Bridges, reflect a change in the source for Estimated Programmed Preservation and Actual Preservation for On-System Projects. The use of this new source aligns with the removal of Snow & Ice operations and off-system Capital projects as reported in 2023. The change in the actual Road figure also includes a change in Maintenance dollars consisting of the removal of two large projects completed in 2023 that are not being reported in 2024.

See independent auditors' report.

Other Postemployment Benefits (unaudited)

Schedule of Changes in Net OPEB Liability and Related Ratios

New York State Retiree Health Benefit Trust ⁽¹⁾

Measured as of March 31

(Amounts in millions)

	2024	2023	2022
Total OPEB liability:			
Service cost.....	\$ 1,485	\$ 1,823	\$ 2,347
Interest.....	2,033	1,730	1,509
Difference between expected and actual experience.....	1,217	860	291
Changes in assumptions.....	(134)	(6,788)	(2,349)
Benefit payments.....	(2,696)	(2,495)	(2,270)
Net change in total OPEB liability.....	1,905	(4,870)	(472)
Total OPEB liability, beginning.....	57,927	62,797	63,269
Total OPEB liability, ending (a).....	59,832	57,927	62,797
Plan fiduciary net position:			
Contributions – employer.....	2,946	3,415	2,590
Net investment income.....	68	10	-
Benefit payments.....	(2,696)	(2,495)	(2,270)
Net change in plan fiduciary net position.....	318	930	320
Plan fiduciary net position, beginning.....	1,250	320	-
Plan fiduciary net position, ending (b).....	1,568	1,250	320
State's net OPEB liability, ending (a)-(b).....	\$ 58,264	\$ 56,677	\$ 62,477
Plan's fiduciary net position as a percentage of the total OPEB liability....	2.6 %	2.2 %	0.5 %
Covered employee payroll.....	\$ 12,233	\$ 11,860	\$ 11,834
State's net OPEB liability as a percentage of covered employee payroll.....	476.3 %	477.9 %	527.9 %
Changes in assumptions: Discount rate, at measurement date.....	3.58 %	3.50 %	2.73 %
As of fiscal year ended March 31.....	2024	2023	2022

Schedule of Changes in Net OPEB Liability and Related Ratios (cont'd)

New York State Retiree Health Benefit Trust⁽¹⁾

Measured as of March 31

See independent auditors' report.

(1) Inclusive of the State, Lottery, SUNY (excluding SUNY hospitals, SUNY Construction Fund, SUNY Research Foundation), and NYSLRS.

Changes in benefit terms: There were no significant legislative changes in benefits.

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. 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.

In fiscal year 2022, the Retiree Health Benefit Trust was created when the State first funded the trust. The Retiree Health Benefit Trust covers previously unfunded State employees and retirees and certain members of SUNY. Prior to fiscal year 2022, employees and retirees of the State were included in the RSI table on page 184 and employees and retirees of SUNY (excluding SUNY hospitals and SUNY Construction Fund) were included in the RSI table on page 185.

Schedule of Investment Returns

New York State Retiree Health Benefit Trust ⁽¹⁾

Fiscal Years Ended March 31

<u>Fiscal Year</u>	<u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u>
2022	0.22 %
2023	2.90 %
2024	5.43 %

See independent auditors' report.

(1) Inclusive of the State, Lottery, SUNY (excluding SUNY Hospitals, SUNY Construction Fund, SUNY Research Foundation), and NYSLRS.

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 Unfunded – SUNY Hospitals and Construction Fund
Measured as of March 31

(Amounts in millions)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability:					
Service cost.....	\$ 109	\$ 119	\$ 121	\$ 90	\$ 91
Interest.....	77	69	95	102	103
Difference between expected and actual experience.....	12	68	(94)	17	46
Changes in assumptions.....	(329)	(300)	(452)	479	(159)
Benefit payments.....	(70)	(59)	(53)	(48)	(45)
Net change in total OPEB liability.....	(201)	(103)	(383)	640	36
Total OPEB liability, beginning.....	2,754	2,857	3,240	2,600	2,564
Total OPEB liability, ending.....	\$ 2,553	\$ 2,754	\$ 2,857	\$ 3,240	\$ 2,600
Covered employee payroll.....	\$ 924	\$ 914	\$ 900	\$ 873	\$ 843
Total OPEB liability as a percentage of covered employee payroll.....	276.3 %	301.2 %	317.5 %	371.2 %	308.3 %
Changes in assumptions:					
Discount rate, at measurement date.....	3.50 %	2.73 %	2.34 %	2.84 %	3.79 %
As of fiscal year ended June 30.....	2023	2022	2021	2020	2019

See independent auditors' report.

Changes in assumptions: The discount rate was changed 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 plans and premium rates for the HMO plans.

The liabilities in this schedule have no associated assets accumulated in a trust meeting the criteria of GASBS 74.

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

(Continued)

Schedule of Changes in Total OPEB Liability and Related Ratios (cont'd)
SUNY Unfunded – SUNY Hospitals and Construction Fund
Measured as of March 31

(Amounts in millions)

	<u>2018</u>	<u>2017</u>
Total OPEB liability:		
Service cost.....	\$ 95	\$ 107
Interest.....	105	96
Difference between expected and actual experience.....	(236)	-
Changes in assumptions.....	(11)	(280)
Benefit payments.....	(40)	(35)
Net change in total OPEB liability.....	(87)	(112)
Total OPEB liability, beginning.....	2,651	2,763
Total OPEB liability, ending.....	\$ 2,564	\$ 2,651
Covered employee payroll.....	\$ 806	\$ 768
Total OPEB liability as a percentage of covered employee payroll.....	317.9 %	345.3 %
Changes in assumptions:		
Discount rate, at measurement date.....	3.89 %	3.86 %
As of fiscal year ended June 30.....	2018	2017

Schedule of Changes in Total OPEB Liability and Related Ratios
CUNY Senior Colleges
Measured as of June 30

(Amounts in millions)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability:					
Service cost.....	\$ 73	\$ 117	\$ 115	\$ 108	\$ 126
Interest.....	65	47	55	58	53
Difference between expected and actual experience.....	(106)	(148)	(28)	(178)	354
Changes in assumptions.....	17	(486)	(29)	41	(187)
Benefit payments.....	(35)	(35)	(37)	(36)	(35)
Net change in total OPEB liability.....	14	(505)	76	(7)	311
Total OPEB liability, beginning.....	1,542	2,047	1,971	1,978	1,667
Total OPEB liability, ending.....	\$ 1,556	\$ 1,542	\$ 2,047	\$ 1,971	\$ 1,978
Covered employee payroll.....	\$ 1,316	\$ 1,281	\$ 1,293	\$ 1,218	\$ 1,169
Total OPEB liability as a percentage of covered employee payroll.....	118.3 %	120.4 %	158.3 %	161.7 %	169.1 %
Changes in assumptions:					
Discount rate, at measurement date.....	4.13 %	4.09 %	2.18 %	2.66 %	2.79 %
As reported in fiscal year June 30.....	2023	2022	2021	2020	2019

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.

The liabilities in this schedule have no associated assets accumulated in a trust meeting the criteria of GASBS 74.

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

(Continued)

Schedule of Changes in Total OPEB Liability and Related Ratios (cont'd)
CUNY Senior Colleges
Measured as of June 30

(Amounts in millions)

	2018
Total OPEB liability:	
Service cost.....	\$ 107
Interest.....	50
Difference between expected and actual experience.....	(4)
Changes in assumptions.....	40
Benefit payments.....	(32)
Net change in total OPEB liability.....	161
Total OPEB liability, beginning.....	1,506
Total OPEB liability, ending.....	\$ 1,667
Covered employee payroll.....	\$ 1,151
Total OPEB liability as a percentage of covered employee payroll.....	144.8 %
Changes in assumptions:	
Discount rate, at measurement date.....	2.98 %
As reported in fiscal year June 30.....	2018

Schedule of Changes in Total OPEB Liability and Related Ratios

New York State ⁽¹⁾

Measured as of March 31

(Amounts in millions)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service cost.....	\$ 2,095	\$ 1,584	\$ 1,593	\$ 1,691
Interest.....	1,762	1,984	2,019	2,111
Difference between expected and actual experience.....	(1,695)	391	353	(4,631)
Changes in assumptions.....	(8,619)	7,011	(1,796)	(228)
Benefit payments.....	(1,817)	(1,743)	(1,688)	(1,576)
Net change in total OPEB liability.....	(8,274)	9,227	481	(2,633)
Total OPEB liability, beginning.....	60,846	51,619	51,138	53,771
Total OPEB liability, ending (a).....	\$ 52,572	\$ 60,846	\$ 51,619	\$ 51,138
Covered employee payroll	\$ 9,448	\$ 9,214	\$ 9,064	\$ 8,849
Total OPEB liability as a percentage of covered employee payroll	556.4 %	660.4 %	569.5 %	577.9 %
Changes in assumptions: Discount rate, at measurement date	2.34 %	2.84 %	3.79 %	3.89 %
As reported in fiscal year March 31	2022	2021	2020	2019

See independent auditors' report.

(1) Inclusive of the State, NYSLRS, and Lottery.

Changes in benefit terms: There were no significant legislative changes in benefits.

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.

In fiscal year 2022, the Retiree Health Benefit Trust was created when the State first funded the trust meeting the criteria of GASBS 74. The Retiree Health Benefit Trust covers previously unfunded State and retirees and certain members of SUNY. For fiscal year 2022 and forward, employees and retirees of the State previously represented in this schedule are included in RSI table on page 177. The liabilities in this schedule represent the period of time for which there were no associated accumulated assets in a GASBS 74 qualifying trust.

Schedule of Changes in Total OPEB Liability and Related Ratios

SUNY ⁽¹⁾

Measured as of March 31

(Amounts in millions)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost.....	\$ 393	\$ 413	\$ 412	\$ 436	\$ 483
Interest.....	355	395	397	411	373
Difference between expected and actual experience.....	(150)	(91)	92	(915)	-
Changes in assumptions.....	(1,844)	1,705	(350)	(44)	(915)
Benefit payments.....	(338)	(322)	(311)	(290)	(267)
Net change in total OPEB liability.....	(1,584)	2,100	240	(402)	(326)
Total OPEB liability, beginning.....	12,281	10,181	9,941	10,343	10,669
Total OPEB liability, ending (a).....	\$ 10,697	\$ 12,281	\$ 10,181	\$ 9,941	\$ 10,343
Covered employee payroll.....	\$ 2,714	\$ 2,562	\$ 2,519	\$ 2,523	\$ 2,432
Net OPEB liability as a percentage of covered employee payroll.....	394.2 %	479.4 %	404.2 %	425.2 %	425.2 %
Changes in assumptions:					
Discount rate, at measurement date.....	2.34 %	2.84 %	3.79 %	3.89 %	3.86 %
As reported in fiscal year June 30.....	2021	2020	2019	2018	2017

See independent auditors' report.

(1) Amounts presented are for the portions of SUNY and do not include SUNY Hospitals, SUNY Construction Fund, nor SUNY Research Foundation.

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.

In fiscal year 2022, the Retiree Health Benefit Trust was created when the State first funded the trust meeting the criteria of GASBS 74. The Retiree Health Benefit Trust covers previously unfunded State and retirees and certain members of SUNY. For fiscal year 2022 and forward, employees and retirees of the State previously represented in this schedule are included in RSI table on page 177. The liabilities in this schedule represent the period of time for which there were no associated accumulated assets in a GASBS 74 qualifying trust.

Pension Plans (unaudited)

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

(Amounts in millions)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
State's proportion of the net pension liability (asset)	45.4 %	46.0 %	46.3 %	45.5 %	45.8 %
State's proportionate share of the net pension liability (asset)	\$ 9,744	\$ (3,762)	\$ 46	\$ 12,052	\$ 3,243
Covered payroll	\$ 12,846	\$ 12,507	\$ 11,931	\$ 12,115	\$ 11,684
State's proportionate share of the net pension liability (asset) as a percentage of covered payroll	75.8 %	(30.1 %)	0.4 %	99.5 %	27.8 %
Plan's fiduciary net position as a percentage of the total pension liability (asset)	90.8 %	103.7 %	100.0 %	86.4 %	96.3 %
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	
State's proportion of the net pension liability (asset)	45.4 %	45.8 %	45.1 %	44.5 %	
State's proportionate share of the net pension liability (asset)	\$ 1,465	\$ 4,297	\$ 7,217	\$ 1,501	
Covered payroll	\$ 11,511	\$ 11,112	\$ 10,188	\$ 10,236	
State's proportionate share of the net pension liability (asset) as a percentage of covered payroll	12.7 %	38.7 %	70.8 %	14.7 %	
Plan's fiduciary net position as a percentage of the total pension liability (asset)	98.2 %	94.7 %	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)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
State's proportion of the net pension liability.....	20.1 %	21.0 %	21.3 %	21.1 %	21.4 %
State's proportionate share of the net pension liability.....	\$ 1,105	\$ 119	\$ 369	\$ 1,127	\$ 359
Covered payroll.....	\$ 877	\$ 858	\$ 814	\$ 859	\$ 775
State's proportionate share of the net pension liability as a percentage of covered payroll.....	126.1 %	13.9 %	45.3 %	131.2 %	46.2 %
Plan's fiduciary net position as a percentage of the total pension liability.....	87.4 %	98.7 %	95.8 %	84.9 %	95.1 %
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	
State's proportion of the net pension liability.....	20.8 %	21.1 %	19.1 %	19.0 %	
State's proportionate share of the net pension liability.....	\$ 210	\$ 437	\$ 566	\$ 52	
Covered payroll.....	\$ 777	\$ 695	\$ 615	\$ 620	
State's proportionate share of the net pension liability as a percentage of covered payroll.....	27.0 %	62.9 %	92.1 %	8.5 %	
Plan's fiduciary net position as a percentage of the total pension liability.....	96.9 %	93.5 %	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 ⁽¹⁾
Fiscal Years Ended March 31**

(Amounts in millions)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually determined contribution.....	\$ 1,579	\$ 1,603	\$ 1,911	\$ 1,692	\$ 1,596
Contributions in relation to the contractually determined contribution.....	<u>1,579</u>	<u>1,615</u>	<u>1,911</u>	<u>1,692</u>	<u>1,596</u>
Contribution deficiency (excess).....	<u>\$ -</u>	<u>\$ (12)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll.....	\$ 13,347	\$ 12,846	\$ 12,507	\$ 11,931	\$ 12,115
Contributions as a percentage of covered payroll.....	11.8 %	12.6 %	15.3 %	14.2 %	13.2 %
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	
Contractually determined contribution.....	\$ 1,603	\$ 1,636	\$ 1,585	\$ 1,816	
Contributions in relation to the contractually determined contribution.....	<u>1,603</u>	<u>1,636</u>	<u>1,585</u>	<u>1,478</u>	
Contribution deficiency (excess).....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338</u>	
Covered payroll.....	\$ 11,684	\$ 11,511	\$ 11,112	\$ 10,188	
Contributions as a percentage of covered payroll.....	13.7 %	14.2 %	14.2 %	14.5 %	

(1) 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 ⁽¹⁾
Fiscal Years Ended March 31**

(Amounts in millions)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually determined contribution.....	\$ 236	\$ 210	\$ 225	\$ 178	\$ 164
Contributions in relation to the contractually determined contribution.....	<u>236</u>	<u>210</u>	<u>225</u>	<u>178</u>	<u>164</u>
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll.....	\$ 881	\$ 877	\$ 858	\$ 813	\$ 859
Contributions as a percentage of covered payroll.....	26.8 %	23.9 %	26.2 %	21.9 %	19.1 %
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	
Contractually determined contribution.....	\$ 168	\$ 166	\$ 152	\$ 142	
Contributions in relation to the contractually determined contribution.....	<u>168</u>	<u>166</u>	<u>152</u>	<u>124</u>	
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>	
Covered payroll.....	\$ 775	\$ 777	\$ 695	\$ 615	
Contributions as a percentage of covered payroll.....	21.7 %	21.4 %	21.9 %	20.2 %	

(1) 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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
SUNY's proportion of the net pension liability (asset).....	0.9 %	0.9 %	0.9 %	0.9 %	0.8 %
SUNY's proportionate share of the net pension liability (asset).....	\$ 18	\$ (154)	\$ 25	\$ (23)	\$ (15)
Covered payroll.....	\$ 165	\$ 150	\$ 152	\$ 145	\$ 132
SUNY's proportionate share of the net pension liability (asset) as a percentage of covered payroll.....	10.8 %	(102.1 %)	16.3 %	(15.6 %)	(11.1 %)
Plan's fiduciary net position as a percentage of the total pension liability.....	98.6 %	113.2 %	97.8 %	102.2 %	101.5 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
SUNY's proportion of the net pension liability (asset).....	0.8 %	0.8 %	0.7 %	0.7 %	
SUNY's proportionate share of the net pension liability (asset)	\$ (6)	\$ 9	\$ (77)	\$ (80)	
Covered payroll.....	\$ 128	\$ 126	\$ 112	\$ 106	
SUNY's proportionate share of the net pension liability (asset) as a percentage of covered payroll.....	(4.8 %)	6.9 %	(69.2 %)	(75.5 %)	
Plan's fiduciary net position as a percentage of the total pension liability.....	100.7 %	99.0 %	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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution.....	\$ 16	\$ 14	\$ 14	\$ 15	\$ 13
Contributions in relation to the actuarial determined contribution.....	<u>16</u>	<u>14</u>	<u>14</u>	<u>15</u>	<u>13</u>
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll.....	\$ 173	\$ 161	\$ 150	\$ 152	\$ 145
Contributions as a percentage of covered payroll.....	9.3 %	8.9 %	9.0 %	10.1 %	8.9 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially determined contribution.....	\$ 15	\$ 17	\$ 20	\$ 17	
Contributions in relation to the actuarial determined contribution.....	<u>15</u>	<u>17</u>	<u>20</u>	<u>17</u>	
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll.....	\$ 132	\$ 128	\$ 126	\$ 112	
Contributions as a percentage of covered payroll.....	11.4 %	13.0 %	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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability:					
Service cost.....	\$ -	\$ 1	\$ 1	\$ 1	\$ 1
Interest.....	5	6	7	6	7
Changes of assumptions.....	-	9	(1)	-	-
Difference between expected and actual experience.....	1	8	-	1	-
Benefit payments	(7)	(28)	(6)	(10)	(6)
Net change in total pension liability.....	(1)	(4)	1	(2)	2
Total pension liability, beginning.....	102	106	105	107	105
Total pension liability, ending (a).....	101	102	106	105	107
Plan fiduciary net position:					
Employer contributions.....	-	-	-	2	1
Net investment income (loss).....	(16)	15	17	21	(5)
Benefit payments.....	(7)	(28)	(6)	(10)	(6)
Net change in fiduciary net position.....	(23)	(13)	11	13	(10)
Fiduciary net position, beginning.....	105	118	107	94	104
Fiduciary net position, ending (b).....	82	105	118	107	94
Net pension liability (asset), ending (a)-(b)	\$ 19	\$ (3)	\$ (12)	\$ (2)	\$ 13
Ratio of fiduciary net position to total pension liability.....	80.9 %	103.0 %	111.8 %	101.9 %	87.6 %
Covered payroll	\$ 19	\$ 19	\$ 23	\$ 23	\$ 24
Net pension liability as a percentage of covered payroll	102.6 %	(16.3 %)	(54.4 %)	(8.8 %)	54.7 %

(Continued)

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

(Amounts in millions)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability:				
Service cost.....	\$ 1	\$ 1	\$ 1	\$ 1
Interest.....	6	6	7	6
Changes of assumptions.....	(1)	(1)	-	6
Difference between expected and actual experience.....	2	-	1	-
Benefit payments	(9)	(5)	(7)	(4)
Net change in total pension liability.....	(1)	1	2	9
Total pension liability, beginning.....	106	105	103	94
Total pension liability, ending (a).....	105	106	105	103
Plan fiduciary net position:				
Employer contributions.....	2	3	2	3
Net investment income (loss).....	16	7	(1)	6
Benefit payments.....	(9)	(5)	(7)	(4)
Net change in fiduciary net position.....	9	5	(6)	5
Fiduciary net position, beginning.....	95	90	96	91
Fiduciary net position, ending (b).....	104	95	90	96
Net pension liability (asset), ending (a)-(b)	\$ 1	\$ 11	\$ 15	\$ 7
Ratio of fiduciary net position to total pension liability.....	98.6 %	90.1 %	86.3 %	93.0 %
Covered payroll	\$ 26	\$ 27	\$ 30	\$ 34
Net pension liability as a percentage of covered payroll	5.7 %	38.4 %	48.0 %	21.3 %

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)

	2023	2022	2021	2020	2019
Actuarially determined contribution.....	\$ -	\$ -	\$ 1	\$ 2	\$ 1
Contributions in relation to the actuarially determined contribution.....	-	-	1	2	1
Contribution deficiency (excess).....	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ⁽¹⁾	\$ 19	\$ 19	\$ 23	\$ 23	\$ 24
Contribution as a percentage of covered payroll ⁽¹⁾	- %	- %	2.4 %	10.5 %	4.7 %
	2018	2017	2016	2015	2014
Actuarially determined contribution.....	\$ 2	\$ 3	\$ 2	\$ 2	\$ 3
Contributions in relation to the actuarially determined contribution.....	2	3	2	4	3
Contribution deficiency (excess).....	\$ -	\$ -	\$ -	\$ (2)	\$ -
Covered payroll ⁽¹⁾	\$ 26	\$ 27	\$ 30	\$ 34	\$ 36
Contribution as a percentage of covered payroll ⁽¹⁾	7.7 %	10.4 %	6.8 %	8.8 %	7.0 %

(1) 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.

Notes for the Plan

Methods and assumptions used in calculations of actuarially determined contributions

The January 1, 2022 actuarial valuation determines the employer rates for contributions payable in 2022. The following actuarial methods and assumptions were used:

Investment rate of return	5.5 percent
Amortization method	Level dollar, 20 year closed
Remaining amortization period	9.5 years
Asset valuation method	Market value
Inflation	3 percent
Compensation	3.5 percent increases, limited to a maximum of \$305,000
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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
CUNY's proportion of the net pension liability.....	0.9 %	1.1 %	1.1 %	1.2 %	1.2 %
CUNY's proportionate share of the net pension liability.....	\$ 163	\$ 191	\$ 71	\$ 261	\$ 227
Covered payroll.....	\$ 260	\$ 261	\$ 272	\$ 269	\$ 264
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll.....	62.6 %	73.1 %	25.9 %	97.3 %	86.1 %
Plan fiduciary net position as a percentage of the total pension liability.....	82.2 %	81.3 %	93.1 %	76.9 %	73.8 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
CUNY's proportion of the net pension liability.....	1.3 %	1.2 %	1.3 %	1.2 %	
CUNY's proportionate share of the net pension liability.....	\$ 234	\$ 242	\$ 303	\$ 247	
Covered payroll.....	\$ 238	\$ 223	\$ 217	\$ 214	
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll.....	98.2 %	108.7 %	139.6 %	115.4 %	
Plan fiduciary net position as a percentage of the total pension liability.....	78.8 %	74.8 %	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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
CUNY's proportion of the net pension liability.....	3.1 %	2.9 %	2.9 %	2.7 %	2.6 %
CUNY's proportionate share of the net pension liability.....	\$ 428	\$ 429	\$ 2	\$ 422	\$ 395
Covered payroll.....	\$ 320	\$ 296	\$ 291	\$ 283	\$ 250
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll.....	133.7 %	145.2 %	0.7 %	149.1 %	157.9 %
Plan fiduciary net position as a percentage of the total pension liability.....	83.2 %	81.3 %	99.9 %	79.0 %	74.5 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
CUNY's proportion of the net pension liability.....	2.6 %	2.2 %	2.8 %	2.5 %	
CUNY's proportionate share of the net pension liability.....	\$ 491	\$ 505	\$ 733	\$ 528	
Covered payroll.....	\$ 211	\$ 180	\$ 190	\$ 175	
CUNY's proportionate share of the net pension liability as a percentage of the covered payroll.....	232.4 %	281.0 %	386.2 %	301.7 %	
Plan fiduciary net position as a percentage of the total pension liability.....	74.5 %	68.3 %	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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution.....	\$ 31	\$ 40	\$ 41	\$ 46	\$ 45
Contributions in relation to the contractually required contribution.....	31	40	41	46	45
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll.....	\$ 260	\$ 261	\$ 272	\$ 269	\$ 264
Contributions as a percentage of covered payroll.....	12.1 %	15.5 %	15.2 %	17.2 %	17.2 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Contractually required contribution.....	\$ 45	\$ 39	\$ 42	\$ 39	
Contributions in relation to the contractually required contribution.....	45	39	42	39	
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll.....	\$ 238	\$ 223	\$ 217	\$ 214	
Contributions as a percentage of covered payroll.....	18.8 %	17.4 %	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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution.....	\$ 97	\$ 96	\$ 89	\$ 96	\$ 95
Contributions in relation to the contractually required contribution.....	<u>97</u>	<u>96</u>	<u>89</u>	<u>96</u>	<u>95</u>
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll.....	<u>\$ 320</u>	<u>\$ 296</u>	<u>\$ 291</u>	<u>\$ 283</u>	<u>\$ 250</u>
Contributions as a percentage of covered payroll.....	30.2 %	32.6 %	30.8 %	33.9 %	38.0 %
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Contractually required contribution.....	\$ 102	\$ 85	\$ 103	\$ 84	
Contributions in relation to the contractually required contribution.....	<u>102</u>	<u>85</u>	<u>103</u>	<u>84</u>	
Contribution deficiency.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll.....	<u>\$ 211</u>	<u>\$ 180</u>	<u>\$ 190</u>	<u>\$ 175</u>	
Contributions as a percentage of covered payroll.....	48.3 %	47.0 %	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.

