



NEW YORK CITY COMPTROLLER  
**SCOTT M. STRINGER**



@NYCComptroller



ComptrollersOffice



# NEW YORK CITY COMPTROLLER SCOTT M. STRINGER

## COMPTROLLER'S **MWBE UNIVERSITY** MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES



Comptroller's M/WBE University is a series of workshops designed to increase access to the Comptroller's Office and citywide opportunities for M/WBEs.

### CLASSROOM: 9:30 AM – 12:00 PM

#### **Feb 28 | Win Your Next Contract and Get Paid**

Learn how to conduct your own market analysis, check on the status of an existing contract, and know your rights in the contract dispute resolution process.

David N. Dinkins Municipal Building  
1 Centre St, Room 1005

#### **Mar 22 | Become a Prequalified NYC Auditor: for CPAs Only**

Learn what it takes to become prequalified to conduct audits on behalf of New York City.

David N. Dinkins Municipal Building  
1 Centre St, 5th Floor Boardroom

#### **Apr 3 | Accelerate the Digital Transformation of NYC**

Learn what it takes to accelerate the digital transformation of your clients, including City agencies.

Microsoft Offices, 11 Times Square, 6th Floor

#### **May 23 | Become a NYC Depository Bank & Receive Tax Breaks**

Learn how to become a NYC Designated Bank and receive tax breaks for contributing to NYC's economic development efforts.

David N. Dinkins Municipal Building  
1 Centre St, Room 1005

#### **Aug 2 | Doing Business with the Comptroller's Office**

Hear directly from the Comptroller's Office about opportunities for professional services, standard services, and goods contracts.

David N. Dinkins Municipal Building  
1 Centre St, Room 1005

#### **Dec 6 | The Future of M/WBEs**

Discuss solutions and recommendations to help NYC M/WBEs move to the next level and get briefed on the latest Making the Grade report.

David N. Dinkins Municipal Building  
1 Centre St, Room 1005

### WEBINAR SERIES: 9:30 AM – 11:30 AM

#### **Market Analysis: Understanding the M/WBE Market and Industry Trends**

Contact us for one-on-one meetings with the Comptroller's Office. Or join one of the web sessions below to learn how to conduct your own market analysis.

##### **Agencies**

- Apr 30, 2019
- May 16, 2019
- Jun 26, 2019

##### **M/WBEs**

- Jun 04, 2019
- Sep 10, 2019
- Nov 13, 2019

To RSVP, visit <http://ComptrollerDiversity.eventbrite.com> or email [diversity@comptroller.nyc.gov](mailto:diversity@comptroller.nyc.gov). If you need interpretation services or other special accommodations, please call (212) 669-3916.

@NYCComptroller

ComptrollersOffice



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
SCOTT M. STRINGER

## Comptroller's M/WBE University: Become a Prequalified NYC Auditor

March 22, 2019 9:30 AM – 12:00 PM  
1 Centre Street, 5<sup>th</sup> Floor Boardroom

Comptroller's M/WBE University is a series of workshops designed to increase access to the Comptroller's Office and citywide opportunities for M/WBEs.

---

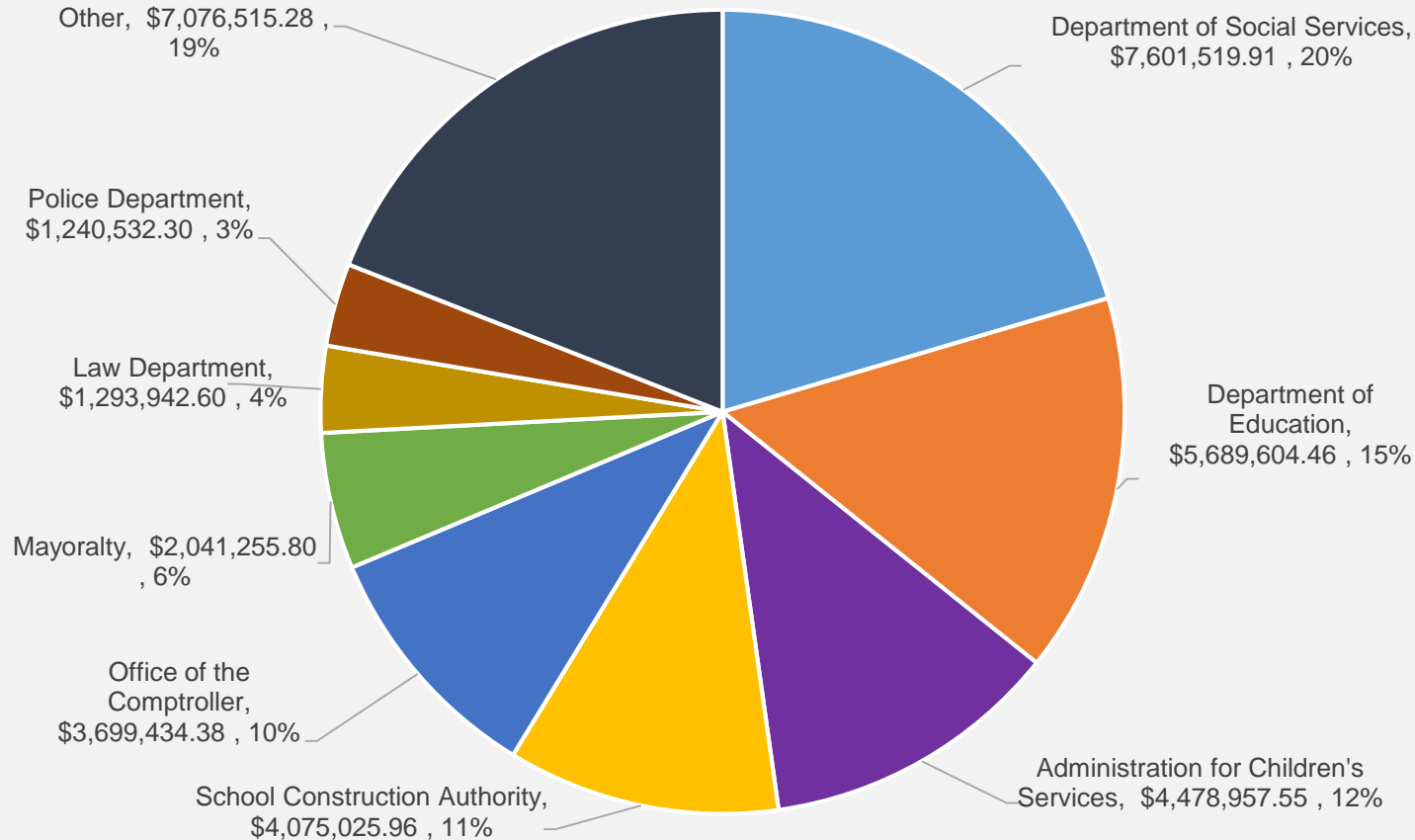
### Agenda

1. 08:45 AM – 09:35 AM **Registration and Networking**
2. 09:35 AM – 09:55 AM **Introduction and Landscape of M/WBEs in New York City**  
Wendy Garcia, Chief Diversity Officer
3. 09:55 AM – 10:15 AM **The Market Landscape for Auditors in New York City**  
Patricia Dayleg, Senior Advisor for Diversity Policy
4. 10:15 AM – 10:35 AM **Become a New York City Prequalified Auditor**  
Jacqueline Warburton-Thompson, Deputy Comptroller for Accountancy
5. 10:35 AM – 11:00 AM **Q & A**
6. 11:00 AM – 11:05 AM **Closing Remarks**
7. 11:05 AM – 12:00 PM **Networking**



# Agency Spending with Prequalified Auditor Firms, FY 2018

## Total: \$37.2 million



Agencies Under Other		
Agency Name	Spending Amount	Percent Spending
Department of Citywide Administrative Services	\$ 1,127,413.55	3.0%
Department of Transportation	\$ 1,106,294.40	3.0%
Department of Youth and Community Development	\$ 1,010,879.00	2.7%
Department of Information Technology and Telecommunications	\$ 842,421.00	2.3%
Department of Buildings	\$ 709,110.20	1.9%
Department of Environmental Protection	\$ 655,273.77	1.8%
Department of Health and Mental Hygiene	\$ 588,932.36	1.6%
Department for the Aging	\$ 448,736.00	1.2%
Department of Parks and Recreation	\$ 150,000.00	<1%
Department of Small Business Services	\$ 95,546.00	<1%
Department of Homeless Services	\$ 61,225.30	<1%
Public Administrator-Bronx County	\$ 47,196.00	<1%
City University Construction Fund	\$ 40,000.00	<1%
Public Administrator-New York County	\$ 39,311.00	<1%
Public Administrator-Kings County	\$ 30,230.00	<1%
City Council	\$ 23,332.50	<1%
Housing Preservation and Development	\$ 20,537.00	<1%
Department of Records and Information Services	\$ 19,500.00	<1%
Department of Probation	\$ 18,786.70	<1%
Miscellaneous	\$ 15,750.00	<1%
Public Administrator-Queens County	\$ 12,000.00	<1%
Public Administrator-Richmond County	\$ 9,500.00	<1%
Fire Department	\$ 2,995.50	<1%
City University of New York	\$ 1,000.00	<1%
Department of Finance	\$ 545.00	<1%





# New York City M/WBE Officers

Agency	Type of Agency	Agency Name	MWBE Officer	Email	Phone
ACS	Mayoral	Administration of Children Services	Marilyn Mungin	marilyn.mungin@acs.nyc.gov	(212) 341-3445
BIC	Mayoral	Business Integrity Commission	Cindy Haskins	chaskins@bic.nyc.gov	(212) 437-0575
CCHR	Mayoral	City Commission on Human Rights	Sheshe Segar	ssegar@cchr.nyc.gov	(212) 416-0123
CCRB	Mayoral	Civilian Complaint Review Board	Jeanine Marie	jmarie@ccrb.nyc.gov	(212) 912-2092
DCA	Mayoral	Dept. of Consumer Affairs	Maureen Brooks	mbrooks@dca.nyc.gov	(212) 436-0192
DCAS	Mayoral	Dept. of Citywide Administrative Services	Julieann Lee	Juliee@dcas.nyc.gov	(212) 386-0460
DCLA	Mayoral	Dept. of Cultural Affairs	Sei Young Kim	skim@culture.nyc.gov	(212) 513-9314
DCP	Mayoral	Dept. of City Planning	Jon Kaufman	JKAUFMAN@planning.nyc.gov	(212) 720-3680
DDC	Mayoral	Dept. of Design and Construction	Magalie D. Austin	AustinMa@ddc.nyc.gov	(718) 391-1586
DEP	Mayoral	Dept. of Environmental Protection	Joseph Murin	jmurin@dep.nyc.gov	(718) 595-3525
DFTA	Mayoral	Dept. for the Aging	Erkan Solak	esolak@aging.nyc.gov	(212) 602-4280
DHS	Mayoral	Dept. of Homeless Services	Vincent Pullo	vpullo@dhs.nyc.gov	(929) 221-6347
DOB	Mayoral	Dept. of Buildings	Sharon Neill	sneill@buildings.nyc.gov	(212) 393-2210
DOC	Mayoral	Dept. of Correction	LacyAnn Dunkley	Lacyann.Dunkley@doc.nyc.gov	(718) 546-0766
DOF	Mayoral	Dept. of Finance	Jacqueline James	jamesj@finance.nyc.gov	(212) 602-7020
DOHMH	Mayoral	Dept. of Health and Mental Hygiene	Judi Soehren	jsoehren@health.nyc.gov	(347) 396-6644
DOI	Mayoral	Dept. of Investigation	Ganesh Ramratan	gramratan@doi.nyc.gov	(212) 825-2848
DOITT	Mayoral	Dept. of Information Technology & Telecommunications	Annette Heinz	AHeintz@doitt.nyc.gov	(718) 403-8205
DOP	Mayoral	Dept. of Probation	Maleenee Kaisaram	MKaisaram@probation.nyc.gov	(212) 510-3791
DORIS	Mayoral	Dept. of Records and Information Services	Lisa Velasquez	LVelasquez@records.nyc.gov	(212) 341-6036
DOT	Mayoral	Dept. of Transportation	Nancy Carolan	ncarolan@dot.nyc.gov	(212) 839-9292
DPR	Mayoral	Dept. of Parks & Recreation	Alicia Williams	ah.williams@parks.nyc.gov	(718) 760-6925
DSNY	Mayoral	Dept. of Sanitation	Kevin Wells	kewells@dsny.nyc.gov	(212) 437-4877
DYCD	Mayoral	Dept. of Youth and Community Development	Alan Cheng	Acheng@dycd.nyc.gov	(646) 343-6810
FDNY	Mayoral	Fire Department	Stephen Rush	Stephen.Rush@fdny.nyc.gov	(718) 999-2022
HPD	Mayoral	Dept. of Housing Preservation and Development	Baaba Halm	halmb@hpd.nyc.gov	(212) 863-5289
HRA	Mayoral	Human Resource Administration	Vincent Pullo	pullov@dss.nyc.gov	(929) 221-6347
LAW	Mayoral	Law Department	Muriel Goode-Trufant	mgoodetr@law.nyc.gov	(212) 356-2200
LPC	Mayoral	Landmarks Preservation Commission	Gardea Caphart	GCaphart@lpc.nyc.gov	(212) 669-3352
MOCJ	Mayoral	Mayor's Office of Criminal Justice	Scott Mathews-Novelli	SMathews-Novelli@cityhall.nyc.gov	(212) 416-5280
MOCs	Mayoral	Mayor's Office of Contract Services	Tenisha Dyer	tenisha.dyer@mocs.nyc.gov	(212) 748-0234
NYCEM	Mayoral	New York Office of Emergency Management	Althea Samuels	asamuels@oem.nyc.gov	(212) 323-1730
NYPD	Mayoral	Police Department	Vincent Grippo	vincent.grippo@nypd.org	(646) 610-6670
OATH	Mayoral	Office of Administrative Trials and Hearings	Linda May	LMay@oath.nyc.gov	(212) 933-3030
OCME	Mayoral	Office of the Chief Medical Examiner	Dina Maniotis	DManiotis@ocme.nyc.gov	(212) 323-1712
OLR	Mayoral	Office of Labor Relations	Anita Douglas	adouglas@olr.nyc.gov	(212) 306-7796
OMB	Mayoral	Office of Management & Budget	Scott Ulrey	ulreys@omb.nyc.gov	(212) 788-5882
SBS	Mayoral	Dept. of Small Business Services	Vacant	Vacant	Vacant
TLC	Mayoral	Taxi and Limousine Commission	Vincent S. Chin	chinvinc@tlc.nyc.gov	(212) 676-1033
EDC	Non-Mayoral	Economic Development Corporation	Bomi Kim	BKIM@edc.nyc	(212) 312-3695
DOE	Non-Mayoral	Dept. of Education	Laura Hermans Brantley	lbrantley@schools.nyc.gov	(718) 935-2427
SCA	Non-Mayoral	School Construction Authority	Suzanne Veira	SVEIRA@nycsca.org	(718) 472-8053
NYCHA	Non-Mayoral	New York City Housing Authority	Ester Tomicic-Hines	Ester.Tomicic@nycha.nyc.gov	(212) 776-5208
HHC	Non-Mayoral	Health and Hospital Corporation	Keith Tallbe	Keith.Tallbe@nychhc.org	(646) 458-2034



# M/WBE

## CERTIFICATION APPLICATION



# SAVE TIME, REVIEW THESE SIX STEPS

Before you begin to complete the M/WBE Certification Application Questions, take a moment to review these six steps.

## STEP 1

---

Does your Business Enterprise meet M/WBE Eligibility Requirements?

If you are able to answer YES to all M/WBE eligibility requirements, included within this application, then your business is eligible to apply for M/WBE Certification.

You can complete the attached application, download an electronic copy online at: <http://on.nyc.gov/mwbeapp>, or apply via the NYC Online Certification Portal at: <http://nyc.gov/certifyonline>

If you are a Sole Proprietor, please inquire about our Sole Proprietor M/WBE Certification Application.

## STEP 2

---

Is your business already M/WBE Certified?

If your business is M/WBE certified with one of the NYC Department of Small Business Services' partner agencies or organizations, your business may be eligible to submit a Fast Track Application.

The NYC Department of Small Business Services' partner agency and organizations are:

- ▶ New York City School Construction Authority
- ▶ Port Authority of New York and New Jersey
- ▶ Women President's Educational Organization
- ▶ New York & New Jersey Minority Supplier Development Council Inc.
- ▶ New York State Department of Economic Development

Before completing an application, contact the SBS to find out whether your business qualifies for a Fast Track Application.

## STEP 3

---

Is your business registered with the City of New York?

To do business with the City of New York, businesses must be a registered vendor and assigned an FMS Vendor Number. To register your business, you must create a Payee Information Portal (PIP) account. PIP is a service that allows a business, as a vendor for the City of New York, to manage its own account information and view its financial transactions. Once in the PIP portal, set-up an account, select appropriate commodity codes, submit the City's required Substitute W-9 form, used to validate Employer Identification Number (EIN), and follow the online directions.

To activate your new account, visit the PIP Portal at: <http://nyc.gov/pip>

For further assistance, contact the PIP Help Desk at: **212-857-1777**

If your business is already registered and if any of the business' information has changed, contact the Vendor Enrollment Center at: **212-857-1680**  
email: [vendorenrollment@cityhall.nyc.gov](mailto:vendorenrollment@cityhall.nyc.gov)



## STEP 4

### Do you have the required supporting documents?

Along with a completed application, you will need to submit supporting documents, as listed in the Required Document Checklist.

## STEP 5

### Want an opportunity to certify with other agencies?

You may use this application to also certify with one or all of our partnering agencies. Along with your completed NYC M/WBE Certification Application and required documents, you will also need to complete and submit, addendum(s) – additional forms and information requested by our partner(s). You can download the addendum(s) at: <http://on.nyc.gov/mwbecert>

NYC Department of Small Business Services' partner agencies:

- ▶ New York City School Construction Authority
- ▶ Port Authority of New York and New Jersey
- ▶ New York State Department of Economic Development

If your business is certified as an NYC M/WBE, the NYC Department of Small Business Services will submit a copy of your complete package to our certification partner(s) on your behalf.

## STEP 6

### Complete, sign and submit your M/WBE Certification Application.

- ▶ Sign the Certification Affidavit;
- ▶ Provide the required supporting documents, see Document Checklist;
- ▶ If you are certifying with our partner(s), submit applicable addendum(s) along with any additional requested information.

You may deliver or mail your completed application to:

**NYC Department of Small Business Services (SBS)**  
**Division of Economic and Financial Opportunity**  
**110 William St, 7th Floor**  
**New York, NY 10038**

# ELIGIBILITY REQUIREMENTS FOR M/WBE CERTIFICATION

1.

The business has been in operation for at least 1 year.

Your business has been selling products or services for a period of at least one year, prior to the date of this application.

2.

The business is located in New York City or maintains a real and substantial presence in the geographic market of New York City.

Geographic market: The five boroughs of New York City, Nassau, Putnam, Rockland, Suffolk, and Westchester counties in New York; and Bergen, Hudson, and Passaic counties in New Jersey.

Your business must be able to demonstrate and provide documentation by satisfying at least one of the following conditions:

- ▶ Business' principal office, place of business, or headquarters is located within the geographic market New York City, or
- ▶ Business maintains at least one full-time employee in one or more offices located within New York City, who spends the majority of his / her working time conducting or soliciting business in the City, or
- ▶ Business has transacted, or sought to transact, business more than once in the City within the last three (3) years, or twenty-five percent (25%) of the business' annual gross receipts for each of the last three (3) years was derived from transacting business in the City.

If your business' principal office, place of business, or headquarters is not located within the geographic market of New York City but your business has demonstrated at least two of the following:

- ▶ The business has maintained a bank account for at least six (6) months or engaged in other banking transactions in the City, and/or
- ▶ The business, or at least one of its owners, possesses a license issued by a New York City agency to do business in the City, and/or
- ▶ The business has transacted or sought to transact business in or with the City more than once in the past three (3) years.

### 3.

The business' legal structure must be one of the following:

- ▶ Business / General Partnership
- ▶ Limited Partnership (LP)
- ▶ Limited Liability Company (LLC)
- ▶ Limited Liability Partnership (LLP)
- ▶ Corporation

If you are a Sole Proprietor, please inquire about our Sole Proprietor M/WBE Certification Application.

Not-for-profit organizations are not eligible to apply.

### 4.

The business is at least 51% owned, operated, and controlled by a U.S. citizen(s) or U.S. permanent resident(s) that are women and/or member(s) of a designated minority group(s).

Your application must demonstrate the individual(s) with ownership interest controls the business.

The designated minority groups:

- ▶ Black: having origins in any of the Black African racial groups
- ▶ Hispanic: being of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent, of Indian or Hispanic origin, regardless of race
- ▶ Please note: European (Portuguese and Spanish) ethnicities are not considered Hispanic for M/WBE certification with the City of New York.
- ▶ Asian-Pacific: having origins in the Far East, Southeast Asia, or the Pacific Islands
- ▶ Asian-Indian: having origins from the Indian subcontinent

Proof of ethnicity for each individual who has an ownership interest in the business:

- ▶ birth certificate or naturalization papers – for yourself, or for a parent or grandparent
- ▶ death certificate – for a parent or grandparent
- ▶ military records
- ▶ Official documentation issued by a Federal, State, or Local government entity or Court rule establishing and/or recognizing an applicant, or the applicant's parent, or grandparent is a member or descent of a minority group



# REQUIRED DOCUMENT CHECKLIST

Along with the M/WBE Application, you will need to provide additional supporting documents.