*Other
Supplementary
Information*

**Combining Schedule of
Balance Sheet Accounts
General Fund**

March 31, 2024
(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day	Refund Reserve
ASSETS:						
Cash and investments.....	\$ 58	\$ 3,981	\$ 1,618	\$ 25	\$ 4,638	\$ 40,030
Receivables, net of allowance for uncollectibles:						
Taxes.....	-	10,868	-	-	-	-
Leases.....	-	3	-	-	-	-
Other.....	2,970	533	-	3	-	-
Due from other funds.....	1,035	3,271	-	-	-	-
Other assets.....	196	2,414	-	-	-	-
Total assets.....	\$ 4,259	\$ 21,070	\$ 1,618	\$ 28	\$ 4,638	\$ 40,030
LIABILITIES:						
Tax refunds payable.....	\$ -	\$ 10,863	\$ -	\$ -	\$ -	\$ -
Accounts payable.....	-	264	-	-	-	-
Accrued liabilities.....	4,693	1,424	-	-	-	-
Payable to local governments.....	4,010	-	-	-	-	-
Due to other funds.....	489	1,466	-	-	-	-
Pension contributions payable.....	-	1	-	-	-	-
Unearned revenues.....	-	4,007	-	-	-	-
Total liabilities.....	9,192	18,025	-	-	-	-
DEFERRED INFLOWS OF RESOURCES.....	278	613	-	3	-	-
FUND BALANCES (DEFICITS):						
Restricted.....	-	-	-	-	-	-
Committed.....	-	-	-	-	4,638	38,920
Assigned.....	233	2,432	-	25	-	-
Unassigned.....	(5,444)	-	1,618	-	-	1,110
Total fund balances (deficits).....	(5,211)	2,432	1,618	25	4,638	40,030
Total liabilities, deferred inflows of resources and fund balances (deficits).....	\$ 4,259	\$ 21,070	\$ 1,618	\$ 28	\$ 4,638	\$ 40,030

See independent auditors' report.

**Combining Schedule of
Balance Sheet Accounts (cont'd)
General Fund**

March 31, 2024
(Amounts in millions)

	Abandoned Property	Miscellaneous Special	MMIS	Employee Withholding	Health Insurance Program	Workers' Compensation
ASSETS:						
Cash and investments.....	\$ 1,325	\$ 2,629	\$ 286	\$ 216	\$ 67	\$ 347
Receivables, net of allowance for uncollectibles:						
Taxes.....	-	-	-	-	-	-
Leases.....	-	28	-	-	-	-
Other.....	260	195	42	49	732	-
Due from other funds.....	1,254	23	-	-	-	-
Other assets.....	-	-	-	-	205	-
Total assets.....	\$ 2,839	\$ 2,875	\$ 328	\$ 265	\$ 1,004	\$ 347
LIABILITIES:						
Tax refunds payable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable.....	-	9	-	69	285	-
Accrued liabilities.....	-	49	218	194	78	196
Payable to local governments.....	-	27	3	-	566	-
Due to other funds.....	-	54	27	2	-	-
Pension contributions payable.....	-	-	-	-	-	-
Unearned revenues.....	-	112	-	-	-	-
Total liabilities.....	-	251	248	265	929	196
DEFERRED INFLOWS OF RESOURCES.....	-	57	-	-	-	-
FUND BALANCES (DEFICITS):						
Restricted.....	-	-	80	-	-	151
Committed.....	-	-	-	-	75	-
Assigned.....	-	2,567	-	-	-	-
Unassigned.....	2,839	-	-	-	-	-
Total fund balances (deficits).....	2,839	2,567	80	-	75	151
Total liabilities, deferred inflows of resources and fund balances (deficits).....	\$ 2,839	\$ 2,875	\$ 328	\$ 265	\$ 1,004	\$ 347

See independent auditors' report.

**Combining Schedule of
Balance Sheet Accounts (cont'd)
General Fund**

March 31, 2024
(Amounts in millions)

	Sole Custody	Miscellaneous	Eliminations	Total
ASSETS:				
Cash and investments.....	\$ 457	\$ 828	\$ -	\$ 56,505
Receivables, net of allowance for uncollectibles:				
Taxes.....	-	-	-	10,868
Leases.....	-	-	-	31
Other.....	-	71	-	4,855
Due from other funds.....	-	93	(1,594)	4,082
Other assets.....	-	-	-	2,815
Total assets.....	\$ 457	\$ 992	\$ (1,594)	\$ 79,156
LIABILITIES:				
Tax refunds payable.....	\$ -	\$ -	\$ -	\$ 10,863
Accounts payable.....	-	25	-	652
Accrued liabilities.....	-	13	-	6,865
Payable to local governments.....	-	17	-	4,623
Due to other funds.....	-	253	(1,594)	697
Pension contributions payable.....	-	-	-	1
Unearned revenues.....	-	-	-	4,119
Total liabilities.....	-	308	(1,594)	27,820
DEFERRED INFLOWS OF RESOURCES.....	-	39	-	990
FUND BALANCES (DEFICITS):				
Restricted.....	-	-	-	231
Committed.....	-	56	-	43,689
Assigned.....	457	633	-	6,347
Unassigned.....	-	(44)	-	79
Total fund balances (deficits).....	457	645	-	50,346
Total liabilities, deferred inflows of resources and fund balances (deficits).....	\$ 457	\$ 992	\$ (1,594)	\$ 79,156

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts General Fund

Year Ended March 31, 2024
(Amounts in millions)

	Local Assistance	State Purposes	Tax Stabilization Reserve	Community Projects	Rainy Day	Refund Reserve
REVENUES:						
Taxes:						
Personal income.....	\$ -	\$ 32,681	\$ -	\$ -	\$ -	\$ -
Consumption and use.....	-	9,407	-	-	-	-
Business.....	-	10,980	-	-	-	-
Other.....	-	1,679	-	-	-	-
Federal grants.....	-	2,249	-	-	-	-
Miscellaneous.....	5	4,674	-	-	-	-
Total revenues.....	5	61,670				
EXPENDITURES:						
Local assistance grants:						
Education.....	32,790	-	-	-	-	-
Public health.....	26,137	-	-	-	-	-
Public welfare.....	4,455	-	-	-	-	-
Public safety.....	318	-	-	-	-	-
Transportation.....	534	-	-	-	-	-
Environment and recreation.....	3	-	-	-	-	-
Support and regulate business.....	431	-	-	-	-	-
General government.....	1,116	-	-	-	-	-
State operations:						
Personal service.....	-	10,016	-	-	-	-
Non-personal service.....	-	2,531	-	-	-	-
Pension contributions.....	-	1,447	-	-	-	-
Other fringe benefits.....	-	4,069	-	-	-	-
Total expenditures.....	65,784	18,063				
Excess (deficiency) of revenues over expenditures.....	(65,779)	43,607				
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	71,347	80,903	-	-	-	40,030
Transfers to other funds.....	(4,030)	(122,027)	-	-	-	(37,149)
Financing arrangements issued.....	-	144	-	-	-	-
Net other financing sources (uses).....	67,317	(40,980)				2,881
Net change in fund balances.....	1,538	2,627				2,881
Fund balances (deficits) at April 1, 2023.....	(6,749)	(195)	1,618	25	4,638	37,149
Fund balances (deficits) at March 31, 2024.....	\$ (5,211)	\$ 2,432	\$ 1,618	\$ 25	\$ 4,638	\$ 40,030

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts (cont'd)
General Fund

Year Ended March 31, 2024
 (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.....	-	-	-	-	-	-
Miscellaneous.....	541	3,241	109,308	6,422	14,510	144
Total revenues.....	541	3,241	109,308	6,422	14,510	144
EXPENDITURES:						
Local assistance grants:						
Education.....	-	-	-	-	-	-
Public health.....	-	1,172	1,466	-	-	-
Public welfare.....	-	-	-	-	-	-
Public safety.....	-	94	-	-	-	-
Transportation.....	-	-	-	-	-	-
Environment and recreation.....	-	5	-	-	-	-
Support and regulate business.....	-	67	-	-	-	-
General government.....	-	83	62	-	-	-
State operations:						
Personal service.....	-	827	-	-	-	-
Non-personal service.....	476	503	107,909	5,120	8,584	131
Pension contributions.....	-	2	-	60	-	-
Other fringe benefits.....	-	442	-	1,242	5,518	15
Total expenditures.....	476	3,195	109,437	6,422	14,102	146
Excess (deficiency) of revenues over expenditures.....	65	46	(129)	-	408	(2)
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	-	258	-	-	-	-
Transfers to other funds.....	-	(297)	-	-	-	-
Financing arrangements issued.....	-	44	-	-	-	-
Net other financing sources (uses).....	-	5	-	-	-	-
Net change in fund balances.....	65	51	(129)	-	408	(2)
Fund balances (deficits) at April 1, 2023.....	2,774	2,516	209	-	(333)	153
Fund balances (deficits) at March 31, 2024.....	\$ 2,839	\$ 2,567	\$ 80	\$ -	\$ 75	\$ 151

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) Accounts (cont'd)
General Fund

Year Ended March 31, 2024
 (Amounts in millions)

	Sole Custody	Miscellaneous	Eliminations	Total
REVENUES:				
Taxes:				
Personal income.....	\$ -	\$ -	\$ -	\$ 32,681
Consumption and use.....	-	-	-	9,407
Business.....	-	-	-	10,980
Other.....	-	-	-	1,679
Federal grants.....	-	-	-	2,249
Miscellaneous.....	5,306	10,311	(117,564)	36,898
Total revenues.....	5,306	10,311	(117,564)	93,894
EXPENDITURES:				
Local assistance grants:				
Education.....	-	-	-	32,790
Public health.....	-	7,379	(62)	36,092
Public welfare.....	-	35	-	4,490
Public safety.....	-	1	-	413
Transportation.....	-	-	-	534
Environment and recreation.....	-	1	-	9
Support and regulate business.....	-	-	-	498
General government.....	-	71	-	1,332
State operations:				
Personal service.....	-	154	-	10,997
Non-personal service.....	5,404	2,567	(110,771)	22,454
Pension contributions.....	-	-	-	1,509
Other fringe benefits.....	-	155	(6,731)	4,710
Total expenditures.....	5,404	10,363	(117,564)	115,828
Excess (deficiency) of revenues over expenditures.....	(98)	(52)	-	(21,934)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds.....	-	185	(150,556)	42,167
Transfers to other funds.....	-	(40)	150,556	(12,987)
Financing arrangements issued.....	-	-	-	188
Net other financing sources (uses).....	-	145	-	29,368
Net change in fund balances.....	(98)	93	-	7,434
Fund balances (deficits) at April 1, 2023.....	555	552	-	42,912
Fund balances (deficits) at March 31, 2024.....	\$ 457	\$ 645	\$ -	\$ 50,346

See independent auditors' report.

**Combining Schedule of
Balance Sheet Accounts
Federal Special Revenue Fund**

March 31, 2024

(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
ASSETS:								
Cash and investments.....	\$ -	\$ 8,939	\$ -	\$ 237	\$ 139	\$ -	\$ -	\$ 9,315
Receivables, net of allowance for uncollectibles:								
Due from Federal government.....	306	9,353	626	6,201	30	1	18	16,535
Other.....	18	1,622	-	-	52	-	-	1,692
Due from other funds.....	-	128	-	-	-	-	-	128
Other assets.....	1	126	-	-	-	-	-	127
Total assets.....	\$ 325	\$ 20,168	\$ 626	\$ 6,438	\$ 221	\$ 1	\$ 18	\$ 27,797
LIABILITIES:								
Accounts payable.....	\$ 10	\$ 21	\$ 7	\$ 30	\$ 4	\$ -	\$ 1	\$ 73
Accrued liabilities.....	1	7,164	266	53	14	-	7	7,505
Payable to local governments.....	198	1,983	286	6,137	-	-	-	8,604
Due to other funds.....	115	1,224	67	56	1	1	10	1,474
Unearned revenues.....	1	9,055	-	160	167	-	-	9,383
Total liabilities.....	325	19,447	626	6,436	186	1	18	27,039
DEFERRED INFLOWS OF RESOURCES.....	-	721	-	2	35	-	-	758
FUND BALANCES:								
Restricted.....	-	-	-	-	-	-	-	-
Total fund balances.....	-	-	-	-	-	-	-	-
Total liabilities, deferred inflows of resources and fund balances.....	\$ 325	\$ 20,168	\$ 626	\$ 6,438	\$ 221	\$ 1	\$ 18	\$ 27,797

See independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance Accounts in Fund Balance Accounts Federal Special Revenue Fund

Year Ended March 31, 2024
(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.....	\$ 11,484	\$ 74,599	\$ 7,310	\$ 3,093	\$ 298	\$ 1	\$ 213	\$ 96,998
Miscellaneous.....	-	558	-	44	116	-	-	718
Total revenues.....	11,484	75,157	7,310	3,137	414	1	213	97,716
EXPENDITURES:								
Local assistance grants:								
Education.....	1,585	1	6,984	2	-	-	-	8,572
Public health.....	766	66,609	13	4	-	-	-	67,392
Public welfare.....	8,960	5,067	-	341	2	1	160	14,531
Public safety.....	-	-	-	2,066	-	-	-	2,066
Transportation.....	-	-	-	62	-	-	-	62
Environment and recreation.....	-	-	-	1	-	-	-	1
Support and regulate business.....	-	-	-	11	-	-	-	11
General government.....	-	64	-	-	-	-	-	64
State operations:								
Personal service.....	41	279	103	140	183	-	18	764
Non-personal service.....	75	812	123	424	98	-	26	1,558
Pension contributions.....	3	17	7	7	14	-	1	49
Other fringe benefits.....	24	121	52	47	103	-	10	357
Total expenditures.....	11,454	72,970	7,282	3,105	400	1	215	95,427
Excess of revenues over expenditures.....	30	2,187	28	32	14	-	(2)	2,289
OTHER FINANCING USES:								
Transfers from other funds.....	-	-	-	-	-	-	-	-
Transfers to other funds.....	(30)	(2,187)	(28)	(33)	(28)	-	(2)	(2,308)
Financing arrangements issued.....	-	-	-	1	14	-	4	19
Other financing uses.....	(30)	(2,187)	(28)	(32)	(14)	-	2	(2,289)
Net change in fund balances.....	-	-	-	-	-	-	-	-
Fund balances (deficits) at April 1, 2023.....	-	-	-	-	-	-	-	-
Fund balances (deficits) at March 31, 2024.....	-	-	-	-	-	-	-	-

See independent auditors' report.

**Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
General Debt Service Fund**

Year Ended March 31, 2024
(Amounts in millions)

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance</u>
RECEIPTS:			
Taxes.....	\$ 42,374	\$ 43,213	\$ 839
Federal grants.....	67	60	(7)
Total receipts.....	<u>42,441</u>	<u>43,273</u>	<u>832</u>
DISBURSEMENTS:			
State operations ⁽¹⁾	45	47	(2)
Debt service ⁽¹⁾	2,585	6,976	(4,391)
Total disbursements.....	<u>2,630</u>	<u>7,023</u>	<u>(4,393)</u>
Excess of receipts over disbursements.....	<u>39,811</u>	<u>36,250</u>	<u>(3,561)</u>
OTHER FINANCING SOURCES (USES):			
Transfers from other funds.....	303	316	13
Transfers to other funds.....	(40,114)	(36,565)	3,549
Net other financing sources (uses).....	<u>(39,811)</u>	<u>(36,249)</u>	<u>3,562</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

(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, 2024

(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS:				
Cash and investments.....	\$ 9,677	\$ 143	\$ 7,721	\$ 17,541
Receivables, net of allowance for uncollectibles:				
Taxes.....	923	36	67	1,026
Leases.....	-	-	3	3
Due from Federal government.....	-	-	653	653
Other.....	2,495	146	59	2,700
Due from other funds.....	1,040	266	1,344	2,650
Other assets.....	1	-	25	26
Total assets.....	\$ 14,136	\$ 591	\$ 9,872	\$ 24,599
LIABILITIES:				
Tax refunds payable.....	\$ 1,042	\$ -	\$ 19	\$ 1,061
Accounts payable.....	9	7	302	318
Accrued liabilities.....	49	28	110	187
Payable to local governments.....	204	-	48	252
Due to other funds.....	89	37	2,057	2,183
Unearned revenues.....	-	2	-	2
Total liabilities.....	1,393	74	2,536	4,003
DEFERRED INFLOWS OF RESOURCES.....	1,198	8	25	1,231
FUND BALANCES:				
Restricted.....	1,174	89	34	1,297
Committed.....	5,428	420	8,690	14,538
Assigned.....	5,028	-	27	5,055
Unassigned.....	(85)	-	(1,440)	(1,525)
Total fund balances.....	11,545	509	7,311	19,365
Total liabilities, deferred inflows of resources and fund balances.....	\$ 14,136	\$ 591	\$ 9,872	\$ 24,599

See independent auditors' report.

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

Year Ended March 31, 2024
(Amounts in millions)

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES:				
Taxes:				
Personal income	\$ 1,612	\$ -	\$ -	\$ 1,612
Consumption and use	2,144	-	621	2,765
Business	2,765	-	639	3,404
Other	3,042	945	257	4,244
Federal grants	-	-	2,747	2,747
Public health/patient fees	6,431	559	-	6,990
Tobacco settlement	484	-	-	484
Miscellaneous	5,506	23	1,604	7,133
Total revenues	21,984	1,527	5,868	29,379
EXPENDITURES:				
Local assistance grants:				
Education	6,159	-	408	6,567
Public health	7,326	-	588	7,914
Public welfare	1	-	1,034	1,035
Public safety	263	-	24	287
Transportation	8,295	-	1,417	9,712
Environment and recreation	-	-	837	837
Support and regulate business	10	-	970	980
General government	177	-	605	782
State operations:				
Personal service	259	-	-	259
Non-personal service	2,046	19	-	2,065
Pension contributions	27	-	-	27
Other fringe benefits	116	-	-	116
Capital construction	-	-	7,237	7,237
Debt service, including payments on financing arrangements	-	93	-	93
Total expenditures	24,679	112	13,120	37,911
Excess (deficiency) of revenues over expenditures	(2,695)	1,415	(7,252)	(8,532)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	4,549	1,569	5,775	11,893
Transfers to other funds	(677)	(3,094)	(1,601)	(5,372)
General obligation bonds issued	-	-	468	468
Financing arrangements issued	39	-	4,183	4,222
Premiums/discounts on bonds issued	-	-	353	353
Net other financing sources (uses)	3,911	(1,525)	9,178	11,564
Net change in fund balances	1,216	(110)	1,926	3,032
Fund balances (deficits) at April 1, 2023	10,329	619	5,385	16,333
Fund balances (deficits) at March 31, 2024	\$ 11,545	\$ 509	\$ 7,311	\$ 19,365

See independent auditors' report.

**Combining Schedule of Cash Receipts and Disbursements
Budgetary Basis - Financial Plan and Actual
Other Governmental Funds**

Year Ended March 31, 2024
(Amounts in millions)

	Special Revenue			Debt Service			Capital Projects		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:									
Taxes.....	\$ 6,260	\$ 6,323	\$ 63	\$ 909	\$ 908	\$ (1)	\$ 1,526	\$ 1,517	\$ (9)
Miscellaneous.....	18,919	22,310	3,391	375	506	131	7,043	4,941	(2,102)
Federal grants.....	(17)	(11)	6	-	-	-	3,297	2,743	(554)
Total receipts.....	25,162	28,622	3,460	1,284	1,414	130	11,866	9,201	(2,665)
DISBURSEMENTS:									
Local assistance grants ⁽¹⁾	17,569	20,082	(2,513)	-	-	-	4,796	6,036	(1,240)
State operations ⁽¹⁾	8,865	9,229	(364)	2	2	-	-	-	-
General State charges.....	1,211	1,046	165	-	-	-	-	-	-
Debt service.....	-	-	-	22	21	1	-	-	-
Capital projects.....	-	-	-	-	-	-	10,873	8,672	2,201
Total disbursements.....	27,645	30,357	(2,712)	24	23	1	15,669	14,708	961
Excess (deficiency) of receipts over disbursements.....	(2,483)	(1,735)	748	1,260	1,391	131	(3,803)	(5,507)	(1,704)
OTHER FINANCING SOURCES (USES):									
Bond and note proceeds, net.....	-	-	-	-	-	-	564	505	(59)
Transfers from other funds.....	4,154	3,468	(686)	1,836	1,609	(227)	4,103	6,185	2,082
Transfers to other funds.....	(1,936)	(1,205)	731	(3,083)	(3,056)	27	(897)	(907)	(10)
Net other financing sources (uses).....	2,218	2,263	45	(1,247)	(1,447)	(200)	3,770	5,783	2,013
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ (265)	\$ 528	\$ 793	\$ 13	\$ (56)	\$ (69)	\$ (33)	\$ 276	\$ 309

(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, 2024
(Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	Health Care Transformation	Mass Transportation Operating Assistance	MTA Financial Assistance	Indigent Legal Services
ASSETS:							
Cash and investments.....	\$ 10	\$ 1,293	\$ 91	\$ 378	\$ 1,145	\$ 467	\$ 945
Receivables, net of allowance for uncollectibles:							
Taxes.....	475	34	14	-	149	249	-
Other.....	-	910	-	-	-	34	-
Due from other funds.....	-	-	11	-	-	-	11
Other assets.....	-	-	-	-	-	-	-
Total assets.....	\$ 485	\$ 2,237	\$ 116	\$ 378	\$ 1,294	\$ 750	\$ 956
LIABILITIES:							
Tax refunds payable.....	\$ 405	\$ 1	\$ 9	\$ -	\$ 206	\$ 421	\$ -
Accounts payable.....	-	2	-	-	-	-	-
Accrued liabilities.....	1	4	-	-	-	32	-
Payable to local governments.....	31	70	-	-	-	-	27
Due to other funds.....	-	-	-	-	-	-	-
Total liabilities.....	\$ 437	\$ 77	\$ 9	\$ -	\$ 206	\$ 453	\$ 27
DEFERRED INFLOWS OF RESOURCES.....	23	-	1	-	-	-	-
FUND BALANCES (DEFICITS):							
Restricted.....	-	-	-	378	-	297	-
Committed.....	25	2,160	106	-	1,088	-	929
Assigned.....	-	-	-	-	-	-	-
Unassigned.....	-	-	-	-	-	-	-
Total fund balances.....	\$ 25	\$ 2,160	\$ 106	\$ 378	\$ 1,088	\$ 297	\$ 929
Total liabilities, deferred inflows of resources and fund balances.....	\$ 485	\$ 2,237	\$ 116	\$ 378	\$ 1,294	\$ 750	\$ 956

See independent auditors' report.

Combining Balance Sheet (cont'd)
Other Governmental Funds - Special Revenue Funds

March 31, 2024
 (Amounts in millions)

	Dedicated Miscellaneous State Special Revenue	Sole Custody	Miscellaneous Funds	Eliminations	Total
ASSETS:					
Cash and investments.....	\$ 301	\$ 3,857	\$ 1,190	\$ -	\$ 9,677
Receivables, net of allowance for uncollectibles:					
Taxes.....	-	-	2	-	923
Other.....	996	196	359	-	2,495
Due from other funds.....	1	942	79	(4)	1,040
Other assets.....	-	-	1	-	1
Total assets.....	\$ 1,298	\$ 4,995	\$ 1,631	\$ (4)	\$ 14,136
LIABILITIES:					
Tax refunds payable.....	\$ -	\$ -	\$ -	\$ -	\$ 1,042
Accounts payable.....	-	-	7	-	9
Accrued liabilities.....	-	-	12	-	49
Payable to local governments.....	1	-	75	-	204
Due to other funds.....	-	-	93	(4)	89
Total liabilities.....	\$ 1	\$ -	\$ 187	\$ (4)	\$ 1,393
DEFERRED INFLOWS OF RESOURCES.....	891	-	283	-	1,198
FUND BALANCES (DEFICITS):					
Restricted.....	-	-	499	-	1,174
Committed.....	406	10	704	-	5,428
Assigned.....	-	4,985	43	-	5,028
Unassigned.....	-	-	(85)	-	(85)
Total fund balances.....	406	4,995	1,161	-	11,545
Total liabilities, deferred inflows of resources and fund balances.....	\$ 1,298	\$ 4,995	\$ 1,631	\$ (4)	\$ 14,136

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2024
 (Amounts in millions)

	School Tax Relief (STAR)	Health Care Reform Act Resources	Dedicated Mass Transportation Trust	Health Care Transformation	Mass Transportation Operating Assistance	MTA Financial Assistance	Indigent Legal Services
REVENUES:							
Taxes:							
Personal income	\$ 1,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consumption and use	-	605	105	-	1,308	84	-
Business	-	-	359	-	2,406	-	-
Other	-	-	-	-	-	3,042	-
Public health/patient fees	-	6,431	-	-	-	-	-
Tobacco settlement	-	484	-	-	-	-	-
Miscellaneous	-	89	137	31	62	560	379
Total revenues	1,612	7,609	601	31	3,776	3,686	379
EXPENDITURES:							
Local assistance grants:							
Education	1,608	-	-	-	-	-	-
Public health	-	7,227	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	227
Transportation	-	-	666	-	3,647	3,981	-
Support and regulate business	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-
State operations:							
Personal service	-	13	-	-	3	-	4
Non-personal service	-	65	-	-	-	-	37
Pension contributions	-	1	-	-	-	-	1
Other fringe benefits	-	7	-	-	2	-	2
Total expenditures	1,608	7,313	666	-	3,652	3,981	271
Excess (deficiency) of revenues over expenditures	4	296	(65)	31	124	(295)	108
OTHER FINANCING SOURCES (USES):							
Transfers from other funds	-	-	66	125	36	399	(38)
Transfers to other funds	-	(164)	-	(342)	-	-	-
Financing arrangements issued	-	-	-	-	-	-	1
Net other financing sources (uses)	-	(164)	66	(217)	36	399	(37)
Net change in fund balances	4	132	1	(186)	160	104	71
Fund balances (deficits) at April 1, 2023	21	2,028	105	564	928	193	858
Fund balances (deficits) at March 31, 2024	25	2,160	106	378	1,088	297	929

See independent auditors' report.

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (cont'd)
Other Governmental Funds - Special Revenue Funds

Year Ended March 31, 2024
 (Amounts in millions)

	Dedicated Miscellaneous State Special Revenue	Sole Custody	Miscellaneous Funds	Eliminations	Total
REVENUES:					
Taxes:					
Personal income.....	\$ -	\$ -	\$ -	\$ -	\$ 1,612
Consumption and use.....	1	-	41	-	2,144
Business.....	-	-	-	-	2,765
Other.....	-	-	-	-	3,042
Public health/patient fees.....	-	-	-	-	6,431
Tobacco settlement.....	-	-	-	-	484
Miscellaneous.....	126	2,157	2,028	(63)	5,506
Total revenues.....	127	2,157	2,069	(63)	21,984
EXPENDITURES:					
Local assistance grants:					
Education.....	-	3,336	1,215	-	6,159
Public health.....	91	-	8	-	7,326
Public welfare.....	-	-	1	-	1
Public safety.....	-	-	36	-	263
Transportation.....	-	-	1	-	8,295
Support and regulate business.....	-	-	10	-	10
General government.....	-	-	177	-	177
State operations:					
Personal service.....	1	-	238	-	259
Non-personal service.....	4	1,771	232	(63)	2,046
Pension contributions.....	1	-	24	-	27
Other fringe benefits.....	-	-	105	-	116
Total expenditures.....	97	5,107	2,047	(63)	24,679
Excess (deficiency) of revenues over expenditures.....	30	(2,950)	22	-	(2,695)
OTHER FINANCING SOURCES (USES):					
Transfers from other funds.....	-	3,775	192	(6)	4,549
Transfers to other funds.....	-	-	(177)	6	(677)
Financing arrangements issued.....	-	-	38	-	39
Net other financing sources (uses).....	-	3,775	53	-	3,911
Net change in fund balances.....	30	825	75	-	1,216
Fund balances (deficits) at April 1, 2023.....	376	4,170	1,086	-	10,329
Fund balances (deficits) at March 31, 2024.....	406	4,995	1,161	-	11,545

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, 2024
 (Amounts in millions)

	School Tax Relief		Mass Transportation Operating Assistance		State Special Revenue Account		
	Financial Plan	Actual	Financial Plan	Actual	Financial Plan	Actual	Variance
RECEIPTS:							
Taxes.....	\$ 1,617	\$ 1,608	\$ 3,497	\$ 3,605	\$ -	\$ -	\$ -
Miscellaneous.....	-	-	18	63	894	3,276	2,382
Federal grants.....	-	-	-	-	-	1	1
Total receipts.....	1,617	1,608	3,515	3,668	894	3,277	2,383
DISBURSEMENTS:							
Local assistance grants (1).....	1,617	1,608	3,653	3,647	(913)	1,424	(2,337)
State operations (1).....	-	-	4	4	1,309	1,546	(237)
General State charges.....	-	-	2	2	465	450	15
Total disbursements.....	1,617	1,608	3,659	3,653	861	3,420	(2,559)
Excess (deficiency) of receipts over disbursements.....	-	-	(144)	15	33	(143)	(176)
OTHER FINANCING SOURCES (USES):							
Transfers from other funds.....	-	-	38	36	620	492	(128)
Transfers to other funds.....	-	-	-	(1)	(500)	(312)	188
Net other financing sources (uses).....	-	-	38	35	120	180	60
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ -	\$ -	\$ (106)	\$ 50	\$ 153	\$ 37	\$ (116)

(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, 2024
(Amounts in millions)

	Other			Eliminations			Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual		Financial Plan	Actual	Variance
RECEIPTS:									
Taxes.....	\$ 1,146	\$ 1,110	\$ (36)	\$ -	\$ -		\$ 6,260	\$ 6,323	\$ 63
Miscellaneous.....	18,007	18,971	964	-	-		18,919	22,310	3,391
Federal grants.....	(17)	(12)	5	-	-		(17)	(11)	6
Total receipts.....	19,136	20,069	933	-	-		25,162	28,622	3,460
DISBURSEMENTS:									
Local assistance grants ⁽¹⁾	13,212	13,403	(191)	-	-		17,569	20,082	(2,513)
State operations ⁽¹⁾	7,552	7,679	(127)	-	-		8,865	9,229	(364)
General State charges.....	744	594	150	-	-		1,211	1,046	165
Total disbursements.....	21,508	21,676	(168)	-	-		27,645	30,357	(2,712)
Excess (deficiency) of receipts over disbursements.....	(2,372)	(1,607)	765	-	-		(2,483)	(1,735)	748
OTHER FINANCING SOURCES (USES):									
Transfers from other funds.....	3,964	3,201	(763)	(468)	(261)		4,154	3,468	(686)
Transfers to other funds.....	(1,904)	(1,153)	751	468	261		(1,936)	(1,205)	731
Net other financing sources (uses).....	2,060	2,048	(12)	-	-		2,218	2,263	45
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ (312)	\$ 441	\$ 753	\$ -	\$ -		\$ (265)	\$ 528	\$ 793

(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, 2024

(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/Clean Air	Total
ASSETS:					
Cash and investments.....	\$ 68	\$ -	\$ 74	\$ 1	\$ 143
Receivables, net of allowance for uncollectibles:					
Taxes.....	-	-	-	36	36
Other.....	111	10	25	-	146
Due from other funds.....	263	-	3	-	266
Total assets.....	\$ 442	\$ 10	\$ 102	\$ 37	\$ 591
LIABILITIES:					
Accounts payable.....	-	-	7	-	7
Accrued liabilities.....	-	-	28	-	28
Due to other funds.....	-	-	-	37	37
Unearned revenues.....	-	2	-	-	2
Total liabilities.....	-	2	35	37	74
DEFERRED INFLOWS OF RESOURCES.....	7	-	1	-	8
FUND BALANCES (DEFICITS):					
Restricted.....	59	8	22	-	89
Committed.....	376	-	44	-	420
Total fund balances.....	435	8	66	-	509
Total liabilities, deferred inflows of resources and fund balances.....	\$ 442	\$ 10	\$ 102	\$ 37	\$ 591

See independent auditors' report.

**Combining Statement of
Revenues, Expenditures and Changes in
Fund Balances
Other Governmental Funds - Debt Service Funds**

Year Ended March 31, 2024
(Amounts in millions)

	Mental Health Services	State Housing Debt	Department of Health Income	Clean Water/ Clean Air	Total
REVENUES:					
Taxes:					
Other.....	\$ -	\$ -	\$ -	\$ 945	\$ 945
Patient fees.....	449	-	110	-	559
Miscellaneous.....	19	2	2	-	23
Total revenues.....	468	2	112	945	1,527
EXPENDITURES:					
Non-personal service.....	18	-	1	-	19
Debt service, including payments on financing arrangements.....	69	1	23	-	93
Total expenditures.....	87	1	24	-	112
Excess (deficiency) of revenues over expenditures.....	381	1	88	945	1,415
OTHER FINANCING SOURCES (USES):					
Transfers from other funds.....	1,518	-	51	-	1,569
Transfers to other funds.....	(2,003)	-	(146)	(945)	(3,094)
Net other financing sources (uses).....	(485)	-	(95)	(945)	(1,525)
Net change in fund balances.....	(104)	1	(7)	-	(110)
Fund balances (deficits) at April 1, 2023.....	539	7	73	-	619
Fund balances (deficits) at March 31, 2024.....	\$ 435	\$ 8	\$ 66	\$ -	\$ 509

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, 2024
 (Amounts in millions)

	Mental Health Services			Clean Water/Clean Air		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes.....	\$ -	\$ -	\$ -	\$ 909	\$ 908	\$ (1)
Miscellaneous.....	238	382	144	-	-	-
Total receipts.....	238	382	144	909	908	(1)
DISBURSEMENTS:						
State operations.....	-	-	-	-	-	-
Debt service.....	-	-	-	-	-	-
Total disbursements.....	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements.....	238	382	144	909	908	(1)
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	1,793	1,559	(234)	-	-	-
Transfers to other funds.....	(2,032)	(2,003)	29	(909)	(908)	1
Net other financing sources (uses).....	(239)	(444)	(205)	(909)	(908)	1
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ (1)	\$ (62)	\$ (61)	\$ -	\$ -	\$ -

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, 2024
(Amounts in millions)

	Other			Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes.....	\$ -	\$ -	\$ -	\$ 909	\$ 908	\$ (1)
Miscellaneous.....	137	124	(13)	375	506	131
Total receipts.....	137	124	(13)	1,284	1,414	130
DISBURSEMENTS:						
State operations.....	2	2	-	2	2	-
Debt service.....	22	21	1	22	21	1
Total disbursements.....	24	23	1	24	23	1
Excess (deficiency) of receipts over disbursements.....	113	101	(12)	1,260	1,391	131
OTHER FINANCING SOURCES (USES):						
Transfers from other funds.....	43	50	7	1,836	1,609	(227)
Transfers to other funds.....	(142)	(145)	(3)	(3,083)	(3,056)	27
Net other financing sources (uses).....	(99)	(95)	4	(1,247)	(1,447)	(200)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ 14	\$ 6	\$ (8)	\$ 13	\$ (56)	\$ (69)

See independent auditors' report.

Combining Balance Sheet
Other Governmental Funds - Capital Projects Funds

March 31, 2024
 (Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Hazardous Waste Remedial	Federal Capital Projects	Housing Program	Mental Hygiene Facilities Capital Improvement
ASSETS:							
Cash and investments.....	\$ 7,057	\$ 40	\$ 381	\$ -	\$ -	\$ -	\$ -
Receivables, net of allowance for uncollectibles:							
Taxes.....	-	67	-	-	-	-	-
Leases.....	2	-	1	-	-	-	-
Due from Federal government.....	-	-	-	-	653	-	-
Other.....	12	38	2	7	-	-	-
Due from other funds.....	1,246	76	1	-	54	-	-
Other assets.....	-	-	-	-	-	25	-
Total assets.....	\$ 8,317	\$ 221	\$ 385	\$ 7	\$ 707	\$ 25	\$ -
LIABILITIES:							
Tax refunds payable.....	\$ -	\$ 19	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable.....	114	28	2	3	95	-	10
Accrued liabilities.....	63	36	-	1	8	-	-
Payable to local governments.....	30	1	2	-	6	-	5
Due to other funds.....	84	7	1	84	598	468	477
Total liabilities.....	291	91	5	88	707	468	492
DEFERRED INFLOWS OF RESOURCES.....	2	18	2	3	-	-	-
FUND BALANCES (DEFICITS):							
Restricted.....	9	-	-	-	-	-	-
Committed.....	8,015	112	378	-	-	-	-
Assigned.....	-	-	-	-	-	-	-
Unassigned.....	-	-	-	(84)	-	(443)	(492)
Total fund balances (deficits).....	8,024	112	378	(84)	-	(443)	(492)
Total liabilities, deferred inflows of resources and fund balances (deficits).....	\$ 8,317	\$ 221	\$ 385	\$ 7	\$ 707	\$ 25	\$ -

See independent auditors' report.

Combining Balance Sheet (cont'd)
Other Governmental Funds - Capital Projects Funds

March 31, 2024
 (Amounts in millions)

	Correctional Facilities Capital Improvement	Miscellaneous Bond funds	Miscellaneous Funds	Eliminations	Total
ASSETS:					
Cash and investments.....	\$ -	\$ 25	\$ 218	\$ -	\$ 7,721
Receivables, net of allowance for uncollectibles:					
Taxes.....	-	-	-	-	67
Leases.....	-	-	-	-	3
Due from Federal government.....	-	-	-	-	653
Other.....	-	-	-	-	59
Due from other funds.....	-	-	-	(33)	1,344
Other assets.....	-	-	-	-	25
Total assets.....	\$ -	\$ 25	\$ 218	\$ (33)	\$ 9,872
LIABILITIES:					
Tax refunds payable.....	\$ -	\$ -	\$ -	\$ -	19
Accounts payable.....	37	-	13	-	302
Accrued liabilities.....	-	-	2	-	110
Payable to local governments.....	-	-	4	-	48
Due to other funds.....	162	-	209	(33)	2,057
Total liabilities.....	199	-	228	(33)	2,536
DEFERRED INFLOWS OF RESOURCES.....	-	-	-	-	25
FUND BALANCES (DEFICITS):					
Restricted.....	-	25	-	-	34
Committed.....	-	-	185	-	8,690
Assigned.....	-	-	27	-	27
Unassigned.....	(199)	-	(222)	-	(1,440)
Total fund balances (deficits).....	(199)	25	(10)	-	7,311
Total liabilities, deferred inflows of resources and fund balances (deficits).....	\$ -	\$ 25	\$ 218	\$ (33)	\$ 9,872

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, 2024
(Amounts in millions)

	State Capital Projects	Dedicated Highway and Bridge Trust	Environmental Protection	Hazardous Waste Remedial	Federal Capital Projects	Housing Program	Mental Hygiene Facilities Capital Improvement
REVENUES:							
Taxes:							
Consumption and use.....	\$ -	\$ 621	\$ -	\$ -	\$ -	\$ -	\$ -
Business.....	-	639	-	-	-	-	-
Other.....	-	-	257	-	-	-	-
Federal grants.....	-	4	-	-	2,743	-	-
Miscellaneous.....	457	896	73	52	-	1	37
Total revenues.....	457	2,160	330	52	2,743	1	37
EXPENDITURES:							
Local assistance grants:							
Education.....	408	-	-	-	-	-	-
Public health.....	393	-	-	-	101	-	93
Public welfare.....	-	-	-	-	-	998	-
Public safety.....	24	-	-	-	-	-	-
Transportation.....	1,070	-	-	-	340	-	-
Environment and recreation.....	217	-	106	3	511	-	-
Support and regulate business.....	761	-	-	-	9	-	-
General government.....	520	-	1	-	-	-	-
Capital construction.....	2,079	2,094	173	139	1,787	-	296
Total expenditures.....	5,472	2,094	280	142	2,748	998	389
Excess (deficiency) of revenues over expenditures.....	(5,015)	66	50	(90)	(5)	(997)	(352)
OTHER FINANCING SOURCES (USES):							
Transfers from other funds.....	3,816	798	103	77	5	905	46
Transfers to other funds.....	(687)	(884)	(6)	(23)	-	-	(4)
General obligation bonds issued.....	-	-	15	-	-	-	-
Financing arrangements issued.....	2,969	21	15	125	-	154	418
Premiums/discounts on bonds issued.....	211	-	1	13	-	9	46
Net other financing sources (uses).....	6,309	(65)	113	192	5	1,068	506
Net change in fund balances.....	1,294	1	163	102	-	71	154
Fund balances (deficits) at April 1, 2023.....	6,730	111	215	(186)	-	(514)	(646)
Fund balances (deficits) at March 31, 2024.....	\$ 8,024	\$ 112	\$ 378	\$ (84)	\$ -	\$ (443)	\$ (492)

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, 2024
(Amounts in millions)

	Correctional Facilities Capital Improvement	Miscellaneous Bond Funds	Miscellaneous Funds	Eliminations	Total
REVENUES:					
Taxes:					
Consumption and use.....	\$ -	\$ -	\$ -	\$ -	621
Business.....	-	-	-	-	639
Other.....	-	-	-	-	257
Federal grants.....	-	-	-	-	2,747
Miscellaneous.....	-	-	88	-	1,604
Total revenues.....	-	-	88	-	5,868
EXPENDITURES:					
Local assistance grants:					
Education.....	-	-	-	-	408
Public health.....	-	-	1	-	588
Public welfare.....	-	-	36	-	1,034
Public safety.....	-	-	-	-	24
Transportation.....	-	-	7	-	1,417
Environment and recreation.....	-	-	-	-	837
Support and regulate business.....	-	-	200	-	970
General government.....	-	-	84	-	605
Capital construction.....	391	1	277	-	7,237
Total expenditures.....	391	1	605	-	13,120
Excess (deficiency) of revenues over expenditures.....	(391)	(1)	(517)	-	(7,252)
OTHER FINANCING SOURCES (USES):					
Transfers from other funds.....	160	-	363	(518)	5,775
Transfers to other funds.....	-	(516)	1	518	(1,601)
General obligation bonds issued.....	-	468	-	-	468
Financing arrangements issued.....	288	-	193	-	4,183
Premiums/discounts on bonds issued.....	23	39	11	-	353
Net other financing sources (uses).....	471	(9)	588	-	9,178
Net change in fund balances.....	80	(10)	71	-	1,926
Fund balances (deficits) at April 1, 2023.....	(279)	35	(81)	-	5,385
Fund balances (deficits) at March 31, 2024.....	(199)	\$ 25	(10)	\$ -	7,311

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, 2024
(Amounts in millions)

	State Capital Projects			Dedicated Highway and Bridge Trust		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes.....	\$ -	\$ -	\$ -	\$ 1,269	\$ 1,260	\$ (9)
Miscellaneous.....	3,402	2,662	(740)	1,569	899	(670)
Federal grants.....	-	-	-	4	4	-
Total receipts.....	3,402	2,662	(740)	2,842	2,163	(679)
DISBURSEMENTS:						
Local assistance grants ⁽¹⁾	2,192	3,383	(1,191)	59	1	58
Capital projects ⁽¹⁾	4,486	3,392	1,094	1,942	2,102	(160)
Total disbursements.....	6,678	6,775	(97)	2,001	2,103	(102)
Excess (deficiency) of receipts over disbursements.....	(3,276)	(4,113)	(837)	841	60	(781)
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net.....	-	-	-	-	-	-
Transfers from other funds.....	3,282	4,115	833	31	799	768
Transfers to other funds.....	(6)	(2)	4	(872)	(884)	(12)
Net other financing sources (uses).....	3,276	4,113	837	(841)	(85)	756
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ -	\$ -	\$ -	\$ -	\$ (25)	\$ (25)

(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, 2024
(Amounts in millions)

	Federal Capital Projects			Hazardous Waste Remedial		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Variance
RECEIPTS:						
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous.....	233	-	(233)	130	188	58
Federal grants.....	3,292	2,739	(553)	-	-	-
Total receipts.....	3,525	2,739	(786)	130	188	58
DISBURSEMENTS:						
Local assistance grants ⁽¹⁾	1,088	1,044	44	-	2	(2)
Capital projects ⁽¹⁾	2,348	1,787	561	126	140	(14)
Total disbursements.....	3,436	2,831	605	126	142	(16)
Excess (deficiency) of receipts over disbursements.....	89	(93)	(182)	4	46	42
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds, net.....	-	-	-	-	-	-
Transfers from other funds.....	38	-	(38)	18	77	59
Transfers to other funds.....	-	-	-	(25)	(23)	2
Net other financing sources (uses).....	38	-	(38)	(7)	54	61
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ 127	\$ (93)	\$ (220)	\$ (3)	\$ 100	\$ 103

(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, 2024
(Amounts in millions)

	Other			Eliminations			Total		
	Financial Plan	Actual	Variance	Financial Plan	Actual	Financial Plan	Actual	Variance	
RECEIPTS:									
Taxes.....	\$ 257	\$ 257	\$ -	\$ -	\$ -	\$ 1,526	\$ 1,517	\$ (9)	
Miscellaneous.....	1,709	1,192	(517)	-	-	7,043	4,941	(2,102)	
Federal grants.....	1	-	(1)	-	-	3,297	2,743	(554)	
Total receipts.....	1,967	1,449	(518)	-	-	11,866	9,201	(2,665)	
DISBURSEMENTS:									
Local assistance grants ⁽¹⁾	1,457	1,606	(149)	-	-	4,796	6,036	(1,240)	
Capital projects ⁽¹⁾	1,971	1,251	720	-	-	10,873	8,672	2,201	
Total disbursements.....	3,428	2,857	571	-	-	15,669	14,708	961	
Excess (deficiency) of receipts over disbursements.....	(1,461)	(1,408)	53	-	-	(3,803)	(5,507)	(1,704)	
OTHER FINANCING SOURCES (USES):									
Bond and note proceeds, net.....	564	505	(59)	-	-	564	505	(59)	
Transfers from other funds.....	1,405	1,194	(211)	(671)	-	4,103	6,185	2,082	
Transfers to other funds.....	(665)	2	667	671	-	(897)	(907)	(10)	
Net other financing sources (uses).....	1,304	1,701	397	-	-	3,770	5,783	2,013	
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses.....	\$ (157)	\$ 293	\$ 450	\$ -	\$ -	\$ (33)	\$ 276	\$ 309	

(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
Pension (and Other Employee Benefit) Trusts

March 31, 2024

(Amounts in millions)

	Pension Trust Fund		OPEB Trust Fund	Total
	Employees' Retirement System	Police and Fire Retirement System	Retiree Health Benefit Trust Fund	
ASSETS:				
Cash and investments.....	\$ -	\$ -	\$ 1,568	\$ 1,568
Retirement system investments:				
Short-term investments.....	4,940	905	-	5,845
Domestic equities.....	64,347	11,779	-	76,126
Global fixed income.....	44,440	8,135	-	52,575
International equities.....	32,074	5,870	-	37,944
Private equities.....	33,448	6,122	-	39,570
Real estate and mortgage loans.....	22,187	4,061	-	26,248
Opportunistic/ARS investments.....	6,880	1,259	-	8,139
Real assets.....	7,891	1,444	-	9,335
Credit assets.....	10,403	1,904	-	12,307
Securities lending collateral, invested.....	23,788	4,354	-	28,142
Forward foreign exchange contracts.....	29	6	-	35
Receivables, net of allowances for uncollectibles:				
Employer contributions.....	42	85	-	127
Member contributions.....	10	2	-	12
Member loans.....	970	13	-	983
Accrued interest and dividends.....	433	79	-	512
Investment sales.....	256	47	-	303
Other.....	82	13	-	95
Other assets.....	531	95	-	626
Total assets.....	252,751	46,173	1,568	300,492
LIABILITIES:				
Securities lending obligations.....	23,782	4,353	-	28,135
Forward foreign exchange contracts.....	30	5	-	35
Employer Reserve and Prepayments.....	1,799	245	-	2,044
Accounts payable - investments.....	581	106	-	687
Accounts payable - benefits.....	222	12	-	234
Other liabilities.....	364	57	-	421
Total liabilities.....	26,778	4,778	-	31,556
NET POSITION:				
Restricted for:				
Pension benefits.....	225,973	41,395	-	267,368
Other postemployment benefits.....	-	-	1,568	1,568
Total net position.....	\$ 225,973	\$ 41,395	\$ 1,568	\$ 268,936

See independent auditors' report.

Combining Statement of Changes in Fiduciary Net Position
Pension (and Other Employee Benefit) Trusts

Year Ended March 31, 2024

(Amounts in millions)

	Pension Trust Fund		OPEB Trust Fund	Total
	Employees' Retirement System	Police and Fire Retirement System	Retiree Health Benefit Trust Fund	
Additions:				
Investment earnings:				
Interest income.....	\$ 1,572	\$ 286	\$ 68	\$ 1,926
Dividend income.....	1,291	235	-	1,526
Securities lending income.....	1,373	249	-	1,622
Other income.....	1,439	261	-	1,700
Net increase in the fair value of investments.....	20,574	3,736	-	24,310
Total investment earnings.....	26,249	4,767	68	31,084
Less:				
Securities lending expenses.....	(1,316)	(239)	-	(1,555)
Investment expenses.....	(929)	(169)	-	(1,098)
Net investment earnings.....	24,004	4,359	68	28,431
Contributions:				
Employers.....	3,887	1,168	2,946	8,001
Members.....	677	112	-	789
Interest on accounts receivable.....	3	4	-	7
Other.....	61	20	-	81
Total contributions.....	4,628	1,304	2,946	8,878
Total additions.....	28,632	5,663	3,014	37,309
Deductions:				
Benefits paid:				
Retirement allowances.....	13,262	2,547	-	15,809
Death benefits.....	284	17	-	301
Other benefits.....	86	4	-	90
Administrative expenses.....	210	25	-	235
Other postemployment benefits.....	-	-	2,696	2,696
Total deductions.....	13,842	2,593	2,696	19,131
Net increase (decrease) in net position.....	14,790	3,070	318	18,178
Net position restricted for pension and other postemployment benefits at April 1, 2023.....	211,183	38,325	1,250	250,758
Net position restricted for pension and other postemployment benefits at March 31, 2024.....	\$ 225,973	\$ 41,395	\$ 1,568	\$ 268,936

See independent auditors' report.

**Combining Statement of Fiduciary Net Position
Private Purpose Trusts**

March 31, 2024
(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Tuition Savings Program	NY ABLE Savings Program	Total
ASSETS:					
Cash and investments.....	\$ 4	\$ 12	\$ 46,936	\$ 33	\$ 46,985
Receivables, net of allowance for uncollectibles.....	-	-	139	-	139
Total assets.....	4	12	47,075	33	47,124
LIABILITIES:					
Accrued liabilities.....	-	-	149	-	149
Total liabilities.....	-	-	149	-	149
NET POSITION:					
Restricted for:					
Other specified purposes.....	4	12	46,926	33	46,975
Total net position.....	4	12	46,926	33	46,975

See independent auditors' report.

**Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trusts**

Year Ended March 31, 2024
(Amounts in millions)

	Agriculture Producers' Security	Milk Producers' Security	Tuition Savings Program	NY ABLE Savings Program	Total
Additions:					
Dividend income.....	\$ -	\$ -	\$ 1,158	\$ 1	\$ 1,159
Other income.....	1	-	7	-	8
Net increase (decrease) in the fair value of investments.....	-	-	5,179	2	5,181
Total investment and other losses.....	1	-	6,344	3	6,348
Less:					
Investment expenses.....	-	-	(70)	-	(70)
Net investment and other losses.....	1	-	6,274	3	6,278
Contributions:					
College savings.....	-	-	4,108	-	4,108
NY ABLE savings.....	-	-	-	13	13
Total contributions.....	-	-	4,108	13	4,121
Total additions.....	1	-	10,382	16	10,399
Deductions:					
College aid redemptions.....	-	-	3,747	-	3,747
NY ABLE savings.....	-	-	-	7	7
Miscellaneous.....	-	1	-	-	1
Total deductions.....	-	1	3,747	7	3,755
Net increase (decrease).....	1	(1)	6,635	9	6,644
Net position restricted at April 1, 2023.....	3	13	40,291	24	40,331
Net position restricted at March 31, 2024.....	\$ 4	\$ 12	\$ 46,926	\$ 33	\$ 46,975

See independent auditors' report.

Combining Statement of Fiduciary Net Position
Custodial Funds

March 31, 2024

(Amounts in millions)

	<u>Sole Custody</u>	<u>Miscellaneous</u>	<u>Total</u>
ASSETS:			
Cash and investments.....	\$ 2,030	\$ 84	\$ 2,114
Receivables, net of allowance for uncollectibles.....	8	1	9
Total assets.....	<u>2,038</u>	<u>85</u>	<u>2,123</u>
LIABILITIES:			
Accounts payable.....	-	1	1
Payable to local governments.....	1,402	-	1,402
Total liabilities.....	<u>1,402</u>	<u>1</u>	<u>1,403</u>
NET POSITION:			
Restricted for individuals, organizations, and other governments.....	636	84	720
Total net position.....	<u>\$ 636</u>	<u>\$ 84</u>	<u>\$ 720</u>

See independent auditors' report.

Combining Statement of Changes in Fiduciary Net Position Custodial Funds

Year Ended March 31, 2024

(Amounts in millions)

	Sole Custody	Miscellaneous	Total
Additions:			
Collection of sales tax for other governments.....	\$ 23,387	\$ -	\$ 23,387
Collection of income tax for other governments.....	14,037	-	14,037
Collection of real estate tax for other governments.....	4,378	-	4,378
Miscellaneous.....	1,847	47	1,894
Total additions.....	43,649	47	43,696
Deductions:			
Payments of sales tax to other governments.....	23,387	-	23,387
Payments of income tax to other governments.....	14,037	-	14,037
Payments of obligations on behalf of other governments....	4,378	-	4,378
Payments to beneficiaries.....	233	-	233
Other expenses.....	1,729	25	1,754
Total deductions.....	43,764	25	43,789
Net increase (decrease).....	(115)	22	(93)
Net position at April 1, 2023.....	751	62	813
Net position at March 31, 2024.....	\$ 636	\$ 84	\$ 720

See independent auditors' report.

Combining Statement of Net Position
Discretely Presented Non-Major Component Units

March 31, 2024
(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond Agency	NYS Energy Research & Development Authority	NYS Higher Education Services Corporation	Niagara Frontier Transportation Authority	Roswell Park Cancer Institute Corporation	SUNY Foundations and Auxiliary Organizations	CUNY Supporting Organizations	Miscellaneous	Total
ASSETS:												
Cash and investments.....	\$ 714	\$ 668	\$ 899	\$ 2	\$ 1,532	\$ 99	\$ 340	\$ 704	\$ 4,057	\$ 1,305	\$ 1,842	\$ 12,162
Receivables, net of allowances for uncollectibles.....	-	1	-	37	915	-	-	-	-	-	-	18
Loans and notes.....	-	-	1,761	-	5	-	35	-	-	-	529	971
Leases.....	-	52	-	1	93	-	48	221	344	88	172	2,330
Other.....	164	-	-	-	-	-	-	-	-	-	-	1,183
Net pension asset.....	-	-	-	-	-	-	-	-	-	-	34	34
Net other postemployment benefits asset.....	-	-	-	-	1	-	-	-	-	-	-	1
Other assets.....	6	5	7	-	22	-	8	54	128	39	105	374
Capital assets:												
Land, infrastructure and construction in progress.....	4	-	168	-	1	-	143	61	67	11	280	735
Buildings, equipment, land improvement and infrastructure, net of depreciation.....	-	-	445	-	8	-	563	326	463	110	1,292	3,207
Leases.....	12	-	10	-	8	-	2	10	-	3	19	64
Intangible assets, net of amortization.....	-	-	-	-	1	-	-	33	-	-	6	40
Total assets.....	900	726	3,290	40	2,586	99	1,139	1,409	5,059	1,556	4,297	21,101
DEFERRED OUTFLOWS OF RESOURCES:												
Pension activities.....	-	6	5	-	19	-	29	130	-	-	58	247
Other postemployment benefits activities.....	-	9	5	-	15	-	63	45	-	-	55	192
Deferred loss on refunding.....	-	-	-	-	-	-	-	-	-	3	-	3
Total deferred outflows of resources.....	-	15	10	-	34	-	92	175	-	3	113	442
LIABILITIES:												
Accounts payable.....	151	-	18	-	17	8	-	-	-	-	71	265
Accrued liabilities.....	34	70	190	3	231	-	41	216	455	42	463	1,745
Notes payable.....	-	-	-	-	-	-	-	-	-	6	2	8
Bonds payable.....	-	-	3	12	9	-	15	14	15	4	4	76
Unearned revenues.....	-	11	54	-	4	-	-	-	8	1	88	166
Long-term liabilities due within one year.....	-	-	1	-	9	-	37	10	-	-	32	89
Long-term liabilities due in more than one year:												
Accrued liabilities.....	-	-	31	-	-	-	-	-	-	-	56	87
Net pension liability.....	-	8	7	-	24	-	44	166	-	-	73	322
Net other postemployment benefits liability.....	-	22	37	-	-	-	459	399	-	-	654	1,571
Pollution remediation.....	-	-	-	-	-	-	-	-	-	-	1	1
Lease liability.....	12	-	9	-	6	-	-	9	-	3	13	52
Subscription-based IT arrangements.....	-	-	-	-	-	-	-	-	-	-	-	12
Notes payable.....	-	-	-	-	-	-	-	20	-	12	6	38
Bonds payable.....	-	-	1,200	26	88	-	82	26	277	117	142	1,958
Other long-term liabilities.....	6	3	-	-	45	-	42	-	-	1	26	123
Unearned revenues.....	60	-	21	-	-	-	-	-	-	-	2	83
Total liabilities.....	263	114	1,571	41	433	8	720	872	755	186	1,633	6,586

Combining Statement of Net Position (cont'd)
Discretely Presented Non-Major Component Units

March 31, 2024
(Amounts in millions)

	Health Research Incorporated	Housing Trust Fund Corporation	Hugh L. Carey Battery Park City Authority	Municipal Bond 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
DEFERRED INFLOWS OF RESOURCES:												
Pension activities.....	-	1	1	-	2	-	3	16	-	-	16	39
Other postemployment benefits activities.....	-	4	17	-	12	-	201	252	-	-	266	752
Leases.....	-	-	1,794	-	4	-	34	-	-	-	568	2,400
Other.....	-	-	12	-	-	-	-	-	-	-	6	16
Total deferred inflows of resources.....	-	5	1,824	-	18	-	238	268	-	-	856	3,209
NET POSITION:												
Net investment in capital assets.....	-	-	255	-	8	-	601	345	251	(14)	1,525	2,971
Restricted for:												
Debt service.....	-	-	49	-	-	-	-	-	-	-	8	57
Health and patient care.....	-	-	-	-	-	-	-	182	-	-	-	182
Education and research programs.....	451	-	-	-	-	91	-	-	2,920	1,190	10	4,662
Environmental projects and energy programs.....	-	-	-	-	2,142	-	-	-	-	-	60	2,202
Economic development, housing and transportation.....	-	486	137	-	-	-	116	-	-	-	377	1,116
Insurance and administrative requirements.....	-	-	-	-	-	-	(444)	(83)	-	-	14	14
Unrestricted (deficit).....	186	136	(536)	(1)	19	-	(83)	197	1,133	197	(73)	534
Total net position.....	\$ 637	\$ 622	\$ (95)	\$ (1)	\$ 2,169	\$ 91	\$ 273	\$ 444	\$ 4,304	\$ 1,373	\$ 1,921	\$ 11,738

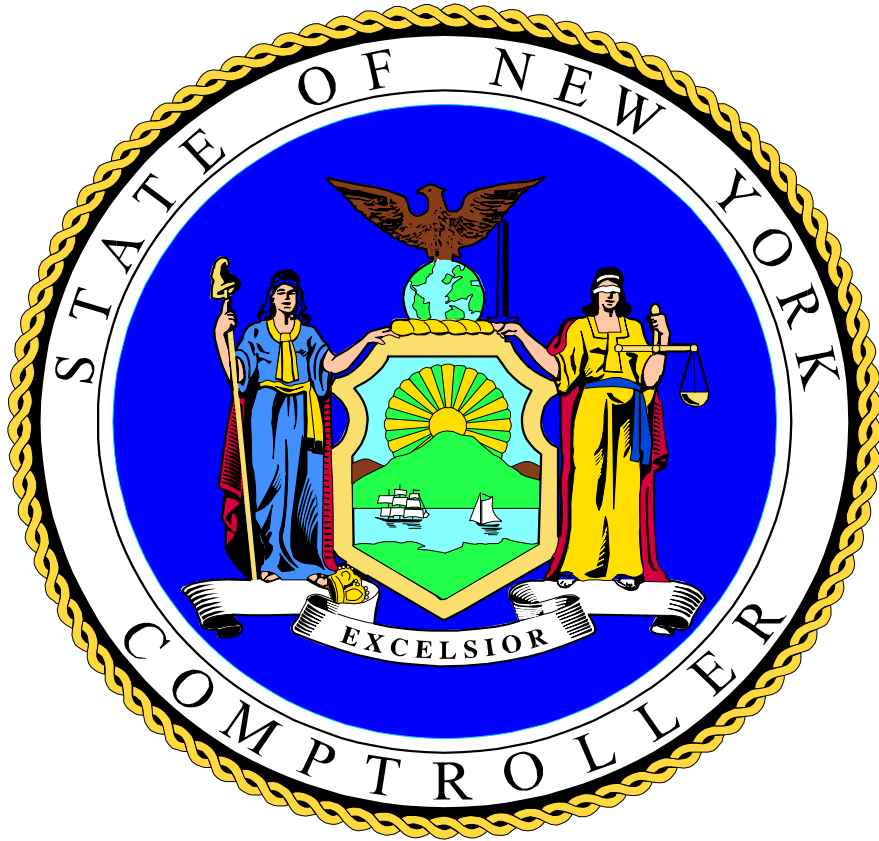
See independent auditors' report.

Combining Statement of Activities
Discretely Presented Non-Major Component Units

Year Ended March 31, 2024
(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.....	\$ 1,102	\$ 3,397	\$ 239	\$ 1	\$ 1,565	\$ 32	\$ 221	\$ 1,173	\$ 869	\$ 243	\$ 1,663	\$ 10,505
Interest on long-term debt.....	-	-	18	2	4	-	-	3	-	-	3	30
Other interest.....	-	-	-	-	-	-	-	-	-	5	1	6
Depreciation and amortization.....	-	-	11	-	6	-	56	60	-	5	143	281
Other expenses.....	41	-	10	1	14	7	-	21	164	-	4	262
Total expenses.....	1,143	3,397	278	4	1,589	39	277	1,257	1,033	253	1,814	11,084
PROGRAM REVENUES:												
Charges for services.....	2	-	416	3	84	9	69	1,044	732	41	806	3,206
Operating grants and contributions.....	1,031	3,411	-	-	175	-	100	61	251	7	719	5,755
Capital grants and contributions.....	-	-	-	-	-	-	113	32	-	-	166	311
Total program revenues.....	1,033	3,411	416	3	259	9	282	1,137	983	48	1,691	9,272
Net program revenue (expenses).....	(110)	14	138	(1)	(1,330)	(30)	5	(120)	(50)	(205)	(123)	(1,812)
GENERAL REVENUES:												
Non-State grants and contributions	-	-	-	1	-	3	43	-	-	101	148	296
Investment earnings:												
Restricted.....	-	-	-	-	-	-	-	-	111	-	19	130
Unrestricted.....	41	19	-	-	64	5	-	-	62	24	90	305
Miscellaneous.....	-	-	-	-	1,544	-	58	116	21	203	29	1,971
Total general revenues.....	41	19	-	1	1,608	8	101	116	194	328	286	2,702
Change in net position.....	(69)	33	138	-	278	(22)	106	(4)	144	123	163	890
Net position - beginning of year, as restated.....	706	589	(233)	(1)	1,891	113	167	448	4,160	1,250	1,758	10,848
Net position - end of year.....	\$ 637	\$ 622	\$ (95)	\$ (1)	\$ 2,169	\$ 91	\$ 273	\$ 444	\$ 4,304	\$ 1,373	\$ 1,921	\$ 11,738

See independent auditors' report.



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

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**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, 2024, 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 25, 2024. 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*.

Report on 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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.



Report on 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 Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the State of New York's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The State of New York's response was not subjected to the other auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on the response.

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 25, 2024

Schedule of Findings and Questioned Costs

2024-001

Finding: Lack of reconciliation between estimated contribution revenue and subsequent collection receipts.

Severity of Control Deficiency: Material Weakness

Background

New York State's Department of Labor (DOL) administers the Unemployment Insurance Benefit Fund (UI) which is reported as a major business-type activity (BTA) fund in the State of New York's basic financial statements. In preparing the UI information for inclusion in the State's basic financial statements, DOL management is required to make a number of accruals relating to UI, including an estimate of contributions receivable at year end.

Observation

During the current year, the State did not appropriately reconcile the accrual for contribution revenue and the corresponding receivable with subsequent contributions receipts. This resulted in an overstatement of contribution revenue and receivable.

Risk

Failure to review and reconcile the actual contributions paid subsequent to year end could result in management's failure to accurately and completely estimate contribution receivable and revenue.

Recommendation

The State should strengthen controls to ensure the review and reconciliation of contributions paid to ensure the completeness and accuracy of receivables and revenue.

Management Response – NYSDOL

DOL will make every effort to provide accurate financial statements and trial balances with up-to-date reconciled receivables as timely as reporting allows, which will be mid-June.



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, 2024



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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, 2024. 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 on Major Federal Programs

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, 2024.

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, 2024.

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 on Major Federal Programs

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
2024-004	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Reporting
2024-005	93.563	Child Support Services	Matching and Subrecipient Monitoring
2024-006	93.667	Social Services Block Grant	Reporting and Subrecipient Monitoring
2024-007	93.958	Block Grants for Community Mental Health Services	Matching
2024-008	93.958	Block Grants for Community Mental Health Services	Reporting
2024-009	93.958	Block Grants for Community Mental Health Services	Subrecipient Monitoring
2024-011	93.959	Block Grants for Prevention and Treatment of Substance Abuse	Reporting
2024-012	93.959	Block Grants for Prevention and Treatment of Substance Abuse	Subrecipient Monitoring

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 2024-003 and 2024-010. 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 plans 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 plans.

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, 2024-003, 2024-004, 2024-005, 2024-006, 2024-007, 2024-008, 2024-009, 2024-010, 2024-011 and 2024-012 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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 plans 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 plans.

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.

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, 2024, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated July 25, 2024, 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 23, 2024

STATE OF NEW YORK
Schedule of Expenditures of Federal Awards
Year ended March 31, 2024

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	\$	—	6,792,263
10.163	Market Protection and Promotion		—	1,880,016
10.170	Specialty Crop Block Grant Program – Farm Bill		—	1,500,741
10.171	Organic Certification Cost Share Programs		—	335,237
10.174	Acer Access Development Program		—	116,014
10.182	Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments		—	5,182,744
10.185	Local Food for Schools Cooperative Agreement Program		673,815	673,815
10.187	The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds		1,906,095	1,906,095
10.250	Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations		—	158,545
10.435	State Mediation Grants		—	356,912
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program		—	265,301
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants		—	30,347
10.542	COVID-19 – Pandemic EBT Food Benefits		—	859,326,474
SNAP Cluster:				
10.551	Supplemental Nutrition Assistance Program		—	7,429,371,976
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		402,203,673	463,833,196
	Total SNAP Cluster		<u>402,203,673</u>	<u>7,893,205,172</u>
Child Nutrition Cluster:				
10.555	National School Lunch Program		1,637,540,481	1,639,485,315
10.555	COVID-19 – National School Lunch Program		80,223,733	80,223,733
10.559	Summer Food Service Program for Children		354,719	361,405
10.582	Fresh Fruit and Vegetable Program		9,065,276	9,065,276
	Total Child Nutrition Cluster		<u>1,727,184,209</u>	<u>1,729,135,729</u>
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children		619,884,858	553,092,540
10.558	Child and Adult Care Food Program		250,901,228	254,153,672
10.560	State Administrative Expenses for Child Nutrition		—	24,018,954
Food Distribution Cluster:				
10.565	Commodity Supplemental Food Program		16,104,569	17,673,526
10.568	Emergency Food Assistance Program (Administrative Costs)		13,866,970	13,866,970
10.569	Emergency Food Assistance Program (Food Commodities)		127,553,299	127,553,299
	Total Food Distribution Cluster		<u>157,524,838</u>	<u>159,093,795</u>
10.572	WIC Farmers' Market Nutrition Program (FMNP)		—	2,750,713
10.575	Farm to School Grant Program		—	37,388
10.576	Senior Farmers Market Nutrition Program		—	2,747,081
10.578	WIC Grants To States (WGS)		2,000,000	2,310,612
10.579	Child Nutrition Discretionary Grants Limited Availability		2,324,428	2,324,428
10.579	COVID-19 – Child Nutrition Discretionary Grants Limited Availability		263,485	263,485
	Total Child Nutrition Discretionary Grants Limited Availability		<u>2,587,913</u>	<u>2,587,913</u>
10.649	COVID-19 – Pandemic EBT Administrative Costs		—	27,916,520
10.664	Cooperative Forestry Assistance		—	2,658,333
10.676	Forest Legacy Program		—	1,071,618
10.680	Forest Health Protection		—	777,514
10.683	National Fish and Wildlife Foundation		—	17,780
10.698	State & Private Forestry Cooperative Fire Assistance		—	212,055
10.868	Rural Energy for America Program		—	13,340
10.912	Environmental Quality Incentives Program		—	59,159
U.S. Department of Commerce:				
11.015	Broad Agency Announcement		—	4,000
11.032	State Digital Equity Planning and Capacity Grant		—	2,025,018
11.035	Broadband Equity, Access, and Deployment Program		—	2,777,250
Economic Development Cluster:				
11.307	Economic Adjustment Assistance		6,000,000	6,684,624
	Total Economic Development Cluster		<u>6,000,000</u>	<u>6,684,624</u>
11.407	Interjurisdictional Fisheries Act of 1986		—	31,927
11.419	Coastal Zone Management Administration Awards		—	3,516,864
11.420	Coastal Zone Management Estuarine Research Reserves		—	934,351
11.454	Unallied Management Projects		—	640,618
11.473	Office for Coastal Management		—	100,000
11.474	Atlantic Coastal Fisheries Cooperative Management Act		—	186,368
11.611	Manufacturing Extension Partnership		15,272,239	15,437,839
U.S. Department of Defense:				
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services		—	419,573
12.400	Military Construction, National Guard		42,120,805	42,120,805
12.401	National Guard Military Operations and Maintenance (O&M) Projects		32,222,578	79,644,976
U.S. Department of Housing and Urban Development:				
Section 8 Project-Based Cluster:				
14.195	Project-Based Rental Assistance (PBRA)		—	1,962,997,119
	Total Section 8 Project-Based Cluster		<u>—</u>	<u>1,962,997,119</u>
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii		126,546,748	128,096,963
14.231	Emergency Solutions Grant Program		—	8,133,880
14.231	COVID-19 – Emergency Solutions Grant Program		—	13,607,723
	Total Emergency Solutions Grant Program		<u>—</u>	<u>21,741,603</u>

STATE OF NEW YORK
Schedule of Expenditures of Federal Awards
Year ended March 31, 2024

Federal assistance listing number	Federal agency/grantor/ pass through grantor program or cluster title	Pass through identifying number	Passed through to subrecipients	Federal expenditures
14.239	Home Investment Partnerships Program		\$ 13,765,747	272,078,714 *
14.241	Housing Opportunities for Persons with AIDS		—	3,099,516
14.241	COVID-19 – Housing Opportunities for Persons with AIDS		—	255,157
	Total Housing Opportunities for Persons with AIDS		—	3,354,673
14.267	Continuum of Care Program		—	82,650
	CDBG – Disaster Recovery Grants – Pub. L. No. 113-2 Cluster:			
14.269	Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)		61,863,519	285,282,929
14.272	National Disaster Resilience Competition		—	5,568,813
	Total CDBG – Disaster Recovery Grants – Pub. L. No. 113-2 Cluster		61,863,519	290,851,742
14.275	Housing Trust Fund		—	3,334,638
	Pass-Through from NYS Housing Finance Agency	—	—	11,554,000
	Total Housing Trust Fund		—	14,888,638
14.401	Fair Housing Assistance Program		—	988,532
	Housing Voucher Cluster:			
14.871	Section 8 Housing Choice Vouchers		—	717,015,995
14.871	COVID-19 – Section 8 Housing Choice Vouchers		—	34,535,145
14.879	Mainstream Vouchers		—	3,208,976
	Total Housing Voucher Cluster		—	754,760,116
14.896	Family Self-Sufficiency Program		—	1,639,614
	U.S. Department of the Interior:			
15.114	Indian Education Higher Education Grant		—	3,000
15.018	Energy Community Revitalization Program (ECRP)		—	7,231,322
15.026	Indian Adult Education		—	14,000
15.073	Earth Mapping Resources Initiative		—	78,718
	Fish and Wildlife Cluster:			
15.605	Sport Fish Restoration		—	7,746,799
15.611	Wildlife Restoration and Basic Hunter Education and Safety		—	22,820,426
	Total Fish and Wildlife Cluster		—	30,567,225
15.614	Coastal Wetlands Planning, Protection and Restoration		—	10,310
15.622	Sportfishing and Boating Safety Act		—	89,427
15.634	State Wildlife Grants		—	2,118,550
15.662	Great Lakes Restoration		—	626,653
15.808	U.S. Geological Survey Research and Data Collection		—	89,580
15.810	National Cooperative Geologic Mapping		—	326,834
15.817	National Geospatial Program: Building The National Map		—	116,406
15.904	Historic Preservation Fund Grants-In-Aid		—	2,084,327
15.916	Outdoor Recreation Acquisition, Development and Planning		—	10,332,082
15.925	National Maritime Heritage Grants		—	118,464
	U.S. Department of Justice:			
16.017	Sexual Assault Services Formula Program		690,419	690,419
16.021	Justice Systems Response to Families		402,544	584,599
16.043	Veterans Treatment Court Discretionary Grant Program		80,709	127,520
16.540	Juvenile Justice and Delinquency Prevention		1,436,961	2,100,778
16.543	Missing Children's Assistance		—	1,102,518
16.548	Delinquency Prevention Program		189,599	196,087
16.550	State Justice Statistics Program for Statistical Analysis Centers		—	98,302
16.554	National Criminal History Improvement Program (NCHIP)		—	3,470,867
16.575	Crime Victim Assistance		97,376,742	103,149,595
16.576	Crime Victim Compensation		11,809,459	12,394,773
16.578	Public Benefit Conveyance Program		2,281,628	2,364,588
16.585	Treatment Court Discretionary Grant Program		1,949,848	2,550,302
16.588	Violence Against Women Formula Grants		5,928,811	6,721,872
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program		303,682	455,665
16.593	Residential Substance Abuse Treatment for State Prisoners		48,999	549,819
16.606	State Criminal Alien Assistance Program		—	10,000,000
16.710	Public Safety Partnership and Community Policing Grants		—	3,436,924
16.735	PREA Program: Strategic Support for PREA Implementation		—	77,933
16.738	Edward Byrne Memorial Justice Assistance Grant Program		2,188,424	2,986,240
16.741	DNA Backlog Reduction Program		—	1,027,907
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program		952,467	1,070,632
16.745	Criminal and Juvenile Justice and Mental Health Collaboration Program		745,607	781,617
16.751	Edward Byrne Memorial Competitive Grant Program		—	(2,700)
16.812	Second Chance Act Reentry Initiative		—	292,118
16.813	NICS Act Record Improvement Program		430,232	766,314
16.824	Emergency Law Enforcement Assistance Grant		446,781	446,781
16.830	Girls in the Juvenile Justice System		41,561	43,008
16.838	Comprehensive Opioid, Stimulant, and other Substances Use Program		430,582	1,333,851
16.922	Equitable Sharing Program		—	7,839,658
	U.S. Department of Labor:			
17.002	Labor Force Statistics		—	3,248,080
17.005	Compensation and Working Conditions		—	505,306
	Employment Service Cluster:			
17.207	Employment Service/Wagner-Peyser Funded Activities		—	48,600,503
17.801	Jobs for Veterans State Grants		—	11,621,289
	Total Employment Service Cluster		—	60,221,792

STATE OF NEW YORK
Schedule of Expenditures of Federal Awards
Year ended March 31, 2024