## RESUME

Current, chronological resume for person(s) with ownership interest in the business, including current position and duties within the business, past experience, training, and education — bios are not acceptable

## BANK SIGNATURE CARD

Bank signature card or letter from bank identifying all persons, even a sole-signer, currently authorized to sign on each account, any limitations on a signer's authority, including all business account number(s)

## TAX RETURNS

Most recently completed year of the business' Federal, State, and City signed tax returns, including all schedules, as filed with the relevant tax authority

## U.S. CITIZENSHIP/PERMANENT RESIDENT ALIEN STATUS

Proof of U.S. citizenship or permanent resident alien status (e.g. copy of passport, birth certificate, naturalization certificate, green card) for each minority- or woman-owner listed

## LICENSE/PERMITS

Copies and/or documentation of license(s), permit(s), bond(s) and certification(s)

## LEASE AGREEMENT

Current lease agreement, proof of ownership or deed for business location(s), including home office(s), warehouse(s), and equipment storage, if applicable

Signed agreement or proof of ownership/deed must be valid for at least six (6) months after date application is submitted

## BUSINESS CONTRACTS/INVOICES

One (1) or more completed and signed contracts or invoices, along with proof of payments, for services performed by the business, within the geographic market of New York City during the past year

## MINORITY GROUP STATUS

Proof of ethnicity for each owner claiming minority group status, as described in M/WBE eligibility requirements

## BUSINESS START/ORIGINATION

Proof of how the business was initially capitalized (e.g. cancelled checks, purchase receipts, any loan agreements or proof of business expenses)

Only submit those documents, checked-off in the grid below, based on your business' structure.

DOCUMENT DESCRIPTION	PARTNERSHIP	LP	LLP	LLC	CORP
<b>Business Certificate</b> As filed with the county clerk, including amended certificates. Only required if your business name is an assumed name	✓				
<b>State filing receipt</b> Include any amended receipts		✓	✓	✓	✓
<b>LLC Articles of Organization or Articles of Incorporation</b>				✓	✓
<b>Partnership Agreements, LLC Organizational Agreement, or Corporate Bylaws</b>	✓	✓	✓	✓	✓
<b>Membership/Stock Certificates</b> All issued membership or stock certificates (front and back), as well as next un-issued certificate				✓	✓

# M/WBE Certification Application



careers  
businesses  
neighborhoods

## GENERAL APPLICATION INSTRUCTIONS:

- Please print or type clearly.
- Do not leave any spaces blank in the application. If a question is not applicable to your business, insert "N/A" as your response. If the space provided is insufficient to answer a question completely, attach additional sheets. Please label sheets with the question number and title.
- Not-for-profit organizations are not eligible to apply.
- You may choose to complete the attached application, download an electronic copy online at <http://on.nyc.gov/mwbeapp>, or apply via the NYC Online Certification Portal at [nyc.gov/certifyonline](http://nyc.gov/certifyonline).
- If you are a Sole Proprietor, please inquire about our Sole Proprietor M/WBE Certification Application.

**NEED ASSISTANCE, CALL THE CERTIFICATION HOTLINE AT (212) 513-6311**

## MAIN BUSINESS INFORMATION

1. Business Legal Name			
2. Doing-Business-As (DBA) Name (Complete if the business operates under a different name. The DBA must be legally registered.)			
<b>3. Current Business structure</b> (Check one)			
Business / General Partnership		Limited Partnership (LP)	Corporation
Limited Liability Partnership (LLP)		Limited Liability Company (LLC)	
4. Date business was established under its current business structure (dd/mm/yy)			
5. Business Address: (Must represent physical location. Post Office Boxes are not accepted.)			
Address			
City/County	State	ZIP Code	
6. Business Mailing Address (Only complete if the business mailing address is different from the address provided.)			
Address			
City/County	State	ZIP Code	
7. Main Telephone Number		8. Fax Number	
9. Business Website		10. Business email address: (Required)	
11. Business' Employer Identification Number (EIN)		12. NYC Vendor Number (Required)	
13. Authorized Representative (Please provide the details of designated individual to be the contact for the NYC Department of Small Business Services.)			
First Name	Middle Name	Last Name	Suffix e.g., Jr., Sr., Esq., etc.
Business Title	Telephone Number		Email Address

## BUSINESS OWNERSHIP INFORMATION

**14. Please select how business originated or was acquired from the list below:**

Started the company

Inherited the company

Secured a franchise

Bought an existing company

Acquired the business via a merger or consolidation

Other \_\_\_\_\_

15. What is your business' date of origination? (If acquired after origination, provide date of acquisition by current owner.)

16. Did the business exist under a different type of business structure, prior to the date its current business structure was established? YES NO If YES, please explain the history of your business' structure.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

17. Has the business' Certificate of Incorporation, Business Certificate, or Certificate of Trade Name ever been amended? YES NO If YES, please identify each time your business' document was amended and explain why.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**For questions 18 & 19 ONLY,** use the following codes to identify the ethnicity of each individual listed in your response.  
 B: Black H: Hispanic AP: Asian Pacific AI: Asian Indian N: Non-Minority

18. Please provide the details about all individuals with ownership interest in the business.  
 (If business is a corporation, please skip to question 19.)

Full Name (First and Last)	Title / Position In Business	Percentage Owned (Must = 100%)	Date Ownership Established (dd/mm/yy)	Gender	Ethnicity (code)	U.S. Citizen or Permanent Resident Alien
				F M		Y N
				F M		Y N
				F M		Y N
				F M		Y N

19. **CORPORATIONS ONLY:** Please provide the following details about all corporation shareholders.

Full Name (First and Last)	Title / Position In Business	Percentage Owned (Must = 100%)	Date Ownership Established (dd/mm/yy)	Gender	Ethnicity (code)	U.S. Citizen or Permanent Resident Alien	Number of Shares Owned	Unit Share Price Paid When Purchase
				F M		Y N		
				F M		Y N		
				F M		Y N		
				F M		Y N		

20. **CORPORATIONS ONLY:** Please provide the following details about all current Officers and/or Board of Directors.

Full Name (First and Last)	Title / Position In Business	Position Effective Date (dd/mm/yy)



## BUSINESS MANAGEMENT INFORMATION

21. Please provide the following details about all personnel performing key managerial functions, including owners.  
(Use Codes to identify functional roles for each individual listed. Managerial personnel may have multiple roles within a business.)

Full Name (First and Last)	Title / Position In Business	Owner	Functional Role(s) (Enter code)	Functional Role Code	
				Hiring and Firing	A
		Y N		Making Financial Decisions	B
				Managing & Signing Payroll	C
		Y N		Marketing	D
				Negotiating Bonding	E
		Y N		Negotiating Contracts	F
				Estimating Jobs	G
		Y N		Preparing Bids	H
				Purchasing	I
		Y N		Signing Business Accounts	J
				Supervising Field Operations	K

22. Number of employees, excluding owners (If an exact number is not available, provide an average number of employees over the past year.)

Permanent Full-Time _____ Part-Time _____
Temporary (includes seasonal) Full-Time _____ Part-Time _____

## BUSINESS FINANCE INFORMATION

23. Does the business have a Line of Credit? (Do NOT provide your personal credit card information.)

Line of credit is any credit source extended to your business by a bank or financial institution.) YES NO

If YES, please provide the following details:

Bank	Dollar Amount	Name of Source /Guarantor(s), if different from bank
------	---------------	------------------------------------------------------

## BUSINESS OPERATIONS INFORMATION

24. Is a license, permit or certification required to operate any part of your business? YES NO

If YES, please provide the following details. If the license belongs to your business, list the business as the holder.

Name of the Holder/ Registrant	Title / Position in business	Type of License/ Permit/ Certification	Issued by	License Number	Exp. Date (dd/mm/yy)

25. Please list the business' basic operating equipment.

Type of Equipment	Acquisition (dd/mm/yy)	Owned or Leased	
		Owned	Leased
		Owned	Leased
		Owned	Leased

26. Does the business share space, equipment, materials, or personnel with another business YES NO

If YES, please provide the following details about the business with which you share; check all items that apply.

Business Name	Business contact person and Phone Number	Space	Equipment	Materials	Personnel
		Y N	Y N	Y N	Y N
		Y N	Y N	Y N	Y N
		Y N	Y N	Y N	Y N

## BUSINESS PROFILE & JOB EXPERIENCE

27. How did you first hear about the City of New York's M/WBE certification program? (Select one)				
Letter/Call/Email from Department of Small Business Services		Leadership Association		Social Media
NYC Business Solutions Center		SBS website, NYC.gov		Advertisement, Publication
Event _____				
Other _____				
28. Is the business involved in the bidding process or contract/purchase order negotiations with any governmental agency, department, or authority?   YES   NO   If YES, check all that apply.   Federal   State   City				
29. Is the business bonded?   YES   NO   If YES, please provide the following details:				
Surety Business	Name of Agent/Broker	Binder or Policy Number	Bonding Limit	
			Aggregate Dollar Amount	Single Job Dollar Amount
30. Does the business have commercial or professional liability insurance?   YES   NO   If YES, please provide the details:				
Carrier Name		Dollar Amount of Liability Insurance		
31. Is the business a signatory to a union contract?   YES   NO   If YES, please provide the following details:				
Union Name		Local Number		
32. Please select all of the following credit cards accepted by your business. (This information will NOT be used to evaluate your application.)				
American Express	Visa	Mastercard	Discover	None
33. Please provide a brief description of your business including the products or services it sells using appropriate keywords. (Maximum of 50 words)				
_____ _____ _____ _____ _____ _____				
34. Which of the following represents the widest geographic region where your business can provide services? (Only select one)				
New York City	New York State	Tri-State Metro Area	Nationally, across the U.S	
35. Please identify your business market sector by selecting appropriate code(s) from the North American Industry Classification System (NAICS). (List one primary code and up to two additional codes. Please be as specific as possible, 6-digit codes are preferred. Your selected codes should correspond to the contracts / jobs you list for this application. NAICS can be found online at <a href="http://www.census.gov/eos/www/naics/">www.census.gov/eos/www/naics/</a> )				
NAICS Code _____		NAICS Code _____		NAICS Code _____

<p>36. Please identify your business products and services by selecting appropriate code(s) from the National Institute of Government Purchasing (NIGP). (List one primary code and up to two additional codes. Please be as specific as possible, 5-digit codes are preferred. Your selected codes should correspond to the contracts / jobs you list for this application. NIGP can be found online at <a href="http://on.nyc.gov/nigp_commodity_codes">http://on.nyc.gov/nigp_commodity_codes</a></p>			
NIGP Code_____		NIGP Code_____	
<p>37. Is the business already certified by a Federal Government program or other government entities?  YES      NO      If YES, please complete the details:</p>			
<b>Certification Type (For more information, see Helpful Tips on page 13)</b>		<b>Yes or No</b>	<b>Exp. Date</b>
<a href="#">Are you an 8(a) Business Development program participant?</a>		Y    N	
<a href="#">Are you eligible to receive Historically Underutilized Business Zone (HUBZone)?</a>		Y    N	
<a href="#">Are you a certified Disadvantaged Business Enterprise (DBE)?</a>		Y    N	
<a href="#">Are you a service disabled veteran-owned business</a> or <a href="#">a veteran-owned business?</a>		Y    N	
<p>38. Please provide the business contact that you would like to have listed in the Online Directory of Certified Businesses. (The contact will receive all inquiries about your business' products or services from interested purchasing agents.) Is the contact the same as the "Authorized Representative" listed in Question 13?      YES      NO  If NO, please provide the contact information.</p>			
First Name	Middle Name	Last Name	Suffix e.g., Jr., Sr., Esq., etc.
Business Title		Telephone Number	Email Address
<p>39. Please provide the three (3) most recent contracts/jobs your business has performed within the last two (2) years. (The jobs you list will be posted on our Online Directory of Certified Businesses as representation of your business' work.)  View examples of posted job descriptions, at <a href="http://www.nyc.gov/buycertified">www.nyc.gov/buycertified</a>  Your client's contact information will not be displayed on the Online Directory of Certified Businesses; it is only used for verification purposes.  If your business has a client confidentiality policy and you are not able to disclose this information, please submit a notarized letter on your business' letterhead explaining such policy. However, please be advised that the applicant firm must still provide this information.</p>			
<b>Contract/Job #1</b>			
Name of Client			
Client Contact (For internal use only)			
Client's Title (For internal use only)			
Client's Phone Number (For internal use only)			
Date of Job (dd/mm/yy)			
Name of Project			
Description of Specific Tasks Performed (Explanation of the work performed and results max. 50 words)			
Dollar Value of Job received as payment by your business (Required and used to determine your business capacity)			
Percentage of work Self Performed (The percentage of the work performed by your business)			