Federal assistance listing number	Federal agency/grantor/ pass through grantor program or cluster title	Pass through identifying number	Passed through to subrecipients	Federal expenditures
17.225	Unemployment Insurance		\$ —	2,995,938,685
17.225	COVID-19 – Unemployment Insurance		—	(59,354,156)
	Total Unemployment Insurance Program		—	2,936,584,529
17.235	Senior Community Service Employment Program		4,680,451	4,830,191
17.245	Trade Adjustment Assistance		1,715,140	6,021,691
	WIOA Cluster:			
17.258	WIOA Adult Program		52,220,628	64,846,309
	Pass-Through from Cattaraugus One Stop Career Center	16-6002555	—	36,787
	Pass-Through from DOL Office of Rehabilitation (Pennsylvania)	—	—	8,939
	Pass-Through from OneWorkSource	—	—	2,824
	Pass-Through from Warren County Workforce	—	—	3,000
	Sub-total WIOA Adult Program		52,220,628	64,897,859
17.259	WIOA Youth Activities		52,320,582	63,952,463
17.278	WIOA Dislocated Worker Formula Grants		50,089,819	78,805,142
	Pass-Through from Brookhaven National Lab	—	—	45,225
	Pass-Through from Schenectady County Connects	—	—	1,695
	Pass-Through from Suffolk County DOL	11-6000464	—	131,375
	Total WIOA Cluster		154,631,029	207,833,759
17.268	H-1B Job Training Grants		—	—
	Pass-Through from Workforce Development Board of Herkimer, Madison and Oneida Counties	16-1140488	—	46,644
	Total H-1B Job Training Grants		—	46,644
17.270	Reentry Employment Opportunities		—	23,696
17.271	Work Opportunity Tax Credit Program (WOTC)		—	1,058,835
17.273	Temporary Labor Certification for Foreign Workers		—	1,752,806
17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants		23,500	251,377
17.277	COVID-19 – WIOA National Dislocated Worker Grants / WIA National Emergency Grants		4,766,305	4,720,426
	Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants		4,789,805	4,971,803
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants		—	—
	Pass-Through from CSS Workforce New York	22-2520370	—	14,030
	Total TAACCCT Grant Program		—	14,030
17.285	Registered Apprenticeship		—	1,497,577
17.503	Occupational Safety and Health State Program		—	4,654,191
17.504	Consultation Agreements		—	3,619,109
17.600	Mine Health and Safety Grants		—	447,955
17.700	Women's Bureau		—	188,399
	U.S. Department of Transportation:			
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs		—	11,848,636
20.205	Highway Planning and Construction		349,785,738	2,029,304,540 *
20.219	Recreational Trails Program		—	1,404,702
	Federal Motor Carrier Safety Assistance Cluster:			
20.218	Motor Carrier Safety Assistance		—	17,520,564
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements		—	2,612,288
	Total Federal Motor Carrier Safety Assistance Cluster		—	20,132,852
20.232	Commercial Driver's License Program Implementation Grant		—	4,035,806
20.301	Railroad Safety		—	40,074
20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants		48,418	209,613
20.325	Consolidated Rail Infrastructure and Safety Improvements		107,568	107,568
20.326	Federal-State Partnership for Intercity Passenger Rail		47,009	47,009
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research		4,112,252	6,106,105
20.509	Formula Grants for Rural Areas and Tribal Transit Program		9,739,303	10,669,626
20.509	COVID-19 – Formula Grants for Rural Areas and Tribal Transit Program		5,001,010	5,001,010
	Total Formula Grants for Rural Areas and Tribal Transit Program		14,740,313	15,670,636
	Transit Services Programs Cluster:			
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities		2,434,178	2,434,178
	Total Transit Services Programs Cluster		2,434,178	2,434,178
20.528	Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program		—	2,928,612
	Highway Safety Cluster:			
20.600	State and Community Highway Safety		1,213,102	34,942,944
	Total Highway Safety Cluster		1,213,102	34,942,944
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements		—	271,545
20.700	Pipeline Safety Program State Base Grant		—	1,947,377
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		134,536	971,807
20.706	Pipeline Emergency Response Grant (PERG)		—	33,072
20.806	State Maritime Schools		—	2,843,920
	U.S. Department of Treasury:			
21.016	Equitable Sharing		—	731,428
21.017	Social Impact Partnerships to Pay for Results Act (SIPPRA)		—	12,727

STATE OF NEW YORK
Schedule of Expenditures of Federal Awards
Year ended March 31, 2024

Federal assistance listing number	Federal agency/grantor/ pass through grantor program or cluster title	Pass through identifying number	Passed through to subrecipients	Federal expenditures
21.023	COVID-19 – Emergency Rental Assistance Program		\$ —	204,983,779 *
21.026	COVID-19 – Homeowner Assistance Fund		52,167,756	53,415,940 *
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds		—	2,250,000,000 *
21.029	COVID-19 – Coronavirus Capital Projects Fund		—	2,986,061
21.031	COVID-19 – State Small Business Credit Initiative Technical Assistance Grant Program		3,601,022	3,601,022 *
U.S. Appalachian Regional Commission:				
23.011	Appalachian Research, Technical Assistance, and Demonstration Projects		—	267,014
U.S. Equal Employment Opportunity Commission:				
30.001	Employment Discrimination Title VII of the Civil Rights Act of 1964		—	1,344,609
National Aeronautics and Space Administration:				
43.001	Science		—	110,202
43.002	Aeronautics		—	31,110
43.008	Office of Stem Engagement (OSTEM)		—	23,000
43.009	Mission Support		—	18,316
National Endowment for the Arts:				
45.025	Promotion of the Arts Partnership Agreements		120,880	120,880
Institute of Museum and Library Services:				
45.310	Grants to States		1,835,513	9,302,738
45.310	COVID-19 – Grants to States		518,531	887,506
	Total Grants to States		<u>2,354,044</u>	<u>10,190,244</u>
Small Business Administration:				
59.061	State Trade Expansion		—	469,210
Department of Veterans Affairs:				
64.005	Grants to States for Construction of State Home Facilities		—	1,766,231
64.010	Veterans Nursing Home Care		—	52,013,863
64.028	Post-9/11 Veterans Educational Assistance		—	10,544,593
64.032	Montgomery GI Bill Selected Reserve		—	226,188
64.116	Veteran Readiness and Employment		—	1,887,951
64.124	All-Volunteer Force Educational Assistance		—	4,664,724
U.S. Environmental Protection Agency:				
66.001	Air Pollution Control Program Support		—	6,249,306
66.032	State Indoor Radon Grants		—	232,945
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities		—	1,857,699
	Relating to the Clean Air Act		—	137,874
66.046	Climate Pollution Reduction Grants		—	134,505
66.204	Multipurpose Grants to States and Tribes		—	3,266,665
66.432	State Public Water System Supervision		—	913,721
66.437	Long Island Sound Program		—	105,598
66.442	Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program		105,598	105,598
66.444	Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d))		—	41,623
66.454	Water Quality Management Planning		—	1,600,259
Clean Water State Revolving Fund Cluster:				
66.458	Clean Water State Revolving Fund		510,228,080	510,905,279
	Total Clean Water State Revolving Fund Cluster		<u>510,228,080</u>	<u>510,905,279</u>
66.466	Chesapeake Bay Program		—	3,560,581
Drinking Water State Revolving Fund Cluster:				
66.468	Drinking Water State Revolving Fund		167,442,440	176,154,657
	Total Drinking Water State Revolving Fund Cluster		<u>167,442,440</u>	<u>176,154,657</u>
66.469	Great Lakes Program		—	2,939,136
66.472	Beach Monitoring and Notification Program Implementation Grants		—	323,471
66.481	Lake Champlain Basin Program		—	406,274
66.605	Performance Partnership Grants		—	12,025,955
66.701	Toxic Substances Compliance Monitoring Cooperative Agreements		—	68,294
66.801	Hazardous Waste Management State Program Support		—	4,117,334
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements		—	326,547
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program		—	1,223,833
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program		—	224,289
66.817	State and Tribal Response Program Grants		—	1,126,707
U.S. Department of Energy:				
81.041	State Energy Program		—	3,962,979
81.042	Weatherization Assistance for Low-Income Persons		29,152,722	31,845,094
81.087	Renewable Energy Research and Development		128,581	3,550,467
81.092	Remedial Action and Waste Management		—	18,341

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Federal assistance listing number	Federal agency/grantor/ pass through grantor program or cluster title	Pass through identifying number	Passed through to subrecipients	Federal expenditures
81.123	National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program		\$ —	48,030
81.135	Advanced Research Projects Agency – Energy		—	53,515
81.138	State Heating Oil and Propane Program		—	23,875
U.S. Department of Education:				
84.002	Adult Education – Basic Grants to States		46,278,453	52,546,535
84.010	Title I Grants to Local Educational Agencies		1,350,230,347	1,366,472,515
84.011	Migrant Education State Grant Program		6,839,218	9,114,660
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		—	2,247,844
Special Education Cluster (IDEA):				
84.027	Special Education Grants to States		765,555,974	860,008,731
84.027	COVID-19 – Special Education Grants to States		119,744,223	119,744,223
84.173	Special Education Preschool Grants		27,128,865	34,420,208
84.173	COVID-19 – Special Education Preschool Grants		12,468,297	12,468,297
	Total Special Education Cluster (IDEA)		<u>924,897,359</u>	<u>1,026,641,459</u>
84.032	Federal Family Education Loan Program		—	1,040,943,452
84.048	Career and Technical Education – Basic Grants to States		61,282,013	67,863,825
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States		—	165,041,275
84.144	Migrant Education Coordination Program		—	95,700
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind		—	2,433,765
84.181	Special Education-Grants for Infants and Families		11,971,902	31,861,350
84.181	COVID-19 – Special Education-Grants for Infants and Families		1,724,782	3,682,825
	Total Special Education Grants for Infants and Families		<u>13,696,684</u>	<u>35,544,175</u>
84.184	School Safety National Activities		—	318,063
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities		—	1,294,982
84.196	Education for Homeless Children and Youth		5,639,836	7,445,118
84.282	Charter Schools		13,623,801	16,585,422
84.287	Twenty-First Century Community Learning Centers		74,945,201	77,978,185
84.323	Special Education – State Personnel Development		46,879	2,183,457
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs		2,276,149	2,795,669
84.358	Rural Education		1,852,744	1,926,680
84.365	English Language Acquisition State Grants		54,417,429	57,480,405
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)		114,817,362	124,120,106
84.368	Competitive Grants for State Assessments		—	6,527
84.369	Grants for State Assessments and Related Activities		—	12,944,352
84.372	Statewide Longitudinal Data Systems		—	232,379
84.421	Disability Innovation Fund (DIF)		91,914	469,959
84.424	Student Support and Academic Enrichment Program		87,352,687	93,375,232
Education Stabilization Fund Cluster:				
84.425B	COVID-19 – Education Stabilization Fund – Discretionary Grants: Rethink K-12 Education Models Grants		—	4,837,941
84.425C	COVID-19 – Education Stabilization Fund – Governor’s Emergency Education Relief (GEER)		25,776,817	25,776,817
84.425D	COVID-19 – Education Stabilization Fund – Elementary and Secondary School Emergency Relief (ESSER)		1,517,376,035	1,517,833,768
84.425E	COVID-19 – Education Stabilization Fund -Higher Education Emergency Relief (HEERF) Student Aid Portion		—	107,137
84.425F	COVID-19 – Education Stabilization Fund – HEERF Institutional Portion		—	7,521,067
84.425G	COVID-19 – Education Stabilization Fund – Discretionary Grants: Reimagining Workforce Preparation Grants		823,135	3,106,529
84.425M	COVID-19 – Education Stabilization Fund – Strengthening Institutions Program (SIP)		—	2,918,159
84.425R	COVID-19 – Coronavirus Response and Relief Supplemental Appropriations – Emergency Assistance for Non-Public Schools		—	29,789,268
84.425U	COVID-19 – American Rescue Plan Elementary and Secondary School Emergency Relief Fund		2,437,836,197	2,447,615,074
84.425V	COVID-19 – American Rescue Plan Emergency Assistance to Non-public Schools		—	20,027,945
84.425W	COVID-19 – American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children and Youth		3,804,511	4,567,803
	Total Education Stabilization Fund Cluster		<u>3,985,616,695</u>	<u>4,064,101,508</u>
89.003	National Archives and Records Administration: National Historical Publications and Records Grants		—	13,117
U.S. Elections Assistance Commission:				
90.401	Help America Vote Act Requirements Payments		143,974	3,078,670
90.404	HAVA Election Security Grants		—	5,163,992
U.S. Northern Border Regional Commission:				
90.601	Northern Border Regional Development		193,785	193,785
U.S. Department of Health and Human Services:				
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		1,197,692	1,197,948
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		2,271,511	2,226,424
93.043	COVID-19 – Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		57,440	57,440
	Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		<u>2,328,951</u>	<u>2,283,864</u>
Aging Cluster:				
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		16,865,053	17,330,723
93.044	COVID-19 – Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		495,659	495,659
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services		33,583,566	37,115,039
93.045	COVID-19 – Special Programs for the Aging, Title III, Part C, Nutrition Services		709,807	709,807
93.053	Nutrition Services Incentive Program		15,433,345	15,433,345
	Total Aging Cluster		<u>67,087,430</u>	<u>71,084,573</u>

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93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		\$ 873,428	1,038,654
93.048	COVID-19 – Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		26,865	26,865
	Total Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		<u>900,293</u>	<u>1,065,519</u>
93.052	National Family Caregiver Support, Title III, Part E		10,913,421	10,351,651
93.052	COVID-19 – National Family Caregiver Support, Title III, Part E		214,601	214,601
	Total National Family Caregiver Support, Title III, Part E		<u>11,128,022</u>	<u>10,566,252</u>
93.071	Medicare Enrollment Assistance Program		1,265,043	1,465,584
93.072	Lifespan Respite Care Program		604,067	636,918
93.074	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements		—	134,500
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance		—	100,000
93.090	Guardianship Assistance		26,518,015	27,021,093
93.090	COVID-19 – Guardianship Assistance		2,538,654	2,538,654
	Total Guardianship Assistance		<u>29,056,669</u>	<u>29,559,747</u>
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program		2,220,284	2,513,438
93.103	Food and Drug Administration Research		—	2,158,635
93.110	Maternal and Child Health Federal Consolidated Programs		—	285,958
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs		837,432	2,419,071
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices		—	338,418
93.150	Projects for Assistance in Transition from Homelessness (PATH)		3,843,547	3,983,081
93.157	Centers of Excellence		—	194,665
93.165	Grants to States for Loan Repayment		444,320	444,320
93.217	Family Planning Services		8,910,263	10,636,990
93.217	COVID-19 – Family Planning Services		125,131	125,131
	Total Family Planning Services		<u>9,035,394</u>	<u>10,762,121</u>
93.228	Indian Health Service, Health Management Development Program		—	797,511
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program		2,708,536	2,919,883
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance		9,727,372	10,730,074
93.268	Immunization Cooperative Agreements		918,250	174,831,897
93.268	COVID-19 – Immunization Cooperative Agreements		3,842,065	16,311,559
	Total Immunization Cooperative Agreements		<u>4,760,315</u>	<u>191,143,456</u> *
93.283	Centers for Disease Control and Prevention Investigations and Technical Assistance		—	3,000
93.288	National Health Service Corps Scholarship Program		—	149,956
93.303	Nurse Corps Scholarship		—	20,978
93.307	Minority Health and Health Disparities Research		—	94,808
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		—	4,589,531
	Pass Through from Health Research Inc	14-1402155	—	4,589,531
	Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		<u>—</u>	<u>4,589,531</u>
93.324	State Health Insurance Assistance Program		1,263,993	1,901,985
93.367	Flexible Funding Model – Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs		—	247,201
93.369	ACL Independent Living State Grants		—	1,191,741
93.378	Integrated Care for Kids Model		1,508,946	1,973,758
93.394	Cancer Detection and Diagnosis Research		—	263,918
93.434	Every Student Succeeds Act/Preschool Development Grants		—	5,197,003
93.464	ACL Assistive Technology		—	694,213
93.493	Congressional Directives		1,218,830	1,218,830
93.497	Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports		—	6,000
93.497	COVID-19 - Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports		—	1,877,587
	Total Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports		<u>—</u>	<u>1,883,587</u>
93.498	Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution		—	15,529,105
93.499	COVID-19 Low-Income Housing Water Assistance Program		—	28,489,005
93.516	Public Health Training Centers Program		—	357,738
93.556	MaryLee Allen Promoting Safe and Stable Families Program		17,751,047	23,386,357
93.556	COVID-19 – MaryLee Allen Promoting Safe and Stable Families Program		—	15,070
	Total MaryLee Allen Promoting Safe and Stable Families Program		<u>17,751,047</u>	<u>23,401,427</u>
93.558	Temporary Assistance for Needy Families		1,845,945,427	1,880,939,663
93.558	COVID-19 – Temporary Assistance for Needy Families		2,682,390	2,713,766
	Total Temporary Assistance for Needy Families		<u>1,848,627,817</u>	<u>1,883,653,429</u>
93.563	Child Support Services		132,518,967	243,723,333
93.564	Child Support Services Research		—	208,929
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs		10,301,212	35,115,052
93.568	Low-Income Home Energy Assistance		160,513,165	533,519,793
93.568	COVID-19 – Low-Income Home Energy Assistance		—	10,727,701
	Total Low-Income Home Energy Assistance		<u>160,513,165</u>	<u>544,247,494</u>
93.569	Community Services Block Grant		63,786,254	67,497,553
93.569	COVID-19 – Community Services Block Grant		(9,620)	(9,620)
	Total Community Services Block Grant		<u>63,776,634</u>	<u>67,487,933</u>

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	CCDF Cluster:			
93.575	Child Care and Development Block Grant		\$ 355,904,716	482,586,034
93.575	COVID-19 – Child Care and Development Block Grant		346,354,941	800,606,549
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund		270,053,494	270,053,494
	Total CCDF Cluster		972,313,151	1,553,246,077 *
93.586	State Court Improvement Program		—	1,118,482
93.590	Community-Based Child Abuse Prevention Grants		3,776,978	4,159,704
93.590	COVID-19 – Community-Based Child Abuse Prevention Grants		1,773,865	2,063,382
	Total Community-Based Child Abuse Prevention Grants		5,550,843	6,223,086
93.597	Grants to States for Access and Visitation Programs		—	415,067
93.599	Chafee Education and Training Vouchers Program (ETV)		1,936,636	1,976,636
93.599	COVID-19 – Chafee Education and Training Vouchers Program (ETV)		600,000	600,000
	Pass-Through from Education and Training Voucher (ETV) program of NYS	—	—	13,385
	Total Chafee Education and Training Vouchers Program (ETV)		2,536,636	2,590,021
	Head Start Cluster:			
93.600	Head Start		—	230,814
	Total Head Start Cluster		—	230,814
93.603	Adoption and Legal Guardianship Incentive Payments		—	553,118
93.630	Developmental Disabilities Basic Support and Advocacy Grants		3,437,466	5,726,015
93.640	Basic Health Program (Affordable Care Act)		—	9,745,024,987
93.643	Children's Justice Grants to States		811,910	987,336
93.645	Stephanie Tubbs Jones Child Welfare Services Program		10,617,342	10,617,342
93.658	Foster Care Title IV-E		447,958,688	475,330,976
93.658	COVID-19 – Foster Care Title IV-E		13,635,867	13,635,867
	Total Foster Care Title IV-E		461,594,555	488,966,843
93.659	Adoption Assistance		206,176,241	210,012,721
93.659	COVID-19 – Adoption Assistance		21,889,003	21,889,003
	Total Adoption Assistance		228,065,244	231,901,724
93.667	Social Services Block Grant		453,119,321	462,177,553 *
93.669	Child Abuse and Neglect State Grants		4,845,879	5,051,497
93.669	COVID-19 – Child Abuse and Neglect State Grants		61,000	(442,048)
	Total Child Abuse and Neglect State Grants		4,906,879	4,609,449
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		4,769,966	7,260,883
93.671	COVID-19 – Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		6,150,300	6,150,300
	Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		10,920,266	13,411,183
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood		14,116,593	14,116,593
93.734	Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs – financed by Prevention and Public Health Funds (PPHF)		—	80,986
93.747	Elder Abuse Prevention Interventions Program		511,036	1,028,326
93.747	COVID-19 – Elder Abuse Prevention Interventions Program		4,700,495	5,603,924
	Total Elder Abuse Prevention Interventions Program		5,211,531	6,632,250
93.767	Children's Health Insurance Program		4,772,706	1,202,860,636
93.767	COVID-19 – Children's Health Insurance Program		—	459,189
	Total Children's Health Insurance Program		4,772,706	1,203,319,825
	Medicaid Cluster:			
93.775	State Medicaid Fraud Control Units		—	42,420,967
93.775	COVID-19 – State Medicaid Fraud Control Units		—	60
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		—	11,752,990
93.778	Medical Assistance Program		436,779,851	59,175,134,855
	Total Medicaid Cluster		436,779,851	59,229,308,872 *
93.791	Money Follows the Person Rebalancing Demonstration		—	23,830,296
93.870	Maternal, Infant and Early Childhood Home Visiting Grant		6,851,953	7,856,292
93.870	COVID-19 – Maternal, Infant and Early Childhood Home Visiting Grant		1,836,948	1,836,948
	Total Maternal, Infant and Early Childhood Home Visiting Grant		8,688,901	9,693,240
93.914	HIV Emergency Relief Project Grants		—	367,087
93.958	Block Grants for Community Mental Health Services		62,549,685	64,932,293 *
93.959	Block Grants for Prevention and Treatment of Substance Abuse		151,778,510	172,266,282
93.959	COVID-19 – Block Grants for Prevention and Treatment of Substance Abuse		—	195,850
	Total Block Grants for Prevention and Treatment of Substance Abuse		151,778,510	172,462,132 *
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants		536,778	2,290,550
93.977	COVID-19 – Sexually Transmitted Diseases (STD) Prevention and Control Grants		293,442	2,604,275
	Total Sexually Transmitted Diseases (STD) Prevention and Control Grants		830,220	4,894,825
93.991	Preventive Health and Health Services Block Grant		1,705,553	11,330,339
93.994	Maternal and Child Health Services Block Grant to the States		18,150,902	39,886,447
93.994	COVID-19 – Maternal and Child Health Services Block Grant to the States		—	389,541
	Total Maternal and Child Health Services Block Grant to the States		18,150,902	40,275,988

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Federal assistance listing number	Federal agency/grantor/ pass through grantor program or cluster title	Pass through identifying number	Passed through to subrecipients	Federal expenditures
	Corporation for National and Community Service:			
94.003	State Commissions		\$ —	818,955
94.006	AmeriCorps		12,987,628	13,226,464
94.008	Commission Investment Fund		—	153,559
	U.S. Social Security Administration:			
	Disability Insurance/SSI Cluster:			
96.001	Social Security Disability Insurance		—	191,234,603
	Total Disability Insurance/SSI Cluster		—	191,234,603 *
	U.S. Department of Homeland Security:			
97.008	Non-Profit Security Program		20,021,798	20,088,447
97.012	Boating Safety Financial Assistance		—	2,347,697
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)		—	998,267
97.029	Flood Mitigation Assistance		67,800	67,800
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)		551,013,866	1,556,951,428
97.036	COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)		3,375,340,577	3,375,349,951
	Total Disaster Grants – Public Assistance (Presidentially Declared Disasters)		3,926,354,443	4,932,301,379
97.039	Hazard Mitigation Grant		132,429,586	137,032,348
97.039	COVID-19 – Hazard Mitigation Grant		—	3,850
	Total Hazard Mitigation Grant		132,429,586	137,036,198
97.041	National Dam Safety Program		—	495,860
97.042	Emergency Management Performance Grants		7,328,123	15,074,967
97.044	Assistance to Firefighters Grant		—	914,133
97.045	Cooperating Technical Partners		—	328,869
97.047	BRIC: Building Resilient Infrastructure and Communities		748,868	748,868
97.050	COVID-19 – Presidential Declared Disaster Assistance to Individuals and Households – Other Needs		—	3,815,273
97.052	Emergency Operations Center		1,349,671	1,349,671
97.056	Port Security Grant Program		—	831,440
97.067	Homeland Security Grant Program		174,237,301	206,832,883 *
97.088	Disaster Assistance Projects		2,340,390	2,345,908
97.109	Disaster Housing Assistance Grant		—	8,113,080
97.111	Regional Catastrophic Preparedness Grant Program (RCPGP)		160,514	162,773
97.132	Financial Assistance for Targeted Violence and Terrorism Prevention		65,210	80,209
	Other Clusters:			
	Student Financial Assistance Cluster:			
	U.S. Department of Education:			
84.007	Federal Supplemental Educational Opportunity Grants		—	7,076,092
84.033	Federal Work-Study Program		—	13,773,854
84.038	Federal Perkins Loan Program (FPL)-Federal Capital Contributions		—	25,009,978
84.063	Federal Pell Grant Program		—	333,595,550
84.268	Federal Direct Student Loans		—	1,014,468,875
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)		—	3,559,411
	Total U.S. Department of Education		—	1,397,483,760
	U.S. Department of Health and Human Services:			
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students		—	14,601,187
93.364	Nursing Student Loans		—	8,970,764
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds		—	796,717
	Total U.S. Department of Health and Human Services		—	24,368,668
	Total Student Financial Assistance Cluster		—	1,421,852,428 *
	Research and Development Cluster:			
16.593	Residential Substance Abuse Treatment for State Prisoners		—	9,546
20.205	Highway Planning and Construction		—	1,239,662
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		—	31,769
93.564	Child Support Services Research		—	153,252
	Total Research and Development Cluster		—	1,434,229
	Total Expenditures of Federal Awards		\$ 21,159,551,887	115,821,289,274

* Represents Major Program

See accompanying notes to the Schedule of Expenditures of Federal Awards.

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Notes to the Schedule of Expenditures of Federal Awards

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(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, 2024. 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 five 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;
 4. Housing Trust Fund Corporation; and
 5. Higher Education Services 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, 2024. 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. These transactions and rebates may cause a pass through subrecipient amount to be higher than the federal expenditure amount for an Assistance Listing Number. The SFS provides primary information from which the basic financial statements are prepared.

STATE OF NEW YORK

Notes to the Schedule of Expenditures of Federal Awards

Year Ended March 31, 2024

(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 \$2.8 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, 2024 amounted to approximately \$33 million, net of allowance for doubtful accounts. The following table displays activity for federal student loans outstanding at March 31, 2024:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
84.038	Federal Perkins Loan (FPL) Program – Federal Capital Contributions	\$ 25,009,978	\$ —	\$ 12,000,743	\$ 13,009,235
93.342	Health Professions Student Loans, Including Primary Care Loans/ Loans for Disadvantaged Students	\$ 13,235,851	\$ 1,365,336	\$ 2,081,949	\$ 12,519,238
93.364	Nursing Student Loans	\$ 7,613,339	\$ 1,357,425	\$ 1,204,889	\$ 7,765,875

STATE OF NEW YORK

Notes to the Schedule of Expenditures of Federal Awards

Year Ended March 31, 2024

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, 2024, SUNY processed approximately \$1 billion 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.

During fiscal year 2024, Higher Education Services Corporation (HESC) terminated its role with the U.S. Department of Education as the guaranty agency administering the Federal Family Education Loan Program (FFELP) on behalf of New York State. The outstanding loans were transferred to the Trellis Company designated as the successor guaranty agency for New York. A remaining balance of loans outstanding at March 31, 2024 amounted to approximately \$3 million. The following table displays activity for federal student loans outstanding at March 31, 2024:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
84.032	Federal Family Education Loans (Guaranty Agencies) Program - Active loans	\$ 670,822	\$ —	\$ 670,822	\$ —
84.032	Federal Family Education Loans (Guaranty Agencies) Program - Default loans	\$ 1,038,404,308	\$ 157,482	\$ 1,035,574,987	\$ 2,986,803

(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, 2024 amounted to approximately \$257 million. The following table displays activity for the HOME Program loans outstanding at March 31, 2024:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.239	Home Investment Partnerships Program	\$ 247,325,733	\$ 10,298,924	\$ 630,585	\$ 256,994,072

STATE OF NEW YORK

Notes to the Schedule of Expenditures of Federal Awards

Year Ended March 31, 2024

(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, 2024 amounted to approximately \$15 million. The following table displays activity for the HTF program loans outstanding at March 31, 2024:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.275	Housing Trust Fund	\$ 3,334,638	\$ 11,544,000	\$ —	\$ 14,878,638

(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, 2024 amounted to approximately \$138 million. The following table displays activity for these grant programs at March 31, 2024:

Assistance Listing Number	Program Title	Beginning Balance	Additions	Deletions	Ending Balance
14.269	Hurricane Sandy CDBG-DR Grants	\$ 132,785,146	\$ —	\$ —	\$ 132,785,146
14.272	Community Development Block Grant National Disaster Resilience Competition	\$ 5,500,000	\$ —	\$ —	\$ 5,500,000

STATE OF NEW YORK

Notes to the Schedule of Expenditures of Federal Awards

Year Ended March 31, 2024

(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	\$ —	\$ 859,326,474
10.551	Supplemental Nutrition Assistance Program	—	7,429,371,976
10.555	National School Lunch Program	119,972,393	119,972,393
10.558	Child and Adult Care Food Program	226,019	226,019
10.559	Summer Food Service Program for Children	354,719	354,719
10.565	Commodity Supplemental Food Program	14,298,207	14,298,207
10.569	Emergency Food Assistance Program	127,553,299	127,553,299
11.307	Economic Adjustment Assistance	6,000,000	6,000,000
11.611	Manufacturing Extension Partnership	7,612,360	7,777,960
16.578	Public Benefit Conveyance Program	2,281,628	2,364,588
93.268	Immunization Cooperative Agreements	—	162,229,656
		<u>\$ 278,298,625</u>	<u>\$ 8,729,475,291</u>

(7) CCDF Cluster Funding Sources

The funding source and amounts for the Child Care and Development Fund (CCDF) Cluster included in the Schedule are as follows:

CCDF Cluster Funding Source	Total
Child Care and Development Block Grant (CCDBG)	\$ 482,586,034
CCDF Mandatory and Matching Funds of the Child Care and Development Fund	270,053,494
CCDF Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	80,629
CCDF Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act)	437,884,908
CCDF American Rescue Plan Act (ARP Act) Supplemental	362,541,141
CCDF ARP Act Child Care Stabilization Funds	<u>99,871</u>
Total	<u>\$ 1,553,246,077</u>

STATE OF NEW YORK

Notes to the Schedule of Expenditures of Federal Awards

Year Ended March 31, 2024

(8) 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, 2024

(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: **None Reported**
- 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
 - Rehabilitation Services Vocational Rehabilitation Grants to States – 84.126
 - Child Support Services – 93.563
 - Social Services Block Grant – 93.667
 - Block Grants for Community Mental Health Services – 93.958
 - Block Grants for Prevention and Treatment of Substance Abuse – 93.959
- f. Audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **Yes**
- g. Major programs:
 - COVID-19 – Pandemic EBT Food Benefits – 10.542
 - Section 8 Project-Based Cluster – 14.195
 - Home Investment Partnerships Program – 14.239
 - Highway Planning and Construction – 20.205
 - COVID-19 – Emergency Rental Assistance Program – 21.023
 - COVID-19 – Homeowner Assistance Funds – 21.026

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Schedule of Findings and Questioned Costs

Year ended March 31, 2024

- COVID-19 – Coronavirus State and Local Fiscal Recovery Fund – 21.027
- COVID-19 – State Small Business Credit Initiative Technical Assistance Grant Program – 21.031
- Rehabilitation Services Vocational Rehabilitation Grants to States – 84.126
- COVID-19 – Education Stabilization Fund Cluster – 84.425B, 84.425C, 84.425D, 84.425E, 84.425F, 84.425G, 84.425M, 84.425R, 84.425U, 84.425V, and 84.425W
- Immunization Cooperative Agreements – 93.268
- Child Support Services – 93.563
- CCDF Cluster – 93.575 and 93.596
- Social Services Block Grant – 93.667
- Medicaid Cluster – 93.775, 93.777, and 93.778
- Block Grants for Community Mental Health Services – 93.958
- Block Grants for Prevention and Treatment of Substance Abuse – 93.959
- Disability Insurance/SSI Cluster – 96.001
- Homeland Security Grant Program – 97.067
- Student Financial Assistance Cluster – 84.007, 84.033, 84.038, 83.063, 84.268, 83,379, 93.342, 93.364, and 93.925

h. Dollar threshold used to distinguish between Type A and Type B programs: **\$173,731,934**

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 (2024-001) account reconciliations. Refer to the separately issued report dated July 25, 2024, for specific details regarding these findings.

(3) Findings and Questioned Costs Relating to Federal Awards

See pages 21 to 50.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of the Treasury

Federal Program: COVID-19 – State Small Business Credit Initiative Technical Assistance Grant Program (21.031)

Federal Award Number: SSBCI-21031-0037

Federal Award Year: 2024

State Agency: Department of Economic Development and Office of the State Comptroller

Reference: 2024-002

Criteria

Reporting

In accordance with 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 200.510(b), The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with section 200.502.

For reporting purposes, State Small Business Credit Initiative (SSBCI) capital funds are not considered federal financial assistance. The SSBCI statute, 12 U.S.C. section 5702(c)(5), specifically states that capital funds transferred to jurisdictions are not considered federal financial assistance for the purposes of 31 U.S.C. subtitle V. Funds given to provide technical assistance, however, are considered federal financial assistance.

Internal controls

Lastly, 2 CFR 200.303(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

The Office of the State Comptroller (OSC) is responsible for the preparation of the schedule of expenditures of federal awards (SEFA). Annually, OSC provides the New York State agencies with a proposed SEFA with their respective expenditures by assistance listing number and each agency is charged with reviewing and providing adjustments and feedback.

The proposed agency SEFA subschedule for State fiscal year 2024 provided to the Department of Economic Development (DED) did not include the expenditures for the SSBCI program. Upon DED review of the proposed agency SEFA subschedule, DED did not identify and report any expenditures for the SBBCI program that had been disbursed by DED. OSC utilized information in the Statewide Financial System (SFS) to populate the SEFA and which included expenditures totaling \$154,792,221 for the SSBCI program. The amount was comprised of \$151,191,199 related to capital funds and \$3,601,022 of technical assistance funds. In accordance with 12 U.S.C. § 5702(c)(5), capital funds are not considered Federal financial assistance and therefore for reporting purposes should not be included on the SEFA.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

The preliminary SEFA including SBBCI expenditures of \$154,792,221 was provided to the auditors and the SBBCI program was selected as a high-risk B program to be audited as a major program for State fiscal year 2024. Upon audit inquiry, it was determined that \$151,191,199 related to capital funds and should not have been included on the SEFA. OSC appropriately adjusted the SEFA prior to finalizing the audit.

DED did not properly review and report expenditures related to the SSBCI program on their SEFA subschedule. The communication between the Agencies was not sufficient to uncover the improper reporting on the SEFA.

Cause

DED did not properly review and report expenditures related to the SSBCI program to OSC.

Possible Asserted Effect

The effect was the incorrect reporting of federal expenditures, which necessitated adjustments on the SEFA during the audit process and highlighted potential compliance and oversight issues.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

To address the identified issues and prevent future occurrences of improper reporting on the SEFA, we recommend that DED thoroughly review and report federal expenditures on their SEFA subschedule. We also recommend OSC review and enhance its guidelines provided to the Agencies to specifically highlight the Agencies responsibility to communicate to OSC any specific requirements of the programs, and the classification and reporting of different types of funds, such as capital funds and technical assistance funds, in accordance with relevant statutes and regulations. By implementing these recommendations, the State can enhance the accuracy and reliability of SEFA reporting, ensure compliance with federal regulations, and improve overall internal controls and communication between the Agencies.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

STATE OF NEW YORK
Schedule of Findings and Questioned Cost
Year ended March 31, 2024

Federal Agency: United States Department of Education

Federal Program: Rehabilitation Services Vocational Rehabilitation Grants to States (84.126)

Federal Award Number: H126A220047(SED)

Federal Award Year: 2024

State Agency: State Education Department

Reference: 2024-003

Criteria

Period of Performance

Under section 111(a)(1) of the Rehabilitation Act, the Department pays to each state each federal fiscal year an amount equal to the federal share of the cost of providing VR services and administering the VR program. Consistent with the definition of "period of performance" at 2 CFR section 200.1 and the requirements governing information that must be contained in a GAN at 2 CFR section 200.211, the VR GAN specifies the beginning and end dates for each VR grant award. Therefore, state VR agencies may incur obligations or make expenditures under a grant award if they are incurred during the period of performance for that award. Any obligations or expenditures incurred outside of that period of performance would need to be paid with funds available from a different VR grant award.

Internal controls

Lastly, 2 CFR 200.303(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

The New York State Education Department (SED) did not maintain complete data along with the supporting documentation to ensure compliance over the period of performance requirements for the VR program. A sample of 40 transactions was selected from SED records. For each case, an invoice, pay period, and/or manual journal entries were tested to verify the data reported in the NYGR0302 report. It was also checked to ensure that the disbursement was properly reviewed, approved, and that the selected amount met the requirement of an allowable activity incurred during the period of performance and liquidated within the required time period.

During our review of fiscal year 2024 transactions, we identified that 5 out of the 40 sampled transactions occurred outside the designated period of performance. The grant award period ended on September 30, 2023, with a liquidation period extending 120 days beyond that date, until January 28, 2024. Specifically, for grant number H126A220047, these 5 transactions were incurred in either October or December 2023, which is after the designated period of performance. The review process performed by SED did not detect these transactions were outside the period of performance.

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Schedule of Findings and Questioned Cost
Year ended March 31, 2024

Cause

The condition related to a deficiency in the operation of the review process not occurring at a precision necessary to identify missing information during the review that is required to be in compliance with the grant's period of performance.

Possible Asserted Effect

The identified issue of a transaction occurring outside the period of performance and being liquidated beyond the required liquidation period results in questioned costs of the VR program administered by SED, may result in financial penalties, reduced future federal funding, and potential repayment of misused federal funds.

Questioned Costs

\$12,332 (representing the 5 transactions found to have occurred outside the specified period of performance. The population amounted to \$4,448,032, of which forty, totaling \$2,081,429, were selected for test work.)

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

We recommend SED implement a new control mechanism for reviewing funds before distribution. This control should include a pre-distribution review process with a dedicated team or staff verifying the period of performance for each VR grant award, ensuring all obligations and expenditures fall within the specified dates. Additionally, an automated system or manual control is recommended to be developed or enhanced to flag any transactions outside the period of performance or liquidation period.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Education

Federal Program: Rehabilitation Services Vocational Rehabilitation Grants to States (84.126)

Federal Award Numbers: H126A210047 (SED), H126A220047(SED), H126A230047 (SED), H126A240047 (SED)

Federal Award Years: 2021, 2022, 2023, 2024

State Agency: State Education Department

Reference: 2024-004

Criteria

Reporting

RSA-911, Case Service Report (RSA-911) (OMB No. 1820 0508). The RSA-911 is a set of data elements that state Vocational Rehabilitation (VR) agencies must submit to ED. The data elements obtained from state VR agency service records and case management systems document the application for and/or provision of VR services to individuals with disabilities, including program outcomes and demographic information. The RSA-911 data set instructions are available at <https://rsa.ed.gov/sites/default/files/subregulatory/pd-19-03.pdf>.

Key Line Items – Supporting documentation must be included in the service record or case management system for the data elements listed below. Dates reported in the case management system must match the supporting documentation. The following data elements contain critical information:

1. Date of Application (element 7)
2. Date of Eligibility Determination (element 38)
3. Date of Most Recent or Amended Individualized Plan for Employment (IPE) (element 398)*
4. Start Date of Employment in Primary Occupation (element 350)
5. Employment Outcome at Exit (element 356)
6. Date of Exit (element 353)
7. Hourly Wage at Exit (element 359)

*In accordance with the RSA-911 data set instructions available

<https://rsa.ed.gov/sites/default/files/subregulatory/pd-19-03.pdf> data element 398 above is listed as 'Date of Initial IPE'.

Internal controls

Lastly, 2 CFR 200.303(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

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

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 SED did not maintain complete and accurate data with the quarterly submissions of the RSA-911. A sample of 60 cases was selected from the department. For each case, the seven key line items were tested to verify the data reported in the case management system matched supporting documentation.

During the audit we noted an inconsistency between the compliance supplement requirement and the RSA-911 data set instructions for data element 398 as included above in the Criteria. For test-work purposes the RSA-911 data set instructions were utilized.

For fiscal year 2024 the 60 cases selected for testing at SED, the list below summarizes the key line elements the department could not provide supporting documentation or discrepancies were noted as follows:

- Date of Application (Element 7) - Two cases where the date the underlying application was received did not agree to the date reported on the RSA-911.
- Date of Initial IPE (Element 398) - The RSA-911 data instructions policy directive RSA-PD-19-03 Attachment II: provides instructions to report this data element as the date on which the initial IPE was signed by both the VR Counselor and the individual.
- Four cases where the date of Initial IPE reported in the RSA-911 did not agree to the date the underlying IPE. Eight cases where there was a date of initial IPE reported in the RSA-911 but a signed IPE could not be provided by management.
- Start date of employment in primary occupation (Element 350) - Two cases where the start date of employment on the underlying support provided did not agree to the employment start date that was reported on the RSA-911.
- Hourly Wage at Exit (Element 359) - Three cases where the hourly wage at exit on the underlying support provided did not agree to the hourly wage that was reported on the RSA-911.

Cause

The condition is due to deficiencies in the input and review process, which failed to correctly input information per the supporting documentation or identify missing information required for the RSA-91. Additionally, SED was transitioning to a new case management system and did not perform case reviews for the quarter ended March 31, 2024. This transition created operational challenges and resource constraints, further impacting the review process. Consequently, the combination of an imprecise review process and system transition led to reporting deficiencies.

Possible Asserted Effect

Failure to perform proper review of the data recorded in the case management system prior to the submission of the RSA-911 report can result in incorrect and/or missing data elements of the seven key line items noted for the RSA-911.

Questioned Costs

None

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

STATE OF NEW YORK
Schedule of Findings and Questioned Cost
Year ended March 31, 2024

Repeat Finding

A similar finding was included in the 2023 Single Audit Report as finding number 2023-010 at pages 40-42.

Recommendation

We recommend SED to ensure its review process of the underlying cases operates at a precision necessary to identify missing and incorrect data to ensure complete and accurate data is submitted on the RSA-911 reports. Additionally, SED should allocate adequate resources and implement review protocols, especially during system transitions, to maintain compliance with federal reporting requirements. This will help mitigate the risk of reporting deficiencies and ensure the reliability of the data used for decision-making and program evaluations.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Child Support Services (93.563)

Federal Award Numbers: 1901NYCEST, 2001NYCEST, 2101NYCSES, 2201NYCEST, 2301NYCSES, 2401NYSCSS, G1604NYCEST, and 2301NYCSES

Federal Award Years: 2019, 2020, 2021, 2022, 2023, and 2024

State Agency: Office of Temporary and Disability Assistance

Reference: 2024-005

Criteria

Matching - Maintenance of Effort

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 75.306(b) requires for all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the nonfederal entity's cost sharing or matching when such contributions meet all of the following criteria:

8. Are verifiable from the nonfederal entity's records;
9. Are not included as contributions for any other Federal award;
10. Are necessary and reasonable for accomplishment of project or program objectives;
11. Are allowable under subpart E of 45 CFR 75;
12. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
13. Are provided for in the approved budget when required by the HHS awarding agency; and
14. Conform to other provisions of this part, as applicable.

Subrecipient Monitoring

Additionally, 45 CFR 75.32(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.

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Schedule of Findings and Questioned Cost

Year ended March 31, 2024

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.

Further, 45 CFR 75.203(c) requires the nonfederal entity to evaluate and monitor 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 CF 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.

Also, 45 CFR 75.352(e) states, 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.

Internal controls

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.

Condition

The Office of Temporary and Disability Assistance (the Office) enters into grant agreements with local districts to provide programmatic services for the Child Support Enforcement program. Local districts initially cover 100% of costs incurred under the grant and periodically submit requests for reimbursement to the State of New York for services rendered. The Office reimburses local districts only for the federal share of the costs incurred, while the local districts provide the matching funds required by the State of New York. During the fiscal year ended March 31, 2024, the Office relied upon the local districts' match rate of 34% to ensure the State met their matching requirements of the Child Support Services program. During our testwork over the Office's subrecipient monitoring process, we noted that the Office does not have a process or internal controls in place to verify the sources of funds used by local districts to meet the matching requirements of the federal program awards, ensuring that these sources are allowable under federal regulations.

Cause

The condition caused is due to a lack of policies and procedures to ensure that funds utilized by the local districts for cost sharing or matching purposes are in accordance with 45 CFR 75.306(b) The Office's subrecipient monitoring procedures implemented in November 2020 do not include a review of the local funds used for cost sharing or matching purposes.

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Possible Asserted Effect

Failure to review the sources of the funds used by local districts for matching could result in the use of inappropriate funds for cost sharing or matching of expenditures. This noncompliance with the program laws, regulations, and terms and conditions of Federal awards could lead to questioned costs and potential disallowance of funds by federal agencies

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 2021-007 on pages 38–39.

We recommend the Office and the State develop and implement policies and procedures over subrecipient monitoring which include monitoring procedures over the local districts. These policies and procedures should incorporate reviewing the source of the local district's cost sharing or match to determine that the source is appropriate and in accordance with 45 CFR 75.306(b).

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Social Services Block Grant (93.667)

Federal Award Numbers: 2201NYSOR, 2301NYSOR, 2021NYTANF, 2301NYTANF, 2401NYTANF

Federal Award Years: 2022, 2023, and 2024

State Agency: Office of Children and Family Services

Reference: 2024-006

Criteria

Subrecipient Monitoring

Title U.S. code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 75.32(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 including ensuring that information related to eligible participants reported by district offices used to compile the annual Post Expenditure Report is complete and accurate.

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.

Performance Reporting - Post-Expenditure Report

The 42 USC 1397e requires states and territories to submit to the federal administering agency, the Office of Community Services, an annual Post Expenditure Report no later than six months following the close of the fiscal year.

Internal controls

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, 2024, the Office of Children and Families (the Office) passed through \$453,119,321 under the Social Services Block Grant (SSBG) program (ALN 93.667), to local districts (or subrecipients) to provide programmatic services under the SSBG program. As part of the funding arrangement,

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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, 2024, 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 Office 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, we identified that while monitoring procedures have been implemented by the Office to monitor that local districts are utilizing SSBG funds to provide services to participants that meet applicable eligibility criteria established for funded programs, the Office does not extend those monitoring procedures over the portion of funds transferred into the SSBG program by the Temporary Assistance for Needy Families (TANF) program. As a result, the Office does not have procedures in place to ensure that data related to claims paid using TANF transfer funds reported on the Post-Expenditure Report is complete and accurate

Cause

The condition found was primarily due to the monitoring procedures implemented by the Office do not include a review to ensure that the participant was eligible to receive services related to TANF transfer funds, which would assist in assuring 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.

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 2023 Single Audit Report as finding number 2023-014 on pages 53-54.

Questioned Costs

None

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 also review its monitoring procedures to ensure that they are reviewing to determine if participants were eligible to receive services paid for using TANF transfer funds to assist in assuring that the data reported within the annual Post-Expenditure Report is complete and accurate. Such monitoring activities should be performed at a precision level that would detect and identify errors in that could impact the accuracy of the annual Post-Expenditure Report.

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Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Community Mental Health Services (93.958)

Federal Award Numbers: 21B1NYCMHSC6; 22B1NYCMHS; 23B1NYCMHS

Federal Award Years: 2021, 2022, and 2023

State Agency: Office of Mental Health

Reference: 2024-007

Criteria

Maintenance of Effort

Title 42 U.S. Code 300x, *Formula grants to States* (42 USC 300x) section 300x-4(b)(1) states a funding agreement for a grant under this title is that the State involved will maintain State expenditures for community mental health services at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying for the grant.

Internal controls

Additionally, Title 45 Code of Federal Regulations Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards* (45 CFR 75) 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

The Office of Mental Health (the Office) performed the annual maintenance of effort (MOE) calculation and submitted it to the Substance Abuse and Mental Health Services Administration. During our testing, we noted that management had been unable to timely provide the source data of the MOE requirement as well as the supporting detail for the federal fringe rate and the federal indirect cost rate. As we were not provided with underlying supporting detail, we were unable to assess the completeness and accuracy of the State expenditures utilized to support the Office meeting the MOE requirement.

Cause

The condition caused was due to the Office's policies and procedures, including its internal control not designed to maintain appropriate supporting documentation related to the Maintenance of Effort calculation.

Possible Asserted Effect

Failure to maintain appropriate supporting documentation could result in the Office's inability to appropriately assess the degree of accuracy with respect to the MOE calculations and the amounts determined are not accurate and complete as reported to the federal government.

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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 2023 Single Audit Report as finding number 2023-015 on pages 55-56.

Recommendation

We recommend that the Office review and enhance its policies, procedures, and internal controls to ensure that the sources of data be maintained to support the calculation of the MOE requirement for each grant.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Schedule of Findings and Questioned Cost
Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Community Mental Health Services (93.958)

Federal Award Numbers: 21B1NYCMHSC6; 22B1NYCMHS; 23B1NYCMHS

Federal Award Years: 2021, 2022, and 2023

State Agency: Office of Mental Health

Reference: 2024-008

Criteria

Special Reporting for Federal Funding Accountability and Transparency Act

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.

Internal controls

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).

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Condition

The Office of Mental Health (the Office or OMH) did not report awards granted to subrecipients for the Block Grants for Community Mental Health Services program for the period April 2023 through March 2024 as required by FFATA.

FFATA requires the State to report certain identifying information related to awards made to subrecipients in amounts greater than or equal to \$30,000. Of the information to be reported, the following key data elements are required to be audited:

1. Subawardee name
2. Subawardee DUNS number
3. Amount of subaward
4. Subaward obligation/action date
5. Date of report submission
6. Subaward number
7. Subaward project description
8. Subawardee names and compensation of highly compensated officers

During our testing, we noted that the Office did not establish internal control procedures to submit FFATA reports for all subawards as required by federal regulations. During our testwork of 40 subawards, we noted the following exceptions:

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
40	40	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$11,606,972	\$11,606,972	\$ 0	\$ 0	\$0

Cause

The condition found was due the timing of the implementation of the OMH corrective action plan for a finding that was identified in the previous audit of the program. The condition found was due to the Office not having internal controls in place to ensure that FFATA reporting was being performed for the period April 2023 – March 2024. Resource constraints have been a challenge throughout the current fiscal year, which prevented OMH from fully implementing its corrective action plan during this period.

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Possible Asserted Effect

Failure to submit all subawards 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 2023 Single Audit Report as finding number 2023-016 on pages 57-59.