Contract/Job #2	
Name of Client	
Client Contact (For internal use only)	
Client's Title (For internal use only)	
Client's Phone Number (For internal use only)	
Date of Job (dd/mm/yy)	
Name of Project	
Description of Specific Tasks Performed (Explanation of the work performed and results max. 50 words)	
Dollar Value of Job received as payment by your business (Required and used to determine your business capacity)	
Percentage of work Self Performed (The percentage of the work performed by your business)	

Contract/Job #3	
Name of Client	
Client Contact (For internal use only)	
Client's Title (For internal use only)	
Client's Phone Number (For internal use only)	
Date of Job (dd/mm/yy)	
Name of Project	
Description of Specific Tasks Performed (Explanation of the work performed and results max. 50 words)	
Dollar Value of Job received as payment by your business (Required and used to determine your business capacity)	
Percentage of work Self Performed (The percentage of the work performed by your business)	

List your business' largest City contract, if any	
Name of Client	
Client Contact (For internal use only)	
Client's Title (For internal use only)	
Client's Phone Number (For internal use only)	
Date of Job (dd/mm/yy)	
Name of Project	
Description of Specific Tasks Performed (Explanation of the work performed and results max. 50 words)	
Dollar Value of Job received as payment by your business (Required and used to determine your business capacity)	
Percentage of work Self Performed (The percentage of the work performed by your business)	

<b>40a. CONSTRUCTION OR CONSTRUCTION RELATED BUSINESS ONLY:</b> Are you solely a supplier of construction goods and/or materials, not including installation?      YES      NO
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>40b. What type of construction projects has your business performed within the last two (2) years? (Select all that apply)</b>  <div style="display: flex; justify-content: space-between;"> <div>           Building Construction (non-Residential)            Residential Building Construction            Other Heavy Civil Construction work, i.e. Plants, Tunnels         </div> <div>           Bridge and/or Roadways            Sewer and/or Water mains            Site work, i.e. Parks         </div> </div>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Helpful TIP: Learn more about Federal Government Certification programs	
8(a) Business Development	<a href="http://www.sba.gov/content/about-8a-business-development-program">http://www.sba.gov/content/about-8a-business-development-program</a>
Historically Underutilized Business Zone (HUBZone)	<a href="http://www.sba.gov/category/navigation-structure/contracting/doing-business-with-government/small-business-certifications-audiences/hubzone-certifi">http://www.sba.gov/category/navigation-structure/contracting/doing-business-with-government/small-business-certifications-audiences/hubzone-certifi</a>
Disadvantaged Business Enterprise (DBE)	<a href="http://osdbuweb.dot.gov/DBEProgram/Whats_DBE_program.cfm">http://osdbuweb.dot.gov/DBEProgram/Whats_DBE_program.cfm</a>
Disabled Veteran-Owned Business	<a href="http://www.sba.gov/content/service-disabled-veteran-owned-small-business-concerns-sdvosbc">http://www.sba.gov/content/service-disabled-veteran-owned-small-business-concerns-sdvosbc</a>
Veteran-Owned Business	<a href="http://www.va.gov/osdbu/programs/index.asp">http://www.va.gov/osdbu/programs/index.asp</a>

## CERTIFICATION AFFIDAVIT

This affidavit must be signed by an eligible minority or woman owner of the applicant firm. The undersigned (name) \_\_\_\_\_, being the (title) \_\_\_\_\_ of (firm name) \_\_\_\_\_, requests

Certification as a Minority-owned Business Enterprise (MBE) and/or as a Women-owned Business Enterprise (WBE) with the New York City Department of Small Business Services (SBS), and for that purpose does hereby verify, under penalties of perjury:

1. The application form, supporting documents, audit reports and any other information provided in support of the firm's Application are considered part of this certification request. It is recognized and acknowledged that the information contained in the Application is given under oath, that the Application is being submitted as an inducement to SBS to certify the Applicant as an MBE, a WBE, or as both, and that SBS will rely on the information supplied therein in order to determine the eligibility of the Applicant for such certification. Certification by SBS is subject to all applicable laws and rules of the SBS M/WBE Certification Program. The Applicant acknowledges that in order to maintain SBS certification, the Applicant must comply with the SBS re-certification process.
2. The Applicant agrees to provide notice to SBS of any material change in the information contained in the Application within 45 days of such change.
3. The Applicant understands that SBS may require supplemental information in addition to the information disclosed in the Application. The Applicant agrees to submit additional proof if it is requested by SBS and acknowledges that SBS may determine not to certify the Applicant as an MBE or as a WBE if the additional proof is not submitted within 30 days after the date it is requested by SBS, or if the additional proof is not submitted as noticed to the applicant in an SBS letter of request for additional information.
4. The Applicant understands that a material false statement or omission made in connection with the Application is sufficient cause for the denial of certification or revocation of prior certification and may subject the person and/or entity making the false statement to any and all civil and criminal penalties available pursuant to applicable law.
5. The Applicant consents to inquiries by SBS of the Applicant's bonding companies, banking institutions, credit agencies, contractors, affiliates, clients, and other certifying agencies to ascertain the Applicant's eligibility for certification. The Applicant also consents to the inspection by SBS of its place of business, books and records, and to permit interviews of its principals and employees. The Applicant acknowledges that refusal to permit such inquiries shall be grounds for denial or revocation of certification.
6. The Applicant further acknowledges that he or she has read the Application, knows its contents, and that the statements and representations made in the Application are true to his or her knowledge. If the application is on behalf of a corporation, it is made at the direction of the Board of Directors.

Signature \_\_\_\_\_

This affidavit declares said firm to be a Minority and Women-owned Business Enterprise (M/WBE) and said affidavit shall become a matter of public record, unless withdrawn by the applicant or rejected by SBS prior to any other decision being made as to eligibility for certification under the Program.

## **HAVE QUESTIONS? GET ANSWERS.**

Certification Hotline: 212-513-6311

email: [mwbe@sbs.nyc.gov](mailto:mwbe@sbs.nyc.gov)

Visit [nyc.gov/getcertified](https://nyc.gov/getcertified)

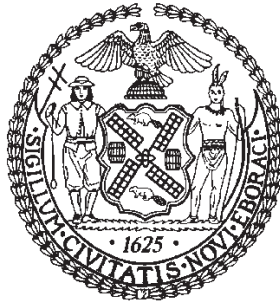


THE CITY  
OF  
**NEW YORK**  
NEW YORK



COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
OF THE  
**COMPTROLLER**  
FOR THE  
FISCAL YEAR ENDED JUNE 30, 2018

**SCOTT M. STRINGER**  
*Comptroller*



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER

SCOTT M. STRINGER  
COMPTROLLER

October 30, 2018

## TO THE PEOPLE OF THE CITY OF NEW YORK

I am pleased to present The City of New York's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2018. This report, the fifth issued under my administration, shows that The City of New York (City) completed its Fiscal Year with a General Fund surplus, as determined by Generally Accepted Accounting Principles (GAAP), for the 38th consecutive year.

The General Fund remains a primary indicator of the financial activity and legal compliance for the City within the financial reporting model promulgated by the Governmental Accounting Standards Board (GASB). The General Fund had revenues and other financing sources in Fiscal Year 2018 of \$87.936 billion and expenditures and other financing uses of \$87.931 billion, resulting in a surplus of \$5 million. These expenditures and other financing uses include transfers and subsidy payments of \$4.576 billion to help eliminate the projected budget gap for Fiscal Year 2019. Fiscal year expenditures and other financing uses were \$4.468 billion more than in Fiscal Year 2017, an increase of 5%. Excluding the transfers and subsidy payments to eliminate future Fiscal Year projected gaps, expenditures and other financing uses increased by \$4.072 billion or 5.1%. A detailed analysis of the City's fund and government-wide financial statements is provided in Management's Discussion and Analysis (MD&A), which immediately precedes the basic financial statements contained in this report.

## ECONOMIC CONDITIONS IN FISCAL YEAR 2018 AND OUTLOOK FOR FISCAL YEAR 2019

### The City's Economy in Fiscal Year 2018

The pace of economic growth accelerated in both the City and the nation in Fiscal Year 2018 relative to Fiscal Year 2017. The City's economy, as measured by the change in real gross city product calculated by the Office of the Comptroller, grew 3.1% in Fiscal Year 2018 after growing 2.2% in Fiscal Year 2017. The national economy grew 2.6% in Fiscal Year 2018, better than the 1.9% growth in Fiscal Year 2017. Fiscal Year 2018 marks the sixth consecutive year that New York City's economy has outperformed the nation's.

The City's economic growth was supported by gains in payroll jobs, improvement in household employment, increases in average hourly earnings, and improvements in the real estate market. The City's private sector added 76,600 jobs, a gain of 2%, in Fiscal Year 2018, slightly less than the 2.1% growth in the previous year, but faster than the 1.8% gain in the nation.

The distribution of jobs across income segments in Fiscal Year 2018 was the same as in Fiscal Year 2017 as low-wage jobs, such as employment in bars, restaurants, and retail, accounted for more than half of the new private-sector jobs. Of the 76,600 new private-sector jobs created in Fiscal Year 2018, 64% (or 49,000) were in industries where the average wage is less than \$62,000 per year, including retail trade and many healthcare and social assistance jobs; 17.5% (or 13,400) were in industries where the average wage is between \$62,000 and \$124,000 per year, such as construction and wholesale trade; and 18.5% (or 14,100) were in industries where the average wage is greater than \$124,000 per year, including financial activities and professional services (*Job numbers are rounded to the nearest hundred and individual components may not sum due to rounding*).

Export-sector employment in NYC—jobs that provide goods and services to people and firms outside of the metropolitan area and depend on the national and global economies, such as leisure and hospitality, finance, and professional and business services—added 30,900 jobs and represented 40% of all new private-sector jobs. Export-sector employment growth is seen as beneficial for a regional economy because these jobs generally serve as a catalyst for local-sector employment, which provides goods and services to residents. Local-sector job growth added 45,600 jobs, or 60%, of all new private-sector jobs.