Recommendation

We recommend that the Office implement 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.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Community Mental Health Services (93.958)

Federal Award Numbers: 21B1NYCMHSC6; 22B1NYCMHS; 23B1NYCMHS

Federal Award Years: 2021, 2022, and 2023

State Agency: Office of Mental Health

Reference: 2024-009

Criteria

Subrecipient monitoring

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 352(a) states all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information include:

1. Federal Award Identification.

- i) Subrecipient name (which must match the name associated with its unique entity identifier;
- ii) Subrecipient's unique entity identifier;
- iii) Federal Award Identification Number (FAIN);
- iv) Federal Award Date (see Section 75.2 Federal award date) of award to the recipient by the HHS awarding agency;
- v) Subaward Period of Performance Start and End Date;
- vi) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
- vii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation;
- viii) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
- ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- x) Name of HHS awarding agency, pass-through entity, and contract information for awarding official of the pass-through entity;

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- xi) Assistance Listing Number (ALN) and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the ALN number at time of disbursement;
 - xii) Identification of whether the award is R&D; and
 - xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per Section 75.414).
2. All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;
 3. Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the HHS awarding agency including identification of any required financial and performance reports;
 4. An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with this part), or a de minimis indirect cost rate as defined in § 75.414(f);
 5. A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and
 6. Appropriate terms and conditions concerning closeout of the subaward.

Title 45 Code of Federal Regulations Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR 75)*, section 352(b) states all pass-through entities must evaluate each subrecipient's risk of noncompliance with Federal Statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring as described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

1. The subrecipient's prior experience with the same or similar subawards;
2. The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with subpart F, and the extent to which the same or similar subaward has been audited as a major program;
3. Whether the subrecipient has new personnel or new or substantially changed systems; and
4. The extent and results of HHS awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a HHS awarding agency).

Additionally, 45 CFR 75.352(d) states all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the 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.

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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 Section 75.521.

45 CFR 74.352(e) states depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), 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:

4. Providing subrecipients with training and technical assistance on program related matters; and
5. Performing on-site reviews of the subrecipient's program operations;
6. Arranging for agreed-upon-procedures engagements as described in § 75.425

Further, 45 CFR 75.352(f) states the pass-through entity must verify that every subrecipient is audited as required by Subpart F of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

Internal controls

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, 2024, the Office of Mental Health (the Office) passed through \$62,549,685 under the Block Grants for Community Mental Health Services program, to local districts and providers (subrecipients) to provide programmatic and administrative services. As part of the funding arrangement, the local districts and providers (subrecipients) are responsible for carrying out the programmatic services and use the funds to provide comprehensive, community-based mental health services to adults with serious mental illnesses and to children with serious emotional disturbances and to monitor progress in implementing a comprehensive, community based mental health system. Funds are used for prevention, treatment, recovery support, and other services to supplement Medicaid, Medicare, and private insurance services.

When subawards are made to subrecipients, the pass-through entities are required to communicate certain award information. The Office's policies and procedures are not designed to ensure that award notifications are provided to subrecipients as required by 45 CFR 75.352(a).

During our testwork of 40 subrecipient award notifications, we noted the following:

1. For 4 subrecipients, the Federal Award Identification Number (FAIN) was not provided.

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2. For 10 subrecipients, which are all New York State Counties, there was no notification of access to records.
3. For 17 of the subrecipients, there was no notification of the DUNS number.

All pass-through entities are required to perform a risk assessment over each subrecipient's risk of noncompliance for purposes of determining appropriate subrecipient monitoring procedures. The Office did not perform an annual risk assessment process related to its subrecipients as required by 45 CFR 75.352(b).

Additionally, all pass-through entities must monitor the activities of the subrecipient which must include review of financial and performance reports, follow up to ensure the subrecipient takes timely and appropriate action on any deficiencies identified, and issue a management decision for audit findings. The Office did not monitor and retain documentation of review of financial and performance reports, follow up to ensure appropriate action on any deficiencies identified, nor issue a management decision for audit findings.

Lastly, all pass-through entities are required to verify each subrecipient is audited, if required. The Office did not ensure that all required single audits of the program's subrecipients were received, reviewed, followed-up, or appropriate action was taken and as necessary issued a management decision pertaining to the audit finding in accordance with 45 CFR 75, as applicable.

Cause

The condition found was due the timing of the implementation of the OMH corrective action plan for a finding that was identified in the previous fiscal year. The condition found was primarily due to the lack of written policies and procedures to ensure that:

1. all required award identification information per 45 CFR 75.352(a) is communicated to the subrecipients for each federal subaward period;
2. an appropriate risk assessment process is in place per 45 CFR 75.352(b);
3. during award monitoring procedures are performed per 45 CFR 75.352(d); and
4. review of the subrecipient single audit reports are performed per 45 CFR 75.352(f).

Resource constraints have been a challenge throughout the current fiscal year, which prevented OMH from fully implementing its corrective action plan during this period.

Possible Asserted Effect

Failure to adequately communicate award identification information could result in the subrecipient not being able to adequately track and report the subawards received, resulting in errors being reported on the schedule of expenditures of federal awards within a subrecipient's annual single audit report and not being able to comply with required terms and conditions of the federal award.

Failure to perform an annual risk assessment to determine appropriate subrecipient monitoring procedures, failure to review financial and performance reports of subrecipients, as well as failure to obtain and review subrecipient single audit reports may result in insufficient monitoring procedures being performed to detect subrecipient noncompliance with federal statutes, regulations, and the terms and conditions of the award.

Questioned Costs

Cannot be determined.

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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 2023 Single Audit Report as finding number 2023-017 on pages 60-63.

Recommendation

We recommend that the Office enhance its processes and internal controls over its reporting to the subrecipients of the federal program to ensure all award identification information required under 45 CFR 75.352(a) is provided to the subrecipients of the Office as data elements change or funding is passed-through.

We recommend that the Office implement policies, procedures, and internal controls to ensure that risk assessments of subrecipients are performed on an annual basis to determine appropriate monitoring of subrecipients is performed in accordance with 45 CFR 75.352(d) and 45 CFR 75.352(e).

Lastly, we recommend that the Office implement policies, procedures, and internal controls to track and review all subrecipients' single audit submissions per 45 CFR 75.252(f).

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Community Mental Health Services (93.958)

Federal Award Numbers: 21B1NYCMHSC6; 22B1NYCMHSC6; 23B1NYCMHSC6

Federal Award Years: 2021, 2022, and 2023,

State Agency: Office of Mental Health

Reference: 2024-010

Criteria

Activities Allowed or Unallowed

Title 45 Code of Federal Regulations Part 96, *Block Grants, Fiscal and administrative requirements* (45 CFR 96) section 30(a) states, except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

Internal controls

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, 2024, the Office of Mental Health (the Office) passed through \$62,549,685 under the Block Grants for Community Mental Health program to subrecipients, of which during our testwork, we selected 40 invoices across 32 subrecipients totaling \$11,606,972. For one of the 40 invoices selected, a payment of \$189,000 was made to a subrecipient that did not have an executed contract and was erroneously paid. In reviewing the total population, an additional \$231,090 were made to the subrecipient across 3 additional payments without an executed contract.

Cause

The condition caused was due to the Office's implementation of a new grants management system during the fiscal period where contracts were moved from the prior system (Grants Gateway) to the new system (Statewide Financial System) which resulted in the contract being erroneously designated as executed within the new system. The contract had not been signed by the Office or by the subrecipient. As the contract was denoted as executed within the system, the Office payment team approved the expenditure of funds without an approved contract. The Office did not have policies and procedures, including its internal control designed to appropriately ensure that a contract was approved by the appropriate personnel after transfer to the new grants management system prior to the expenditure of funds.

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Possible Asserted Effect

Failure to ensure that subrecipients have an executed contract could result in the Office expending program funds with subrecipients that are not an appropriate, qualified, community program or on activities that are unallowed.

Questioned Costs

\$420,090 (Represents four invoices paid to a subrecipient without an approved contract.)

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample,

Recommendation

We recommend that the Office review and enhance its policies, procedures, and internal controls to ensure that grant funds are not expended to reimburse subrecipients prior to a written contract between the Office and the subrecipient has been approved by appropriate personnel.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

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Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Federal Award Numbers: 21B1NYSAPTC5; 21B1NYSAPTC6; 22B1NYSAPT; 23B1NYSAPT

Federal Award Years: 2021, 2022, and 2023

State Agency: Office of Addiction Services and Supports

Reference: 2024-011

Criteria

Special Reporting for Federal Funding Accountability and Transparency Act

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.

Internal controls

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).

STATE OF NEW YORK
 Schedule of Findings and Questioned Cost
 Year ended March 31, 2024

Condition

The Office of Addiction Services and Support (OASAS) did not report awards granted to subrecipients for the Block Grants for Prevention and Treatment of Substance Abuse program for the period April 2023 through March 2024 as required by FFATA.

FFATA requires the State to report certain identifying information related to awards made to subrecipients in amounts greater than or equal to \$30,000. Of the information to be reported, the following key data elements are required to be audited:

1. Subawardee name
2. Subawardee DUNS number
3. Amount of subaward
4. Subaward obligation/action date
5. Date of report submission
6. Subaward number
7. Subaward project description
8. Subawardee names and compensation of highly compensated officers

During our testwork, we noted OASAS did not establish control procedures to submit FFATA reports for all subawards. We noted the following exceptions:

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
0	298	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$0	\$150,428,487	\$0	\$0	\$0

Cause

The condition found was due the timing of the implementation of the OASAS corrective action plan for a finding that was identified in the previous audit of the program. As a result of staffing changes and constraints brought about by the COVID-19 pandemic, the FFATA reporting requirements were not adequately considered, and FFATA reporting was not completed in the prior year. Resource constraints continued to be a challenge throughout the current fiscal year, which prevented OASAS from fully implementing its corrective action plan during this period.

STATE OF NEW YORK
Schedule of Findings and Questioned Cost
Year ended March 31, 2024

Possible Asserted Effect

Failure to submit all subawards passed-through to subrecipients and subcontractors under subawards as defined by 45 CFR 75.2 in OASAS's FFATA reporting could result in OASAS 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 2023 Single Audit Report as finding number 2023-018 on pages 64–66.

Recommendation

We recommend OASAS 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.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

Federal Agency: United States Department of Health and Human Services

Federal Program: Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Federal Award Numbers: 21B1NYSAPTC5; 21B1NYSAPTC6; 22B1NYSAPT; 23B1NYSAPT

Federal Award Years: 2021, 2022, and 2023

State Agency: Office of Addiction Services and Supports

Reference: 2024-012

Criteria

Subrecipient monitoring

Title 45 Code of Federal Regulations Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards* (45 CFR 75), section 352(b) states all pass-through entities must evaluate each subrecipient's risk of noncompliance with Federal Statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring as described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

1. The subrecipient's prior experience with the same or similar subawards;
2. The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with subpart F, and the extent to which the same or similar subaward has been audited as a major program;
3. Whether the subrecipient has new personnel or new or substantially changed systems; and
4. The extent and results of HHS awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a HHS awarding agency).

Internal controls

Further, 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 our testwork, we noted the Office of Addiction Services and Support (OASAS) had developed and implemented a risk assessment process to help identify entities with higher risks that required additional monitoring procedures. Initially the risk assessment process begins with the programmatic input and is provided to the Fiscal Audit and Review Unit (FARU) to provide additional risk assessment factors. However, the agency was unable to provide documentation to support the additional risk factors considered by FARU.

STATE OF NEW YORK

Schedule of Findings and Questioned Cost

Year ended March 31, 2024

The documentation provided indicated that entities determined to be higher risk did not align with the entities selected and for which additional monitoring procedures were performed.

Cause

The condition found was because OASAS was not able to provide documentation to support the additional risk factors considered by FARU that determined the higher risk entities reviewed for the fiscal year.

Possible Asserted Effect

Failure to properly document all program and fiscal risk factors considered in identifying higher risk subrecipients may result in inadequate incremental monitoring procedures being performed and subrecipients not being in compliance with federal statutes, regulations, and the terms and conditions of the subaward.

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 2023 Single Audit Report as finding number 2023-019 on pages 67–68.

Recommendation

We recommend OASAS continue to enhance its subrecipient monitoring policies, procedures and internal control to help ensure OASAS is monitoring subrecipients in accordance with 45 CFR 75.352(d) and 45 CFR 75.352(e). Such monitoring activities should be performed and documented to show all considerations made when determining which subrecipients would be subject to additional monitoring procedures.

Views of Responsible Officials

Recommendation accepted. Please refer to corrective action plan.

STATE OF NEW YORK

CORRECTIVE ACTION PLANS

FOR THE YEAR ENDED MARCH 31, 2024

Kathy Hochul, Governor
Blake G. Washington, Budget Director

Corrective Action Plans of State Fiscal Year 2023-2024
Single Audit Findings for the State Fiscal Year Ended
March 31, 2024

Compiled in December 2024 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*

**New York State Single Audit FY 2024
Reportable Findings**

CY Finding #	State Agency	ALN #	Major Programs	Compliance Area	Questioned Costs	PY Finding #
2024-002	Department of Economic Development / Office of the State Comptroller	21.031	State Small Business Credit Initiative	SEFA Reporting	None	None
2024-003	State Education Department	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Period of Performance	\$12,332	None
2024-004	State Education Department	84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	Reporting	None	2023-010
2024-005	Office of Temporary and Disability Assistance	93.563	Child Support Services	Subrecipient Monitoring	Cannot Be Determined	2021-007
2024-006	Office of Children and Family Services	93.667	Social Services Block Grant	Reporting and Subrecipient Monitoring	None	2023-014
2024-007	Office of Mental Health	93.958	Block Grants for Community Mental Health Services	Matching	None	2023-015
2024-008	Office of Mental Health	93.958	Block Grants for Community Mental Health Services	Reporting	None	2023-016
2024-009	Office of Mental Health	93.958	Block Grants for Community Mental Health Services	Subrecipient Monitoring	Cannot Be Determined	2023-017
2024-010	Office of Mental Health	93.958	Block Grants for Community Mental Health Services	Allowability	\$420,090	None
2024-011	Office of Addiction Services and Support	93.959	Block Grants for Prevention and Treatment of Substance Abuse	Reporting	None	2023-018
2024-012	Office of Addiction Services and Support	93.959	Block Grants for Prevention and Treatment of Substance Abuse	Subrecipient Monitoring	None	2023-019



KATHY HOCHUL
Governor

BLAKE WASHINGTON
Director of the Budget

MATTHEW HOWARD
Deputy Director

MARK MASSARONI
Deputy Director

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: Department of Economic Development

Single Audit Contact: Ed Hamilton

Title: EVP Administration & Senior Deputy Director

Telephone: (518) 292-5709

E-mail Address: ed.hamilton@esd.ny.gov

Federal Program(s) (ALN# [s]): State Small Business Credit Initiative Technical Assistance Grant Program (21.031)

Audit report Reference: 2024-002

Anticipated Completion Date: 3/31/2025

Corrective Action Planned:

Internal controls will be reviewed and modified as needed to ensure compliance with federal statutes, regulations and the terms and conditions of the federal award. DED will increase future communication with the Office of the State Comptroller when reporting expenditures of the SSBCI program to insure proper categorization of technical assistance expenditures.



THOMAS P. DiNAPOLI
STATE COMPTRROLLER



110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTRROLLER

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: Office of the State Comptroller

Single Audit Contact: Debbie Hilson

Title: Director

Telephone: 518-486-1234

E-mail Address: dhilson@osc.ny.gov

Federal Program(s) (ALN# [s]): State Small Business Credit Initiative Technical Assistance Program (21.031)

Audit report Reference: 2024-002

Anticipated Completion Date: 3/31/2025

Corrective Action Planned: Office of the State Comptroller will review the instructions provided to State Agencies with the Sub-Schedules and consider changes to make them clearer that State Agencies should review and include all Federal expenditures for their Agency. OSC will also review the process used for determining if any additional programs should be included on State Agency Sub-schedules.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Education Department

Single Audit Contact: Maria Stamoulis

Title: Audit Manager

Telephone: 518-473-2810

E-mail Address: Maria.Stamoulis@nysed.gov

Federal Program(s) (ALN# [s]): Rehabilitation Services Vocational Rehabilitation Grants to States (84.126)

Audit report Reference: 2024-003

Anticipated Completion Date: 12/31/2025

Corrective Action Planned:

New York State Education Department will update the payment processing procedures and provide training to staff involved in preparing or processing payment forms to understand the appropriate application of cost centers to align with the Period of Performance for Federal awards, including the VR grant. Additional controls will be explored to ensure that the accounting details on the payment form are accurate and entered correctly into the Statewide Financial System.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Education Department

Single Audit Contact: Maria Stamoulis

Title: Audit Manager

Telephone: 518-473-2810

E-mail Address: Maria.Stamoulis@nysed.gov

Federal Program(s) (ALN# [s]): Rehabilitation Services Vocational Rehabilitation Grants to States (84.126)

Audit report Reference: 2024-004

Anticipated Completion Date: 12/31/2025

Corrective Action Planned:

New York State Education Department's Adult Career and Continuing Education Services-Vocational Rehabilitation (ACCES-VR) will update RSA 911 Reporting Data Validation policies and procedures. This updated policy and procedure will address the input of information provided through supporting documentation, the storing of supporting documents and review protocols of the RSA 911 data elements.



Office of Temporary and Disability Assistance

KATHY HOCHUL
Governor

BARBARA C. GUINN
Commissioner

RAJNI CHAWLA
Executive Deputy Commissioner

CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner – Audit & Quality Improvement

Telephone: (518) 402-0148

E-mail Address: Thomas.Cooper@otda.ny.gov

Federal Program(s) (ALN# [s]): Child Support Services (93.563)

Audit report Reference: 2024-005

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

The Office of Temporary and Disability Assistance (OTDA) and the State will review, develop, and enhance the subrecipient monitoring policies and procedure, which include monitoring procedures over local districts. These policies and procedures would include verification of the source of the local district's cost sharing or match to determine that the source is appropriate and in accordance with 45 CFR 75.306(b).



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Children and Family Services

Single Audit Contact: Bonnie Lee Hahn

Title: External Audit Liaison

Telephone: (518) 337-0218

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Federal Program(s) (ALN# [s]): Social Services Block Grant (93.667)

Audit report Reference: 2024-006

Anticipated Completion Date: 3/31/2025

Corrective Action Planned:

The Office of Children and Family Services (OCFS) has reviewed current monitoring procedures and has determined changes are needed to strengthen programmatic oversight in determining if participants were eligible to receive services under the Social Services Block Grant (SSBG), and Temporary Assistance for Needy Families (TANF) transfer funds.

To accomplish this task the Division of Child Welfare and Community Services will revise their current SSBG monitoring procedures to include a random sample of individuals who received services paid with funds from the TANF transfer. Eligibility reviews for received goods and services will begin during the first quarter of 2025.

In addition, the Title XX Monitoring unit in the Bureau of Financial Operations has expanded their review to include expenses for goods and services paid with the funds from the TANF transfer.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director, Office of Community Budget & Financial Management

Telephone: 518-474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Community Mental Health Services (93.958)

Audit report Reference: 2024-007

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

The Office of Mental Health (OMH) agrees with this recommendation. While OMH ensures that the source data is maintained and has updated internal procedures accordingly, a formalized policy and procedure will be implemented in SFY 2024-25.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director, Office of Community Budget & Financial Management

Telephone: 518-474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Community Mental Health Services (93.958)

Audit report Reference: 2024-008

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

Office of Mental Health (OMH) agrees with this recommendation and acknowledges that there was an oversight in reporting amounts passed through to subrecipients as required by Federal Funding Accountability and Transparency Act (FFATA).

OMH is in the process of updating policies, procedures, and/or internal controls to ensure the agency's awareness of this requirements and will report on the amounts passed through to subrecipients and subcontractors in SFY 2024-25.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director, Office of Community Budget & Financial Management

Telephone: 518-474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Community Mental Health Services (93.958)

Audit report Reference: 2024-009

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

The Office of Mental Health (OMH) has updated the federal certification forms in March of 2022 for the MHBG COVID Relief and ARPA awards to include the following award identification information: federal fiscal year of award, federal award period, federal award identification number (FAIN), and federal award document number. The federal certification forms for the annual MHBG awards are created to align with each new Notice of Award (NOA) and include the same award identification information noted above.

Due to the timing of when we received the Federal NOA's in comparison to when the federal certification forms were distributed to sub-recipients, not all sub-recipients may have received the updated form in fiscal year end March 31, 2024. These revised forms were used for all subrecipients in SFY 2024-25. OMH will continue to amend the certification and applicable policies, procedures, and internal controls to incorporate all required identifying characteristics outlined in 45 CFR 75 Section 352 (a) in SFY 2024-25.

Additionally, OMH initiated an expense report process to review award specific expense reports for all COVID Relief and ARPA federal grant subrecipients to ensure provider expenditures are following federal guidelines. This process will be rolled out to the other MHBG awards in SFY 2024-25. While a formalized risk assessment was not conducted, one has been developed to assess subrecipient risk of non-compliance. This risk assessment will be used in conjunction with the review of reward specific expense reports to



**Office of
Mental Health**

KATHY HOCHUL
Governor

ANN MARIE T. SULLIVAN, M.D.
Commissioner

determine those subrecipients that need additional monitoring. Applicable policies and procedures will be updated as appropriate upon completion.

Lastly, OMH has adopted a tracking mechanism that will be used to track and review all subrecipients single audit submissions during the upcoming review cycle.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director, Office of Community Budget & Financial Management

Telephone: 518-474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Community Mental Health Services (93.958)

Audit report Reference: 2024-010

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

Office of Mental Health (OMH) acknowledges that there was an oversight in payments being passed through to a single subrecipient without an executed contract. This single event occurred during the Statewide transition from Grants Gateway to the Grants Management Module of the Statewide Financial System (SFS). The data transfer when the system switch occurred was not 100% accurate. The contract in question was incorrectly read and transmitted the contract to the new grants management module in SFS as executed.

OMH is currently working on a contract amendment to support this payment which will be submitted for approval and signature by all required parties. The business owners of the SFS were informed of the error and it is OMH's understanding that the issue has been addressed in SFS.



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Addiction Services and Supports

Single Audit Contact: Steven Shrager

Title: Director of Audit Services

Telephone: (518) 485-2053

E-mail Address: Steven.shrager@oasas.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Audit report Reference: 2024-011

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

New York State acknowledges the finding and recommendation regarding Federal Funding Accountability and Transparency Act (FFATA) noted during the Uniform Grant Guidance audit. Associated policies will be updated accordingly and all first-tier subrecipients will receive the required notification of FFATA applicability per CFR 200.311 and FFATA Subaward Reporting System (FSRS) will be updated for grant obligations. With regard to the Possible Asserted Effect that failure to submit FFATA reporting may result in reporting inaccurate and incomplete amounts to the federal government – New York State is committed to producing accurate and complete grant spending amounts annually to the federal government outside of the FFATA system via the Federal Financial Report (FFR), due in December.

OASAS will 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. All OASAS first-tier subrecipients will receive the required notification of FFATA applicability per CFR 200.311. FSRS will be updated for obligations under the FFY20 award and forward.



Office of Addiction Services and Supports

KATHY HOCHUL
Governor

CHINAZO CUNNINGHAM, MD
Commissioner

Actions:

#	Action	Target Period
1	Assignment of lead Bureau of Budget Management (BBM) staff member	December 2024
2	Attend General Services Administration (GSA) Webinar regarding upcoming retirement of FFATA Subaward Reporting System (FSRS) and new reporting system	December 2024
3	Develop/update procedures for updating FSRS current and future SUBG awards in accordance with Federal guidelines and Office of Addition Services and Support (OASAS) budgeting and payment practices, taking into account known future revisions to the System for Award Management (SAM) reporting system.	2025 Q1
4	Develop list of first-tier subrecipients to be notified of FFY24 funding award information, notifications issued, and FSRS updated	2025 Q1
5	Develop list of first-tier subrecipients to be notified of FFY21 supplemental funding award information, notifications issued, and FSRS updated	2025 Q1-Q2
6	Update of procedures in accordance with revised SAM reporting system	2025 Q2



CORRECTIVE ACTION PLAN

Single Audit of Federal Programs for State Fiscal Year Ended March 31, 2024

State Agency: New York State Office of Addiction Services and Supports

Single Audit Contact: Steven Shrager

Title: Director of Audit Services

Telephone: (518) 485-2053

E-mail Address: Steven.shrager@oasas.ny.gov

Federal Program(s) (ALN# [s]): Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Audit report Reference: 2024-012

Anticipated Completion Date: 6/30/2025

Corrective Action Planned:

New York State agrees that enhanced subrecipient monitoring policies, procedures and internal control will help ensure the State’s compliance with 45 CFR 75.352(d) and 45 CFR 75.352(e). While monitoring activities are currently performed – the State will improve the documentation of the activities performed – including keeping a written list of all factor considerations used to determine which subrecipients are subject to additional monitoring procedures.

Corrective Action Required: New York State will continue to use a “priority list” to record high-risk subrecipients subject to additional monitoring. Additionally, Office of Addiction Services and Supports (OASAS) will provide a written description of all of the factors and considerations used to compile the priority list to the New York State Division of the Budget for review and approval prior to March 31, 2025.

STATE OF NEW YORK

PRIOR YEAR FINDING

SUMMARY

FOR THE YEAR ENDED MARCH 31, 2024

Kathy Hochul, Governor
Blake G. Washington, Budget Director

Status of State Fiscal Year 2023-2024 Single Audit
Findings for the State Fiscal Year Ended March 31, 2024

Compiled in December 2024 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*

**New York State Single Audit FY 2024
Prior Year Finding Updates**

Reference	Agency	Program	ALN #	Finding Compliance Area	Updated Status	Contact Person
2018-028	DOH	Basic Health Program (Affordable Care Act)	93.64	ABE	Partially Corrected	Melissa Fiore
2022-003	DOH	Child and Adult Care Food Program	10.558	M	Partially Corrected	Melissa Fiore
2022-004	DOL	Unemployment Insurance	17.225	N	Partially Corrected	Donald Temple
2022-005	DOL	Unemployment Insurance	17.225	AE	Partially Corrected	Donald Temple
2022-006	DOL	Unemployment Insurance	17.225	AE	Partially Corrected	Donald Temple
2023-007	DOL	Unemployment Insurance	17.225	Special Tests (N)	Partially Corrected	Donald Temple
2022-002	HESC	Federal Family Education Loan Program	84.032	Special Tests (N)	No Action Needed**	Dora Diaz-Crowe
2023-008	HESC	Federal Family Education Loans (Guaranty Agencies)	84.032	Special Tests (N)	No Action Needed**	Dora Diaz-Crowe
2023-009	HESC	Federal Family Education Loans (Guaranty Agencies)	84.032	User Access Controls	No Action Needed**	Dora Diaz-Crowe
2023-006	HTFC	CDBG Disaster Recovery Grants – Pub. L. No. 113-2 Cluster	14.269 14.272	L	Partially Corrected	Amy Chan
2023-018	OASAS	Prevention and Treatment of Substance Abuse	93.959	L	Partially Corrected	Steven Shrager
2023-019	OASAS	Prevention and Treatment of Substance Abuse	93.959	M	Corrected	Steven Shrager
2019-016	OCFS	Adoption Assistance	93.659	M	Partially Corrected	Bonnie Hahn
2022-014	OCFS	Foster Care Title IV-E	93.658	M	Partially Corrected	Bonnie Hahn
2022-015	OCFS	Social Services Block Grant	93.667	ML	Partially Corrected	Bonnie Hahn
2023-010	OCFS	Vocational Rehabilitation	84.126	L	Corrected	Bonnie Hahn
2023-011	OCFS	CCDF Cluster	93.489, 93.575, 93.596	M	Corrected	Bonnie Hahn
2023-014	OCFS	Social Services Block Grant	93.667	L	Partially Corrected	Bonnie Hahn
2023-015	OMH	Community Mental Health Block Grant (MHBG)	93.958	G	Not Corrected	April Wojtkiewicz
2023-016	OMH	Community Mental Health Block Grant (MHBG)	93.958	L	Not corrected	April Wojtkiewicz
2023-017	OMH	Community Mental Health Block Grant (MHBG)	93.958	M	Partially Corrected	April Wojtkiewicz
2021-010	OTDA	Child Support Enforcement	93.563	GM	Partially Corrected	Thomas Cooper
2022-012	OTDA	Temporary Assistance for Needy Families	93.558	L	Corrected	Thomas Cooper
2022-013	OTDA	Low Income Home Energy Assistance Program	93.568	L	Corrected	Thomas Cooper
2023-012	OTDA	Temporary Assistance for Needy Families	84.126	L	Corrected	Thomas Cooper
2023-013	OTDA	Adoption Assistance CCDF Cluster TANF SSBG	93.489, 93.575, 93.596, 93.558, 93.659, 93.667	User Access Controls	Corrected	Thomas Cooper
2023-005	SED	Child Nutrition Cluster	10.555 10.559 10.582	L	Corrected	Maria Stamoulis
2023-010	SED	Vocational Rehabilitation	84.126	L	Not Corrected	Maria Stamoulis

** Higher Education Service Corporation previously reported in corrective action plan exited of the Federal Family Education Loans Program. The findings are no longer valid to New York State.



KATHY HOCHUL
Governor

MATTHEW HOWARD
Deputy Director

BLAKE WASHINGTON
Director of the Budget

MARK MASSARONI
Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended 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

Program (ALN #): Basic Health Program (93.640)

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 of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 2/28/2025

Full Status Report:

The cash payment back to Center for Medicare and Medicaid Services (CMS) was process in March 2020 resulting in full reimbursement to CMS. The system correction to eMedNY is pending. Communication on project re-initiated in early October 2023, and project request submitted as CR 7782 in November 2023. Subsequent meetings and correspondence occurred relative to details of actual correction data run. Department of Health (DOH) and Fiscal Agent staff have since confirmed that original claim data extract is no longer available for special input correction run as original claim age is greater than 6 years. DOH staff have otherwise obtained the final expenditure total for Trust Fund reconciliation and are currently working with Systems staff to develop offline approach that will satisfy remaining reconciliation requirements.





KATHY HOCHUL
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MATTHEW HOWARD
Deputy Director

BLAKE WASHINGTON
Director of the Budget

MARK MASSARONI
Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended 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

Program (ALN #): Child and Adult Care Food Program (10.558)

Prior-Year Audit Report Page Reference: 23-24

Prior-Year Finding Number: 2022-003

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 12/31/2025

Full Status Report:

New York State agencies collectively continue to work together to address improve compliance subrecipient monitoring requirements. The New York State Department of Health (Department or DOH) submitted a business case to the Statewide Financial System (SFS) in May 2023 to build the necessary fields and a report/query in SFS that will be used to determine how much federal NYS subaward funding was reimbursed to Department subrecipients to determine if a Single Audit is required. SFS stated that they will begin working on this in April 2025 as a statewide project.

A spreadsheet tracks records of submission timeliness and assists when to impose the appropriate sanctions. The Department is establishing a manual process that allows for the matching of the State's process that allows us to periodically match our subrecipient list with the Federal Audit Clearinghouse's (FAC) published data files on subrecipient Single Audit Report findings. This match prioritizes our review of subrecipient Single Audit Reports with findings to determine if they are relevant to the Department's programs and share the finding(s) with the Department's program staff advising them the need to issue management decisions to subrecipients within six months of receipt of the Single Audit Report.





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As of June 30, 2024, the backlog has been cleared using the established manual process described above. Various changes at both the State and Federal level have led to delays in the implementation of further corrective actions, which are scheduled to be completed by December 31, 2025





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2022

State Agency: Department of Labor

Single Audit Contact: Donald Temple

Title: Director, Internal Audit and Control

Telephone: (518) 457-7332

E-mail Address: Donald.temple@labor.ny.gov

Program (ALN #): Unemployment Insurance (17.225)

Prior-Year Audit Report Page Reference: 25-27

Prior-Year Finding Number: 2022-004

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 10/1/2025

Full Status Report:

The New York State Department of Labor (NYSDOL) did not perform any new corrective actions specific to this program between April 1, 2023 and March 31, 2024.

While no corrective actions specific to this program were completed during this period – NYSDOL continues to work toward the October 2025 implementation of a modernized Unemployment Insurance System. The new system will include improved data marker capabilities.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2022

State Agency: Department of Labor

Single Audit Contact: Donald Temple

Title: Director, Internal Audit and Control

Telephone: (518) 457-7332

E-mail Address: Donald.temple@labor.ny.gov

Program (ALN #): Unemployment Insurance (17.225)

Prior-Year Audit Report Page Reference: 28-31

Prior-Year Finding Number: 2022-005

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 10/1/2025

Full Status Report:

The New York State Department of Labor (NYSDOL) did not perform any new corrective actions specific to the Pandemic Unemployment Assistance and Pandemic Emergency Unemployment Compensation between April 1, 2023 and March 31, 2024. These temporary federal programs do not exist under current federal law.

While no corrective actions specific to these programs were completed during this period – NYSDOL continues to work toward the October 2025 implementation of a modernized Unemployment Insurance System.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2022

State Agency: Department of Labor

Single Audit Contact: Donald Temple

Title: Director, Internal Audit and Control

Telephone: (518) 457-7332

E-mail Address: Donald.temple@labor.ny.gov

Program (ALN #): Unemployment Insurance (17.225)

Prior-Year Audit Report Page Reference: 32-33

Prior-Year Finding Number: 2022-006

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 10/1/2025

Full Status Report:

The New York State Department of Labor (NYSDOL) did not perform any new corrective actions specific to the pandemic-era benefit payments administered under the regular UI program, Pandemic Unemployment Assistance, Federal Pandemic Unemployment Compensation, Pandemic Emergency Unemployment Compensation, Lost Wages Assistance, Mixed Earners Unemployment Compensation, and Extended Benefits between April 1, 2023 and March 31, 2024. These six temporary federal programs do not exist under current federal law.

While no corrective actions specific to these programs were completed during this period – NYSDOL continues to work toward the October 2025 implementation of a modernized Unemployment Insurance System.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Department of Labor

Single Audit Contact: Donald Temple

Title: Director, Internal Audit and Control

Telephone: (518) 457-7332

E-mail Address: Donald.temple@labor.ny.gov

Program (ALN #): Unemployment Insurance (17.225)

Prior-Year Audit Report Page Reference: 33-34

Prior-Year Finding Number: 2023-007

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 10/1/2025

Full Status Report:

The New York State Department of Labor (NYSDOL) did not perform any new corrective actions specific to this program between April 1, 2023 and March 31, 2024. Issues related to staff shortages and case backlogs continue to be addressed by NYSDOL managers.

Additionally, in April of 2024, the United States Department of Labor (USDOL) released *Building Resilience: A plan for transforming unemployment insurance*, acknowledging that the Unemployment Insurance system has not been appropriately and sustainably funded to fulfill public expectations for responsive, customer-centric, and integrity-focused state UI administration. NYSDOL has agreed to cooperate and assist the USDOL in a multi-state effort to right-size UI financing.

While no corrective actions specific to this program were completed during this period – NYSDOL continues to work toward the October 2025 implementation of a modernized Unemployment Insurance System.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Housing Trust Fund Corporation

Single Audit Contact: Amy Chan

Title: Deputy Director

Telephone: 212-872-0443

E-mail Address: Amy.Chan@hcr.ny.gov

Program (ALN #): CDBG – Disaster Recovery Grants (14.269, 14.272)

Prior-Year Audit Report Page Reference: 29

Prior-Year Finding Number: 2023-006

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 8/30/2024

Full Status Report:

The Office of Resilient Homes and Communities (RHC), a program office under the Housing Trust Fund Corporation (HTFC), has redeveloping internal processes and procedures for ensuring that the Federal Funding Accountability and Transparency Act (FFATA) reports are submitted in a timely and accurate manner. RHC staff has completed a review of all first-tier subawards of \$30,000 or more to ensure that this information is accurately maintained and tracked. The corrective action, including the reconciliation of any errors and erroneously omitted agreements has been reconciled and the entry of such updates is in progress. RHC staff is updating all information previously submitted through the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and anticipates completion by August 30, 2024.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Addiction Services and Supports

Single Audit Contact: Steven Shrager

Title: Director of Audit Services

Telephone: 518-485-2053

E-mail Address: steven.shrager@oasas.ny.gov

Program (ALN #): Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Prior-Year Audit Report Page Reference: 64-66

Prior-Year Finding Number: 2023-018

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 3/31/2025

Full Status Report:

OASAS contacted all Substance Use Block Grant (SUBG) funded providers since FY 2020 to request Unique Entity Identifiers (UEI). In those instances where UEIs were not received back, most cases included recipients under the threshold for Federal Funding Accountability and Transparency Act (FFATA) reporting or ceased operations. This activity has been completed.

In addition, OASAS budget template for new procurements have been updated to include UEI as a requirement for any federal funding applications. OASAS Consolidated Fiscal Reporting Unit has provided guidance with prior year grant fund reporting to determine additional FFATA reporting needs. Accounts have been established in the FFATA system. Overall, this project was larger than anticipated due to gathering information from multiple sources, issues with the online system (broken links, no available assistance, etc.), and examining multiple grant years for over 300 impacted entities. Therefore, OASAS has not submitted any FFATA reporting to date.

With the close-out of the last fiscal year, and implementation of SFY2025 and other major funding initiatives still underway, this effort is ongoing. It is our expectation that OASAS will have a revised processes in place and will also have regular updates within the next several months.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Addiction Services and Supports

Single Audit Contact: Steven Shrager

Title: Director of Audit Services

Telephone: 518-485-2053

E-mail Address: steven.shrager@oasas.ny.gov

Program (ALN #): Block Grants for Prevention and Treatment of Substance Abuse (93.959)

Prior-Year Audit Report Page Reference: 67-68

Prior-Year Finding Number: 2023-019

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 2/14/2024

Full Status Report:

As noted on our Corrective Action Plan, the corrective action was finalized on 2/14/2024. The OASAS Fiscal Audit and Review Unit (FARU) shares risk assessment information and interacts with the OASAS Regional Office program staff and other agency personnel on an ongoing basis to ensure that the best selection can be made of providers who warrant additional monitoring.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2020

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): Adoption Assistance (93.659)

Prior-Year Audit Report Page Reference: 56-58

Prior-Year Finding Number: 2019-016

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 6/30/2025

Full Status Report:

The Office of Children and Family Services (OCFS) is developing a new monitoring methodology for on-site adoption assistance monitoring. The schedule of monitoring activities done by OCFS will be determined based on the annual adoption assistance risk assessment. OCFS plans to review the documentation supporting the adoption subsidy payment rate of an eligible individual.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2022

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): Foster Care Title IV-E (93.658)

Prior-Year Audit Report Page Reference: 50-52

Prior-Year Finding Number: 2022-014

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 6/30/2025

Full Status Report:

The Office of Children and Family Services (OCFS) is developing a new monitoring methodology for on-site foster care subrecipient monitoring. The schedule of monitoring activities done by OCFS will be determined based on the annual foster care risk assessment. OCFS plans to review the documentation supporting the foster care payment rate of an eligible individual.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2022

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): Social Services Block Grant (93.667)

Prior-Year Audit Report Page Reference: 53-55

Prior-Year Finding Number: 2022-015

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 9/30/2025

Full Status Report:

The Office of Children and Family Services (OCFS) Bureau of Financial Operation (BFO) has fully implemented fiscal enhanced monitoring on Local District Social Services (LDSSs) claims in accordance with the Federal Code of Regulations; (CFR) 45 CFR 75.352(d) and 45 CFR 75.352(e) to ensure the federal funds spent by the local districts were spent in compliance with federal statutes, regulations, and the terms and conditions of the subaward.

To ensure compliance, OCFS BFO has set up fiscal enhanced monitoring activities, which includes reviewing the adequacy of supporting documentation and appropriateness of Title XX claims. The goal is to review each county once every two years, selecting the highest risk counties on the OCFS Audit Quality Control (AQ&C) risk assessment list first. During SFY 23-24, BFO initiated 59 reviews and finalized 39 by the end of the state fiscal year.

OCFS has reviewed current monitoring procedures and is creating a process to strengthen programmatic oversight in monitoring whether participants were eligible to receive services under the Social Services Block Grant (SSBG). The schedule of monitoring activities done by OCFS will be determined based on the annual Title XX risk assessment. OCFS plans to review the documentation supporting SSBG-funded payments for services for or on behalf of an eligible individual.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): Vocational Rehabilitation Grants (84.126)

Prior-Year Audit Report Page Reference: 40-42

Prior-Year Finding Number: 2023-010

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 1/15/2024

Full Status Report:

Numerous steps have been taken towards corrective action regarding the prior year audit finding including implementing a new case management system, updating the internal control procedures, and data validation policies to include review of key elements during the supervisory review of cases, updating forms to include supervisory reviews, creating an IPE Placement closure form to be completed by a supervisor when reviewing a case. In addition, trainings were held with all staff members to review the data requirements and update staff on the revised internal control procedures.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): CCDF Cluster (93.489, 93.575 and 93.596)

Prior-Year Audit Report Page Reference: 43-45

Prior-Year Finding Number: 2023-011

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 6/30/2024

Full Status Report:

Office of Child and Family Services (OCFS) conducted an analysis of the existing case review tools, interview questions, and expectations for summary letters to the district. Changes have been made related to the expectations and are included in manuals, case review tools, and interview questions. The timeliness of notifications to districts following site visits has been a specific area of priority as the monitoring operations have been further developed over the past year. The monitoring unit has included a plan to get summary letters to district staff within 60 days of on-site visits occurring to ensure timely notifications of necessary and required actions. In February of 2024, the case file review tools were updated to include a question on whether the case has been referred to the district’s Front-End Detection Systems (FEDS), and whether the case has been referred to the fraud unit.

A question was added to the district interview question list to ensure this is addressed with the district. This triggers a discussion with the district around their familiarity and comfort with their FEDS plan and offers a chance for questions and problem solving; if necessary. OCFS utilizes the results of the risk assessment in combination with other program related factors to select, schedule and conduct monitoring visits over the course of the year with priority being assigned to high-risk districts.





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At the beginning of the monitoring cycle, the risk level from the most recent risk assessment is assessed prior to scheduling visits. The districts with the highest risk level are prioritized and the monitoring unit attempts to visit those districts earlier in the monitoring cycle.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Children and Family Services

Single Audit Contact: Bonnie L Hahn

Title: Audit Liaison

Telephone: (518) 486-1034

E-mail Address: Bonnie.hahn@ocfs.ny.gov

Program (ALN #): Social Services Block Grant (93.667)

Prior-Year Audit Report Page Reference: 52-54

Prior-Year Finding Number: 2023-014

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 9/30/2025

Full Status Report:

The Office of Children and Family Services (OCFS) has reviewed current monitoring procedures and is creating a process to strengthen programmatic oversight in monitoring whether participants were eligible to receive services under the Social Services Block Grant (SSBG). The schedule of monitoring activities done by OCFS will be determined based on the annual Title XX risk assessment. OCFS plans to review the documentation supporting SSBG-funded payments for services for or on behalf of an eligible individual.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director

Telephone: (518) 474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Program (ALN #): Block Grants for Community Mental Health Services (93.958)

Prior-Year Audit Report Page Reference: 55-56

Prior-Year Finding Number: 2023-015

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 3/31/2025

Full Status Report:

For the submission completed on 11/15/2023, Office of Mental Health (OMH) ensured that the sources of data (i.e., static data) was maintained to support the calculation of the maintenance of effort requirement for the grant. Additionally, OMH will enhance its written policies and procedures, before March 31, 2025, to document this change.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director

Telephone: (518) 474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Program (ALN #): Block Grants for Community Mental Health Services (93.958)

Prior-Year Audit Report Page Reference: 57-59

Prior-Year Finding Number: 2023-016

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 3/31/2025

Full Status Report:

Office of Mental Health (OMH) will continue review and implement policies, procedures, and/or internal controls in SFY 2024-25 to ensure the agency’s awareness of this requirement and will report on the amounts passed through to subrecipients and subcontractors going forward.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Mental Health

Single Audit Contact: April Wojtkiewicz

Title: Director

Telephone: (518) 474-5968

E-mail Address: April.Wojtkiewicz@omh.ny.gov

Program (ALN #): Block Grants for Community Mental Health Services (93.958)

Prior-Year Audit Report Page Reference: 60-63

Prior-Year Finding Number: 2023-017

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 3/31/2025

Full Status Report:

Office of Mental Health (OMH) updated the federal certification forms in March of 2022 for the MHBG COVID Relief and ARPA awards to include the following award identification information: federal fiscal year of award, federal award period, federal award identification number (FAIN), and federal award document number. The federal certification forms for the annual MHBG awards are created to align with each new notice of award and include the same award identification information noted above. OMH will continue to amend the certification and applicable policies, procedures, and internal controls to incorporate all required identifying characteristics outlined in 45 CFR 75 Section 352 (a) in SFY 2024-25.

Additionally, OMH initiated an expense report process to review award specific expense reports for all COVID Relief and ARPA federal grant subrecipients to ensure provider expenditures are following federal guidelines. This process will be rolled out to the other MHBG awards in SFY 2025. A formalized risk assessment is currently being assembled to assess subrecipient risk of non-compliance. This risk assessment will be used in conjunction with the review of reward specific





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expense reports to determine those subrecipients that need additional monitoring. Applicable policies and procedures will be updated as appropriate upon completion.

Lastly, OMH has adopted a tracking mechanism that will be used to track and review all subrecipients single audit submissions during the upcoming review cycle.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner

Telephone: (518) 473-4601

E-mail Address: Thomas.Cooper@otda.ny.gov

Program (ALN #): Child Support Enforcement (93.563)

Prior-Year Audit Report Page Reference: 37-39

Prior-Year Finding Number: 2021-010

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 12/31/2024

Full Status Report:

Office of Temporary and Disability Assistance (OTDA) Audit & Quality Improvement (AQI) has identified a solution that will correct this finding. AQI drafted an additional procedure to the current county claim audits. It's intended to review the source of the local district's cost sharing or match related maintenance payments to determine the source is in accordance with 45 CFR 75.306(b). The proposal will be presented to the Division of Budget (DOB) and Finance and Data Management (DBFDM). If approved, will be added to the DBFDM County Claim Audit procedures.





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2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner

Telephone: (518) 473-4601

E-mail Address: Thomas.Cooper@otda.ny.gov

Program (ALN #): Temporary Assistance for Needy Families (93.558)

Prior-Year Audit Report Page Reference: 45-47

Prior-Year Finding Number: 2022-012

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 1/3/2023

Full Status Report:

All the following corrective actions have been completed as of 1/13/23:

- 1) Raise expenditure threshold for subrecipients that equals or exceeds \$30,000 (previous amount was \$25,000).
- 2) When calculating the expenditures for subrecipient payments, the report logic accounts for internal split coding and multiple grant payments made on a single voucher.
- 3) Update reporting logic for Statewide Financial System (SFS)/Office of the New York State Comptroller (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.





KATHY HOCHUL
Governor

MATTHEW HOWARD
Deputy Director

BLAKE WASHINGTON
Director of the Budget

MARK MASSARONI
Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner

Telephone: (518) 473-4601

E-mail Address: Thomas.Cooper@otda.ny.gov

Program (ALN #): Low-Income Home Energy Assistance (93.568)

Prior-Year Audit Report Page Reference: 48-49

Prior-Year Finding Number: 2022-013

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 1/3/2023

Full Status Report:

All the following corrective actions have been completed as of 1/13/23:

- 1) Raise expenditure threshold for subrecipients that equals or exceeds \$30,000 (previous amount was \$25,000).
- 2) When calculating the expenditures for subrecipient payments, the report logic accounts for internal split coding and multiple grant payments made on a single voucher.
- 3) Update reporting logic for Statewide Financial System (SFS)/Office of the New York State Comptroller (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.





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Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner

Telephone: (518) 473-4601

E-mail Address: Thomas.Cooper@otda.ny.gov

Program (ALN #): Temporary Assistance for Needy Families (93.558)

Prior-Year Audit Report Page Reference: 46-48

Prior-Year Finding Number: 2023-012

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 11/21/2023

Full Status Report:

Office of Temporary and Disability Assistance (OTDA) will continue to utilize the automated process for FFATA submittals and review future data entered information. This corrective action plan was implemented as of 11/21/2023.





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Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: Office of Temporary and Disability Assistance

Single Audit Contact: Thomas Cooper

Title: Deputy Commissioner

Telephone: (518) 473-4601

E-mail Address: Thomas.Cooper@otda.ny.gov

Program (ALN #): Temporary Assistance for Needy Families (93.558)
Adoption Assistance (93.659)
CCDF Cluster (93.489, 93.575, 93.596)
Social Service Block Grant (93.667)

Prior-Year Audit Report Page Reference: 46-48

Prior-Year Finding Number: 2023-013

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 11/21/2023

Full Status Report:

The Office of Temporary and Disability Assistance (OTDA), Division of Budget (DOB), Finance and Data Management (DBFDM), in coordination with the New York State Office of Information Technology Services (ITS) have implemented corrective actions to address the recommendation of restricting individuals with access rights that allow them to perform provisioning activities from reviewing their own access rights.

In March 2023, OTDA formally entered a request to ITS to enhance the logic within the Automated Claiming System (ACS) application to prevent application users from validating their own access rights. Prior to system implementation, in May 2023, DBFDM sent email communications to all individuals with access rights that allow them to review their own access requesting that they do not do so.





**Division of
the Budget**

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In October 2023, ITS promoted the enhanced logic within the ACS application into the User Acceptance Testing environment (UAT) for testing and verification. Permanent corrective action was implemented as of 4/17/2024 with the release of ACS Build 2.2.1.0.

OTDA has also implemented a procedure to receive and review employee separation reports on a bi-weekly basis (10 business days) to identify employees no longer employed by OTDA and ensuring ACS system access for these former employees is removed where applicable.





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BLAKE WASHINGTON
Director of the Budget

MARK MASSARONI
Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023
State Agency: State Education Department
Single Audit Contact: Maria Stamoulis
Title: Auditor Manager
Telephone: (518) 473-2810
E-mail Address: Maria.Stamoulis@nysed.gov
Program (ALN #): Child Nutrition Cluster (10.555, 10.559, and 10.582)
Prior-Year Audit Report Page Reference: 26-28
Prior-Year Finding Number: 2023-005

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 11/28/2023

Full Status Report:

The Child Nutrition prior year FFATA reporting issue was resolved. All the past due reports were submitted, and the current reports are being completed as required.





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Deputy Director

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Director of the Budget

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Deputy Director

2023-2024 Prior-Year Finding Summary

Prior-Year Audit Period: State Fiscal Year Ended March 31, 2023

State Agency: State Education Department

Single Audit Contact: Maria Stamoulis

Title: Audit Manager

Telephone: (518) 473-2810

E-mail Address: Maria.Stamoulis@nysed.gov

Program (ALN #): Vocational Rehabilitation Grants to States (84.126)

Prior-Year Audit Report Page Reference: 40-42

Prior-Year Finding Number: 2023-010

Status Report on Prior-Year Finding - Agencies are required to add a full status report regardless of no change from previous update:

- Corrected
- Partially Corrected
- Not Corrected

Anticipated Completion Date: 3/31/2025

Full Status Report:

The New York State Education Department (SED) Adult Career and Continuing Education Services -Vocational Rehabilitation program (ACCES-VR) continues to utilize PowerBI reports to monitor cases and compliance, which are utilized by leadership, staff, and updated weekly.

In April 2023, SED successfully implemented a new electronic case management system, AWARE, to help prevent data errors and a RSA data checker provides a robust review process. Quarterly reports of data submissions are reviewed and corrected before finalization. In addition, the Quality Assurance and Monitoring Unit conducts case reviews of a sample of cases during 5 district office and one statewide case review per year which includes verifying supporting documentation.

SED will need to provide a review process memo which documents the scope and information that is being reviewed from the AWARE case management system and quarterly reports to summarize the review process they have implemented.