Of the 76,600 new private-sector jobs created in Fiscal Year 2018, 25,500 or 33.3% were office workers, less than the 36.1% or 29,100 in Fiscal Year 2017. Although the share of new office workers hired within new private sector jobs has been on a downward trend since Fiscal Year 2016, it is still above the 29.0% long-term average.

Except for manufacturing, which lost 2,300 jobs, all other sectors gained jobs in Fiscal Year 2018. The biggest gain was in education and health services (+34,300), as education added 1,200 jobs and health care and social assistance added 33,100 jobs. Professional and business services added 17,600 jobs of which 7,800 were in professional services—generally a high-wage sector. Leisure and hospitality added 7,700 jobs, mostly in food services and bars, which added 5,600 of those jobs. Construction added 5,400 jobs, trade, transportation and utilities added 4,900 jobs, information added 2,000 jobs, and finance and insurance added 3,100 jobs.

The unemployment rate fell to 4.3% in Fiscal Year 2018, the lowest rate on record. The labor force grew by 17,000, bringing it to a record level of over 4.2 million New Yorkers. As a result, the labor-force participation rate rose to a record high of 60.9%. Residential employment (NYC residents with jobs) also hit a record high of over 4 million and led to an employment-to-population ratio of 58.3%, the highest on record. The unemployment rate improved in all five boroughs in Fiscal Year 2018, and except for Staten Island, hit the lowest levels on record. Unemployment fell to 3.8% in Queens and Manhattan, 4.4% in Brooklyn, and 5.9% in the Bronx. The unemployment rate fell to 4.3% in Staten Island, the lowest since Fiscal Year 2007.

Average hourly earnings of all private NYC employees rose 2.8% in Fiscal Year 2018, slightly higher than the 2.7% growth in Fiscal Year 2017. U.S. average hourly earnings grew 2.6% in Fiscal Year 2018, the same as in Fiscal Year 2017.

Pre-tax profits of New York Stock Exchange member firms were almost \$25.9 billion in Fiscal Year 2018, 27.5% more than the \$20.3 billion in Fiscal Year 2017. The main contributors were \$16.8 billion in other revenue related to securities business, about \$8.3 billion in fees for account supervision, investment advisory and administrative services, \$4.5 billion in margin interest, and \$2 billion in underwriting revenues.

Both the commercial and residential real estate markets improved in Fiscal Year 2018. New commercial leasing activity in Manhattan increased by 3.2 million square feet (msf) or 11.4% to about 31.3 msf in Fiscal Year 2018, according to Cushman and Wakefield. As a result, Manhattan's overall office vacancy rate, including sublease space, fell slightly to 9% in Fiscal Year 2018 from 9.3% in Fiscal Year 2017. Total inventory, which includes all existing competitive office buildings located in Manhattan, remained almost unchanged, but total available space fell by 1.1 msf.

In contrast, the housing market in Manhattan softened. According to Douglas Elliman, average sales prices fell 4.5%, average price per square foot fell 2.3%, and the number of sales decreased by 16.6% in the fourth quarter of Fiscal Year 2018, on a year-over-year basis. The listing inventory rose 10.7% from the prior year leading to an increase in the absorption rate. The absorption rate, defined as the number of months it takes to sell all inventory at the current rate of sales, rose to eight months in the fourth quarter of Fiscal Year 2018 from six months in the fourth quarter of Fiscal Year 2017.

According to PwC Money Tree, venture capital investment in the New York metro area rose 47.9% to \$12.9 billion in Fiscal Year 2018. Venture capital investment in the U.S. rose 36.2% over this period. The New York metro area ranks third after San Francisco (\$22.3 billion) and Silicon Valley (\$13.0 billion) in dollars of venture capital invested. Total investment in San Francisco, which has the biggest concentration of venture capital investment, rose 33.4% and in Silicon Valley 27.1% over the same period, on a year-over-year basis. The share of New York metro area venture capital investment has increased to 14.8% of the U.S. total in Fiscal Year 2018, the highest since 16.2% in Fiscal Year 2005.

### **The Outlook for the City's Economy**

After a relatively solid performance in Fiscal Year 2018, both the City and the U.S. economies are expected to grow even more strongly in Fiscal Year 2019. High consumer confidence, combined with growing corporate profits due to corporate tax cuts and regulatory rollbacks, and expansionary fiscal policy, should fuel near-term growth in an already strong economy. The national economy is expected to get continued stimulus from federal fiscal policy, including higher government spending and lower taxes under the federal Tax Cuts and Jobs Act (TCJA), which should yield continued increases in both private investment and consumer spending.

Repatriation of corporate profits from abroad should help boost private investment, especially nonresidential investment in equipment, nonresidential structures, and intellectual property products. In addition, investment in residential structures should be stronger, as predicted by an increase in the number of building permits issued by local authorities.

In addition to private investment, consumer finances appear to be in solid shape. According to the most recent data (third quarter of Fiscal Year 2018) released by the Federal Reserve Board of Governors, household debt service payments and financial obligations as a percentage of disposable personal income are hovering around their historical lows. Households' net worth,

which is total assets minus total liabilities, is at record high and households' net worth as a percentage of disposable personal income is the second highest on record.

There are risks to this forecast, including an overly aggressive contractionary monetary policy, which, combined with an expansionary fiscal policy paid for with additional government issued debt, could raise interest rates to levels where economic growth is choked off. Ongoing trade tensions also pose risks, including higher prices of imported goods fueling inflation, and reduced exports of agricultural and manufactured goods.

While in the recent past the City's economic growth has been outperforming growth nationally, the two are inextricably linked. Any drag on the national economy will have a deleterious effect on the local economy. Moreover, the effects of the recent tax reform—limiting the amount of state and local taxes City residents can deduct from their federal income taxes and the mortgage interest deduction—on the City's residential real estate market and high-earning taxpayers, remain unknown.

## **REPORTS FROM THE DIVISIONS AND BUREAUS OF THE COMPTROLLER'S OFFICE**

### **BUREAU OF BUDGET**

#### **Division of Fiscal and Budget Studies**

The Division of Fiscal and Budget Studies in the Comptroller's Bureau of Budget monitors the City's finances, capital spending, and economy. In analyzing the City's budget and financial plan, the division focuses on the City's debt capacity and economic outlook. After each budget modification, the division conducts an in-depth analysis of the Mayor's budget proposal and shortly thereafter releases a report to the general public that highlights the major findings. The report reviews the main components of the City's budget, analyzing the soundness of the City's budgetary and economic assumptions, changes in expense and capital budget priorities, and financial and economic conditions and developments affecting the City's fiscal outlook and budget. Modification of the City's current year budget and four-year financial plan occurs quarterly during the Fiscal Year. Coinciding with the release of quarterly modifications, the budget review and preparation generally adheres to the following cycle: (1) the Mayor's submission of a preliminary budget for the ensuing Fiscal Year in January, (2) the Mayor's presentation of the Executive Budget to the City Council in April, (3) budget adoption prior to July 1, the beginning of the new Fiscal Year, and (4) the first quarterly modification to the Adopted Budget, which is typically released in November. As part of the budget process, the division prepares a number of reports and letter statements as mandated by the New York City Charter:

- An annual report to the City Council on the state of the City's economy and finances by December 15, including an evaluation of the City's updated financial plan.
- An annual report on the City's capital debt and obligations including the maximum amount of debt the City may soundly incur in subsequent fiscal years and the indebtedness against the General Obligation debt limit in the current and subsequent three fiscal years as stipulated by the New York State Constitution.
- A certified statement of debt service submitted by the Comptroller to the Mayor and the City Council by March 1. The statement, which is published in The City Record, contains a schedule of the appropriations for debt service for the subsequent fiscal year.
- A letter statement certifying the Adopted Budget Resolutions and filed with the City Clerk.

#### **Fiscal Year 2018 Analysis**

The City adopted a Fiscal Year 2018 (July 1-June 30) budget totaling \$84.57 billion (less Interfund Agreements) on June 6, 2017. Actual Fiscal Year 2018 tax revenues were \$2.30 billion more than projected in the Fiscal Year 2018 Adopted Budget. Non-tax City-funds revenues were \$501 million more than projected in the Fiscal Year 2018 Adopted Budget, aided by a \$154 million reduction in the reserve for disallowances of Federal, State and other aid. The elimination of a \$1.2 billion General Reserve and \$250 million Capital Stabilization Reserve for Fiscal Year 2018, City-funds debt service savings of \$407 million, and a net decrease of \$20 million in all other City-funds expenditures, along with the aforementioned revenue increases provided the City with \$4.68 billion in additional resources above the Adopted Budget projections.

The additional resources cited above allowed the City to prepay \$2.174 billion of Fiscal Year 2019 New York City Transitional Finance Authority debt service, \$1.902 billion of Fiscal Year 2019 General Obligation debt service, \$300 million of Fiscal Year 2019 pay-as-you-go retiree health benefits, and \$200 million of Fiscal Year 2019 subsidies to NYC Health and Hospitals Corporation (HHC). The remaining resources were used to deposit an additional \$100 million into the Retiree Health Benefits Trust above the required retiree pay-as-you-go health benefits for Fiscal Year 2018.

## **Division of Financial Analysis**

The Division of Financial Analysis (DFA) within the Bureau of Budget monitors the daily cash balance in the City's Central Treasury to ensure adequate levels of cash-on-hand throughout the fiscal year. DFA forecasts daily cash balances to determine the potential need and timing for seasonal borrowing. The Comptroller issues a Cash Letter with these projections and regularly updates it throughout the year. DFA also prepares the Quarterly Cash Report, which provides an overview of the City's cash position and highlights major changes during the quarter. The City's Central Treasury carried an average daily unrestricted cash balance of \$7.52 billion during Fiscal Year 2018, with a Fiscal year-end balance of \$9.39 billion. For the fourteenth consecutive year, the City did not need to issue short-term notes

## **BUREAU OF LAW AND ADJUSTMENT**

The Bureau of Law & Adjustment (BLA) is responsible for carrying out the Comptroller's Charter-mandated responsibility of adjusting claims for and against the City.

Claims against the City arise out of the vast undertakings of City agencies and HHC. The City is generally uninsured with respect to risks, including, but not limited to, property damage and personal injury claims. Typically, the cost of claims is paid out of the City's General Fund.

The City spent \$730 million on judgments and claims in Fiscal Year 2018, a decrease of \$20 million from the prior year. The Comptroller's Office also approved approximately \$19.9 million in affirmative settlements—that is monies paid to the City based on its claims against others—in Fiscal Year 2018.

In Fiscal Year 2018, the Comptroller's Office collected \$7.1 million from claimants who received settlements from the City and who had outstanding obligations to the City for public assistance and child support. This achievement was made possible by partnering with other City agencies, particularly with the Human Resources Administration/Department of Social Services, to improve the automated City systems.

The Comptroller's Office continues to expand efforts to collect compensation from those who have damaged City property. In Fiscal Year 2018, the Comptroller's Office collected \$2.93 million in property damage affirmative claims.

The Comptroller's Office has been successfully working with the New York State Office of Victims Services and the New York State Attorney General's Office to identify settlements reached with convicted persons from which victims can recover money (Son of Sam Law-New York State Executive Law § 632-a). BLA collected a total of \$997,360 in settlements for victims of crime by the end of Fiscal Year 2018. As of the end of the Fiscal Year, the Comptroller was withholding \$2.7 million pending the outcome of crime victims' civil actions against the convicted persons' settlements.

## **BUREAU OF LABOR LAW**

The Bureau of Labor Law (BLL) sets and enforces prevailing wage and supplement rates for workers performing:

1. Construction, alteration and repair of New York City public works under New York State Labor Law (Labor Law) Article Eight;
2. Building services on City contracts under Labor Law Article Nine and at properties receiving tax exemption benefits under New York State Real Property Tax Law (RPTL) § 421-a;
3. Street excavations by utilities under New York City Administrative Code (NYC Admin. Code) § 19-142; and
4. Food services and temporary office services on City contracts under NYC Admin. Code § 6-109.

BLL also enforces living wage and supplement rates for employees performing homecare, day care, Head Start and Cerebral Palsy services on City contracts under NYC Admin. Code § 6-109, enforces minimum average hourly wages for construction workers on properties receiving tax exemption benefits under RPTL § 421-a (16)(c) and investigates alleged violations of prevailing wage and living wage laws for building service and other employees of entities receiving financial assistance from the City under NYC Admin Code § 6-130 and 6-134.

In Fiscal Year 2018, BLL assessed over \$2 million in underpayments and interest against City contractors. In addition, BLL assessed over \$100,000 in civil penalties against those City contractors. During the same Fiscal year, BLL opened up 108 new cases and resolved 74 cases. In that same time period, BLL debarred eight contractors from New York State and City public works for egregious conduct.

During Fiscal Year 2018, BLL also:

- Promulgated new regulations in the Rules of the City of New York concerning the setting of prevailing wage and supplement rates and the enforcement of prevailing wage, living wage and minimum average hourly wage laws on City contracts and at buildings receiving property tax exemption benefits;
- Redesigned the Bureau's webpage to include more information on prevailing wage, living wage and minimum average hourly wage laws, including lists of covered buildings receiving property tax exemption benefits or financial assistance from the City;
- Developed Comptroller's M/WBE University workshop on prevailing wage to provide guidance to M/WBE contractors on complying with prevailing wage while remaining competitive as bidders on City construction contracts; and
- Conducted compliance sweeps of over 70 buildings receiving property tax exemption benefits under RPTL §421-a, resulting in over 40 new prevailing wage investigations under that law.

## **BUREAU OF PUBLIC FINANCE**

The Comptroller's Bureau of Public Finance is charged with issuing debt to finance the City's capital program and managing the City's portfolio of outstanding bonds, in conjunction with the Mayor's Office of Management and Budget. The City borrows for capital projects in accordance with its capital plan and budget and Comptroller's Directive #10, which allows for borrowing on projects with a useful life of five years or longer and costing \$35,000 or more.

In Fiscal Year 2018, the City and the New York City Transitional Finance Authority (TFA), which is a blended component unit, issued \$7.42 billion of long-term debt to finance the City's capital needs. The New York City Municipal Water Finance Authority (Water Authority), a discretely presented component unit, issued \$1.50 billion of long-term debt to finance the City's water- and sewer-related capital needs. Also, the New York City Tax Lien Trust, NYCTLT 2017-A, sold \$68.02 million of bonds to monetize delinquent taxes and other liens.

In addition to financing its new money capital needs mentioned above, the City was able to refinance outstanding high-coupon bonds to provide direct budget relief to City taxpayers and to water and sewer ratepayers. A total of \$4.64 billion of refunding bonds were issued through the General Obligation (GO), TFA, and Water Authority credits. This accounted for 34% of the total issuance for these credits and generated a total of \$613.38 million in budgetary savings and \$389.34 million of savings for ratepayers over the life of the bonds.

The City and its related issuers file required continuing disclosure relevant to their respective bondholders with the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA). These disclosures are available at [emma.msrb.org](http://emma.msrb.org).

### **General Obligation (GO)**

New York City GO bonds have been issued for over 200 years and are backed by the City's faith and credit. All real property subject to taxation by the City is subject to the levy of ad valorem taxes, without limitation as to rate or amount, to pay the principal of and interest on GO bonds.

- As of June 30, 2018, the City had \$38.63 billion of GO bonds outstanding, consisting of \$31.89 billion of fixed rate bonds and \$6.74 billion of variable rate bonds.
- The City issued \$5.14 billion of refunding and new money GO bonds in Fiscal Year 2018. The City issued \$3.30 billion of new money bonds and \$1.84 billion to refund a portion of its outstanding bonds at lower interest rates. In Fiscal Year 2018, the City also converted \$625.12 million of outstanding bonds from variable rate mode to fixed rate mode.
- The City's refunding strategy of focusing on currently-callable bonds allowed for efficient, high-value refundings. The GO refundings will generate \$341.94 million in budgetary savings over the life of the bonds or \$314.50 million of savings on a net present value basis.

### **New York City Transitional Finance Authority (TFA)**

#### **Future Tax Secured Bonds (FTS)**

The TFA, a bankruptcy-remote separate legal entity, is authorized to issue debt secured by the City's collections of personal income tax and, if necessary, sales tax. The TFA is authorized to have \$13.50 billion of FTS debt outstanding, without limitation. In addition, State law provides that further FTS Bonds outstanding over the \$13.50 billion limit, together with the amount of

indebtedness contracted by the City, cannot exceed the debt limit of the City. In September 2001, the New York State Legislature approved a special TFA authorization of \$2.5 billion to fund capital and operating costs relating to or arising from the events of September 11, 2001 (Recovery Bonds). The TFA has issued \$2 billion in Recovery Bonds. TFA Recovery Bonds do not count against the debt limits described above.

- As of June 30, 2018, the TFA had \$35.41 billion of FTS bonds outstanding, consisting of \$787.83 million of Senior Bonds and \$34.62 billion of Subordinate Bonds, which includes \$682.14 million of Recovery Bonds.
- The TFA issued \$3.62 billion of FTS bonds in Fiscal Year 2018 for new money capital purposes and converted \$161.08 million of bonds from variable rate mode to fixed rate mode.

### **Building Aid Revenue Bonds (BARBs)**

In Fiscal Year 2006, the New York State Legislature authorized the TFA to issue bonds and notes or other obligations in an amount outstanding of up to \$9.40 billion to finance a portion of the City's educational facilities capital plan. The legislation further authorized the City to assign to the TFA all or any portion of the state aid payable to the City or the Department of Education pursuant to Section 3602.6 of the New York State Education Law (State Building Aid) as security for the obligations. Pursuant to this authority, the TFA BARBs credit was created. TFA BARBs are not secured by personal income tax or sales tax revenues and do not count against the TFA Future Tax Secured Bond debt limits.

- As of June 30, 2018, the TFA had \$7.94 billion of BARBs bonds outstanding, all of which is fixed rate.
- The TFA issued \$2.08 billion of BARBs in Fiscal Year 2018, consisting of \$500 million for new money capital purposes and \$1.58 billion to refund a portion of its outstanding bonds at lower interest rates. The refundings will generate \$271.45 million in budgetary savings over the life of the bonds or \$256.80 million of savings on a net present value basis.

### **TSASC, Inc.**

TSASC, Inc. is a special purpose, bankruptcy-remote local development corporation created under the Not-for-Profit Corporation Law of the State of New York. TSASC issues debt secured by tobacco settlement revenues (TSRs), which are paid by cigarette companies as part of a Master Settlement Agreement (MSA) with 46 states, including the State of New York, and other U.S. Territories.

- TSASC had no financing activity in Fiscal Year 2018. As of June 30, 2018, TSASC had \$1.07 billion of bonds outstanding.

### **Sales Tax Asset Receivable Corporation (STAR)**

STAR is a local development corporation created to issue bonds to retire the outstanding bonds of the Municipal Assistance Corporation of the City of New York ("MAC") and the outstanding bonds of the City held by MAC. STAR bonds are secured by \$170 million paid annually through June 30, 2034 to STAR from the New York State Local Government Assistance Corporation.

- STAR had no financing activity in Fiscal Year 2018. As of June 30, 2018, STAR had \$1.8 billion of bonds outstanding.

### **Fiscal Year 2005 Securitization Corporation (FSC)**

FSC is a local development corporation that issued bonds in order to facilitate the restructuring of an escrow account used to pay debt service on refunded City bonds.

- FSC had no financing activity in Fiscal Year 2018. As of June 30, 2018, FSC had \$86.15 million of debt outstanding.

### **Hudson Yards Infrastructure Corporation (HYIC)**

HYIC is a local development corporation established by the City in 2005 to provide financing for infrastructure improvements to promote economic development and growth on Manhattan's far West Side, including the extension of the No. 7 subway line. Principal and interest on HYIC bonds is payable from revenues generated by the new development in the Hudson Yards District. To the extent that such revenues are not sufficient to cover interest payments, the City has agreed, subject to appropriation, to make interest support payments to HYIC. The interest support payments do not cover principal repayment of the bonds.

- HYIC had no financing activity in Fiscal Year 2018. As of June 30, 2018, HYIC had \$2.72 billion of bonds outstanding.



## **New York City Educational Construction Fund (ECF)**

ECF is a public benefit corporation established to facilitate the construction of new school facilities and improvements to existing City elementary and secondary school buildings, thereby increasing the number of seats for the New York City Department of Education on behalf of New York City schoolchildren. ECF also encourages comprehensive neighborhood development by enabling mixed-use real estate projects which feature new school facilities. The City is required to make rental payments on the school portions of the ECF projects sufficient, together with the revenue received by the ECF from the non-school portions of the ECF projects, to make debt service payments as they come due on ECF bonds.

- ECF had no financing activity in Fiscal Year 2018. As of June 30, 2018, ECF had \$231.20 million of bonds outstanding.

## **New York City Tax Lien Trusts**

The New York City Tax Lien Trusts (NYCTLTs) are Delaware statutory trusts which were created to acquire certain liens securing unpaid real estate taxes, water rents, sewer surcharges, and other payables to the City and the New York City Water Board in exchange for the proceeds from bonds issued by the NYCTLTs, net of reserves funded by the bond proceeds and bond issuance costs. The City is the sole beneficiary of the NYCTLTs and is entitled to receive distributions from the NYCTLTs after payments to the bondholders and certain reserve requirements have been satisfied.

- The New York City Tax Lien Trust, NYCTLT 2017-A, sold \$68.02 million of bonds in Fiscal Year 2018. As of June 30, 2018, the New York City Tax Lien Trusts had in aggregate \$32.36 million of bonds outstanding.

## **New York City Municipal Water Finance Authority**

The New York City Municipal Water Finance Authority (Water Authority), a bankruptcy-remote separate legal entity established in Fiscal Year 1986, has the power to issue bonds to finance the renovation and improvement of the City's water and sewer facilities. The Water Authority, together with the New York City Water Board (Water Board) and the New York City Department of Environmental Protection (DEP), administers the City's water and wastewater system. DEP operates and maintains the system, while the Water Board has the primary responsibility to levy and collect water and wastewater rates and charges, and the Water Authority finances the system's capital needs.

- As of June 30, 2018, the Water Authority had \$24.8 billion of long-term, fixed rate bonds outstanding, including \$375.4 million of First Resolution and \$24.4 billion of Second Resolution bonds. The variable rate bonds outstanding were \$5 billion.
- In Fiscal Year 2018, the Water Authority issued bonds directly to the public and also to the New York State Environmental Facilities Corporation (EFC). EFC issues Clean Water and Drinking Water Revolving Funds Revenue Bonds for eligible City projects, and the Water Authority bonds placed with EFC are an element of security for these EFC bonds.
- The Water Authority issued \$2.9 billion in revenue bonds in Fiscal Year 2018. Of this total, the Water Authority issued \$1.5 billion for new money capital purposes and \$1.2 billion to refund outstanding bonds for interest savings. The Water Authority also issued \$164.42 million of bonds to convert certain variable rate mode bonds to fixed rate mode. In addition, it issued \$59.56 million of Refundable Principal Installments (RPIs) to redeem \$70 million of outstanding RPIs.
- The refundings will generate \$389.3 million of savings for ratepayers over the life of the bonds or \$270.4 million in net present value savings.
- The Water Authority relies on its \$600 million commercial paper program and from time to time issues bond anticipation notes to EFC to access the short-term market. As of June 30, 2018, the Water Authority had \$215.7 million of bond anticipation notes outstanding. It had no commercial paper outstanding.

## **Interest Rate Exchange Agreements**

To lower borrowing costs over the life of its bonds and to diversify its existing portfolio, the City has, from time to time, entered into interest rate exchange agreements (swaps) and sold options to enter into swaps at future dates. The City received specific authorization to enter into such agreements under Section 54.90 of the New York State Local Finance Law. No new swaps were initiated and no swaps were terminated in Fiscal Year 2018. As of June 30, 2018, the outstanding notional amount on the City's swap agreements in connection with General Obligation debt and City-related debt of the Dormitory Authority of the State of New York was \$1.31 billion and the mark-to-market value was approximately negative \$79.45 million.



The Water Authority has also entered into interest rate exchange agreements from time to time in order to lower its borrowing costs over the life of its bonds and to diversify its existing portfolio. In Fiscal Year 2018, the Authority did not initiate or terminate any swaps. As of June 30, 2018, the outstanding notional amount on the Water Authority's various swap agreements was \$401 million and the mark-to-market value was approximately negative \$81.01 million.

## **BUREAU OF ASSET MANAGEMENT**

### **About the Bureau of Asset Management**

The Comptroller is by law the custodian of City-held trust funds and the assets of the New York City Public Pension Funds, and serves as Trustee on four of the five funds. Further, the Comptroller is delegated to serve as investment advisor by all five pension boards. The Comptroller's Bureau of Asset Management oversees the investment portfolio for each system and related defined contribution funds. In this role, the Comptroller provides investment advice, implements Board decisions, and reports on investment performance. The Bureau of Asset Management advises the Boards on all investment-related topics, including investment policy and strategy, asset allocation, manager structure, manager selection and financial and economic developments that may affect the systems. The systems' portfolios are managed predominantly by external investment managers, and are largely invested in publicly traded securities, with additional allocations to private equity, real estate, infrastructure, hedge funds, and opportunistic fixed income investments.

### **Investment Policy**

#### **City Treasury**

The Comptroller's Office, through the Bureau of Asset Management, invests the City's cash reserves subject to conservative investment guidelines. City Treasury and fiduciary funds' assets were invested in obligations of the U.S. Treasury, various federal agencies, high grade commercial paper, and medium term notes. The maturities of the investments range from one day to five years with an average of 100 days. Despite the Federal Reserve Bank rising interest rate environment, the City earned an average of 1.29%, which compares with the average return of 1.36% on three month Treasury bills, and 1.25% for a representative institutional money market fund index. The City earned \$242 million in the short-term accounts during Fiscal Year 2018.

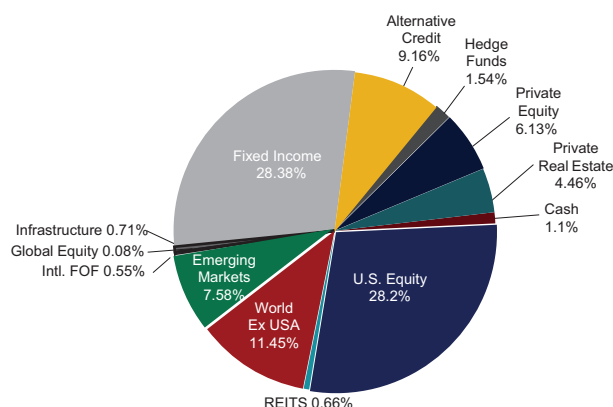
#### **Pension Funds**

The Comptroller's Office, through the Bureau of Asset Management, serves as the financial advisor to the City pension funds. The City's primary pension trust funds are New York City Employees' Retirement System (NYCERS), Teachers' Retirement System of The City of New York (TRS), New York City Police Pension Fund (Police), New York City Fire Pension Fund (Fire), and the New York City Board of Education Retirement System (BERS). Each of these pension systems provides pension benefits through its Qualified Pension Plan (QPP) as well as certain other retirement benefits that vary by plan and retiree status. As of June 30, 2018, the Bureau of Asset Management had responsibility for \$195.8 billion of City's combined five pension systems investment assets. These assets include funds invested by certain employee investment plans and exclude cash from the settlement of pending purchases and sales. This represented an increase of \$13.5 billion from the June 30, 2017 value of \$182.3 billion. During the Fiscal Year, the market value of the assets ranged from a low of \$185.5 billion (July 2017) to a high of \$198.8 billion (January 2018). The time weighted return (net of all fees) of the aggregate portfolio was 8.7% in Fiscal Year 2018, and 13% in Fiscal Year 2017.

Assets are managed in accordance with investment policy statements adopted periodically by each of the City pension funds' Board of Trustees in consultation with the Comptroller's Office and the City pension funds' independent consultants. The allocation to each asset class is based in part on an analytical study indicating the expected rates of return and levels of risk and correlations for various asset allocations. The policy mix ranged from 67% equity to 72% equity among funds, and each fund permits the mix to float within a narrow range to limit portfolio turnover and to accommodate tactical shifts.

Collectively as of June 2018, the City pension funds utilize 14 domestic equity managers, 18 international equity managers, 18 hedge fund managers, 26 fixed income managers, 15 opportunistic fixed income managers, 116 private equity managers, 45 private real estate managers, 10 infrastructure managers, and 9 real estate equity securities managers. The City pension funds' assets are invested for the benefit of the plan participants and their beneficiaries. With the exception of certain private equity, real estate, infrastructure and opportunistic fixed income investments where registration is not required, all fund assets are managed by investment advisers registered in their respective jurisdictions pursuant to guidelines issued by the Comptroller's Office. In addition, all short-term assets managed by the Comptroller's Office Bureau of Asset Management are traded through registered broker-dealers.

The chart below summarizes the City pension funds' investment asset allocation (in millions) as of June 30, 2018. Cash includes all short term securities with terms of less than five years.



	(In Millions)
U.S. Equity .....	\$ 55,212
REITS .....	1,301
World Ex USA .....	22,415
Emerging Markets .....	14,838
Intl FOF .....	1,068
Global Equity .....	149
Infrastructure .....	1,400
Fixed Income .....	55,567
Alternative Credit .....	17,925
Hedge Funds .....	3,010
Private Equity .....	12,007
Private Real Estate .....	8,732
Cash .....	2,147
Total .....	<u>\$195,771</u>

## U.S. Equity

For Fiscal Year 2018, the broad U.S. equity market, as measured by the Russell 3000 Index, returned 14.78% as compared to 18.51% for Fiscal Year 2017. As of June 30, 2018, U.S. Equities represented 28.2% of the City pension funds' investment assets with a market value of \$55.2 billion across the systems. The total U.S. equity return for the City pension funds' investment assets for Fiscal Year 2018 was 14.88% as compared to 18.38% for Fiscal Year 2017. Overall, approximately 14% of the City pension funds invested in U.S. equity are actively managed versus 86% passively managed by index managers, which compares to 13% and 87%, respectively during Fiscal Year 2017. The returns of the U.S. equity market during Fiscal Year 2018 occurred as the U.S. economy experienced moderate growth levels and rising interest rates on the front of the yield curve. In the broader economy, unemployment rates approached cyclical lows and inflation was higher but remained subdued.

## REITs

Three of the five New York City pension funds have invested in Real Estate Investment Trusts (REITs) to temporarily invest a portion of its Real Estate's unfunded commitments. The City pension funds' REITs returned 4.74% for Fiscal Year 2018 compared to -0.04% for Fiscal Year 2017. The one year returns for the program benchmark, Dow Jones US Select Real Estate Securities Index, for Fiscal Years 2018 and 2017 were 4.23% and -2.43%, respectively. As of June 30, 2018, REITs represented 0.66% of the City pension funds' investment assets with a market value of \$1.3 billion across the systems.

## World ex-US Equity

For Fiscal Year 2018, the MSCI World ex-USA Investable Market Net Dividends Index (MSCI World ex USA IMI Net) returned 7.74% as compared to 19.74% for Fiscal Year 2017. The City's developed markets managers returned 11.69% for Fiscal Year 2018 as compared to 22.30% for Fiscal Year 2017. As of June 30, 2018, World ex-US Equity represented 11.45% of the City pension funds' investment assets with a market value of \$22.4 billion across the systems.

## **Emerging Markets Equity**

For the Fiscal Year 2018, the MSCI Emerging Markets Index returned 8.2% as compared to 23.75% for Fiscal Year 2017. The City's emerging markets managers returned 3.22% for Fiscal Year 2018 as compared to 23.73% for Fiscal Year 2017. As of June 30, 2018, Emerging Markets Equity represented 7.58% of the City pension funds' investment assets with a market value of \$14.8 billion across the systems.

## **International Fund of Funds/Emerging Managers**

For the Fiscal Year 2018, the MSCI ACWI ex USA IMI Net Dividend index returned 7.75%. The City's international fund of fund/emerging managers returned 8.66% for Fiscal Year 2018. As of June 30, 2018, International Fund of Funds/Emerging Managers represented 0.55% of the City pension funds' investment assets with a market value of \$1.07 billion across the systems.

## **Fixed Income**

As of June 30, 2018, the public markets fixed income program, which excludes the high yield and bank loan program, represented 28.38% of the City pension funds' investment assets with a market value of \$55.56 billion across the systems. The total overall U.S. fixed income program returned 0.27% (net) for Fiscal Year 2018 as compared to 0.51% (net) in Fiscal Year 2017.

The total Structured Fixed Income program, which is comprised of the Government, Mortgage and Credit sectors, returned -0.50% (net), slightly trailing the program's customized index, The NYC Core+5 Index, which returned -0.48% for Fiscal Year 2018. The broader Bloomberg Barclays Aggregate Index returned -0.40%. The individual indexes benchmarking the three sectors of the structured program saw varying results: The Investment Grade Credit Index and the NYC Treasury/Agency+5 Index posted negative returns of -0.72% and -0.96%, respectively, for the period, while the FTSE Mortgage Index posted positive return of 0.11%.

The Treasury Inflation-Protected Securities (TIPS) program generated a positive return of 2.18% (net), while the benchmark, Bloomberg Barclays Capital U.S. TIPS Index, returned 2.11% for the Fiscal Year.

Convertible Bonds trailed the program's benchmark, the Bank of America Merrill Lynch All U.S. Convertibles ex-Mandatory Index, posting 7.14% (net) versus the benchmark's 13.41% for the Fiscal Year.

The Economically Targeted Investments (ETI) program generated a negative return of -0.83% (net) for the Fiscal Year, while the benchmark Bloomberg Barclays Agg. Index, returned -0.40% and its ETI's custom benchmark returned 0.19% for the Fiscal Year.

## **Alternative Credit**

The Alternative Credit program comprises three portfolios: High Yield Bonds, Bank Loans, and Opportunistic Fixed Income (OFI).

The High Yield portfolio represents 4.5% of City pension funds' investment assets as of Fiscal Year 2018, with a market value of \$8.8 billion invested across eight investment managers. High Yield returned 1.73% (net) over this period, while the portfolio benchmark (Citigroup BB/B Index) returned 2.42%.

The Bank Loan portfolio represents 2% of City pension funds' investment assets as of Fiscal Year 2018, with a market value of \$3.9 billion invested across six investment managers. The Bank Loan portfolio returned 4.41% (net) over this period, while its benchmark (Credit Suisse US Leveraged Loan Index) generated 4.67%.

The OFI portfolio represents 2.7% of City pension funds' investment assets as of Fiscal Year 2018. The portfolio's market value of \$5.3 billion is invested across 15 investment managers and total current commitments are \$5.9 billion. The strategies pursued within this portfolio include distressed debt, non-performing loans, direct corporate loans, commercial real estate loans and mortgage-backed securities (CMBS), residential mortgage-backed securities (RMBS), collateralized loan obligations (CLOs), and other private and public exposures in domestic and global credit markets. In Fiscal Year 2018, City pension funds committed \$792 million to new OFI investment mandates. The program returned 7.33% net Internal Rate of Return (net IRR) in Fiscal Year 2018, compared to its overall benchmark (a 50/50 blend of the JP Morgan Global High Yield and Credit Suisse US Leveraged Loan Index, plus 300 basis points), which produced 6.72%. Since its inception, the OFI program has returned 7.80% (net IRR).

## **Private Equity**

As of June 30, 2018, the private equity program represented 6.1% of the City pension funds' investment assets with a market value of \$12.0 billion (cash flow adjusted) and unfunded capital commitments of \$8.2 billion, resulting in a total exposure of \$20.2 billion across 221 funds and 116 managers. As of June 30, 2018, the private equity program generated a since inception

10.3% net IRR, compared to its public market equivalent (PME) benchmark (Russell 3000 + 300 basis points) of 13.2% (cash flow adjusted). The private equity portfolio remains diversified, based on total exposure (cash flow adjusted), with 64% allocated to buyouts, 9% special situations, 8% growth equity, 8% secondaries, 5% co-investment, 1% energy, and 4% other, which includes venture capital, mezzanine, and funds-of-funds. The City pension funds received distributions of \$3.1 billion and funded \$2.4 billion for new and existing investments during Fiscal Year 2018 as compared to \$2.8 billion and \$1.9 billion in Fiscal Year 2017, respectively.

During Fiscal Year 2018, City pension funds made \$2.5 billion of new commitments to 12 funds across 12 managers versus \$1.6 billion to four funds across four managers during the prior Fiscal Year. This includes the City pension funds' \$500 million in-house Private Equity Emerging Manager Program which committed \$240 million during Fiscal Year 2018. Overall, the private equity program continues to strategically seek geographically diversified investment opportunities across most sub-asset classes with an aim to maintain a consistent investment pace.

The private equity industry continues to experience a strong fundraising environment, after exceptionally strong years in 2016 and 2017. This has been due to robust investor demand and meaningful liquidity as investors recycle distributions received from managers and seek to maintain or increase their allocations to private equity. The energy commodity markets have begun to recover and the general equity and debt capital markets remain relatively stable, with a modest up-tick in initial public offerings. Despite geopolitical concerns, asset prices continue to remain at record levels. Although valuations remain high, deal activity has not moderated as private equity managers and strategic buyers continue to compete for assets. Managers have continued to focus on exit activity, given the strong M&A-driven valuations and this has been a key driver of distributions and liquidity to investors. The industry has also witnessed a series of manager-led liquidity opportunities, fund restructurings and extensions, as managers and investors pursue solutions for funds that are approaching the end of their terms or managers seek capital for new funds, products or growth initiatives.

## **Real Estate**

As of June 30, 2018, the real estate program had approximately \$12.7 billion in commitments to 81 current investments and 45 managers. This compares to \$11.4 billion in commitments at the end of Fiscal Year 2017. During Fiscal Year 2018, the City pension funds made \$1.2 billion in new commitments to four funds versus \$1.6 billion to seven funds in the prior Fiscal Year. The City pension funds invest in real estate primarily through commingled funds, and these new additions enhance the diversification of this global portfolio by geography, property type, investment strategy, vintage and manager. All four investments represent additional capital allocations to proven existing investment partners which enables the City to expand its relationships with managers that deliver strong performance over market cycles.

As of June 30, 2018, the real estate program represents 4.5% of the City pension funds' investment assets. The City pension funds' net invested capital of \$4.5 billion (contributions less distributions) in real estate programs had a market value of \$8.7 billion (cash flow adjusted) and unfunded capital commitments of \$3.7 billion. The portfolio is well diversified by geographic region and property type with allocations to all the major sectors including residential (29.4%), office (27.4%), industrial (13.7%), retail (15.0%), hotel (4.7%), and other commercial real estate investments (9.8%).

The consensus of market research reports indicate the U.S. real estate industry is in the later stages of the recovery cycle, pushing prices higher for institutional quality assets. Demand remains strong for well-positioned assets that reflect the broader economic and demographic trends in the economy. E-commerce, an aging population, and urbanization trends have pushed valuations higher, making asset selection and capital preservation key in managing real estate portfolios. Positioning the real estate portfolio to take advantage of these trends and continuing the focus on sectors that have proven returns across market cycles have been key tenets of the commitments made during Fiscal Year 2017. The real estate program invested in asset classes with lower leverage, higher income, and a focus on those with meaningful downside protection, as exhibited with investments in core-plus funds, industrial-focused managers and debt strategies.

As of June 30, 2018, the real estate program has generated a since inception 8.56% net IRR compared to its PME benchmark (50% Russell 3000 and 50% Barclays U.S. Aggregate Index) of 8.68%. Considering the peak pricing surfacing in certain major real estate markets and recognizing the new market opportunities in the economy, the real estate program will continue to selectively identify opportunities that will complement the existing portfolio.

## **Hedge Funds**

Certain City pension funds invest in hedge funds, and they continued to increase their investments in direct hedge funds which are now 95% of the portfolio. The remainder of the portfolio is held in a fund of funds structure. As of June 30, 2018, the hedge fund program represented 1.54% of the City pension funds' investment assets with a market value of \$3.01 billion (cash flow adjusted). The total direct hedge fund portfolio return for the City pension funds for the Fiscal Year ended June 30, 2018 was 8.9%, net of all fees. The hedge fund benchmark return was 6.2% (HFRI Fund of Hedge funds index +1%). The portfolio that is held in a fund of funds structure returned 4.7%.

## Infrastructure

The infrastructure program seeks to gain exposure to capital-intensive assets that underpin the global economy. These assets typically have a low volatility return profile with a high percentage of returns coming in the form of current yield. Targeted investments within the infrastructure program seek to lower correlation with public equities and fixed income and to hedge against inflation.

As of the end of Fiscal Year 2018, the infrastructure program represented 0.7% of the City pension funds' assets with a market value of \$1.4 billion (cash-adjusted basis) and total exposure of \$3.1 billion. During Fiscal Year 2018, the City pension funds made \$957 million of new commitments to four funds across four managers through the infrastructure program. At the end of Fiscal Year 2018, the infrastructure program was diversified across 13 funds and 10 managers. The infrastructure program generated a since inception net IRR of 13.9% compared to its PME benchmark (50% Russell 3000 Index and 50% Barclays U.S. Aggregate Index) of 7.5%.

## Corporate Governance and Responsible Investment

The City pension funds, through the Corporate Governance and Responsible Investment group within the Bureau of Asset Management, actively monitors their investments and promotes corporate governance and responsible business practices that seek to protect and create long-term shareowner value. These activities include actively voting proxies and pro-actively engaging with companies and regulators to improve corporate governance, enhance corporate disclosure and strengthen shareowner rights.

During Fiscal Year 2018, the Comptroller's Office voted on 26,062 individual ballot items at 3,082 annual and special meetings for domestic portfolio companies. Additionally, the funds, via the Comptroller's Office, began taking back voting authority for global accounts from international managers beginning January 1, 2018. In Fiscal Year 2018, the Comptroller's Office voted on 45,813 individual ballot items at 4,152 global meetings as part of this initiative. Of all votes cast, 77.2% were for the management recommended vote. Major proxy voting issues included: (1) the election of directors, (2) management proposals to ratify auditors, approve executive compensation, and approve mergers and acquisitions, and (3) shareowner proposals on a wide range of environmental, social and governance (ESG) policies and practices.

In addition to proxy voting, the City pension funds also seek to protect and create long-term shareowner value by proactively advancing company-specific and regulatory reforms to strengthen investor rights, improve corporate governance, align executive pay with long-term performance and promote sustainable business practices. The City pension funds are among the most active institutional investors in terms of filing shareowner proposals and also engaging with portfolio companies through letters and dialogue, often in collaboration with other institutional investors.

During Fiscal Year 2018, the Comptroller's Office, on behalf of the City pension funds, submitted 67 shareowner proposals to a total of 64 portfolio companies. Overall, approximately 80% of the proposals (54 of 67) were withdrawn after the companies agreed to take steps to implement the request.

In a continuation of the Boardroom Accountability Project (BAP) launched by the City pension funds in Fiscal Year 2015, half of the proposals (39 out of 67) requested a "proxy access" bylaw that would require the company to include shareowner-nominated director candidates in the company proxy materials, and on the company ballot, that is furnished to all shareowners. The BAP is an ambitious effort to enact proxy access, which many investors view as a fundamental investor right, across the U.S. market on a company-by-company basis.

Consistent with the methodologies used since Fiscal Year 2015, the 39 proxy access focus companies included those that failed to align executive compensation with business performance, companies with little or no apparent gender or racial diversity on their board, and carbon-intensive energy companies that are among the most vulnerable to long-term business risks related to climate change. They also included, for the first time, companies that lacked gender or racial diversity among their top five executives and companies that failed to disclose their greenhouse gas emissions, the latter being a red flag for a board that is not sufficiently focused on overseeing risks related to climate change.

Thirty-three companies agreed to enact, or to take the steps necessary to enact, a meaningful proxy access bylaw with terms substantially similar to those requested by the shareowner proposal, prompting the Comptroller's Office to withdraw the proposal.

Additionally, the office launched the Boardroom Accountability Project 2.0 (BAP 2.0), which pushed for greater corporate board diversity and transparency reforms. The initiative sought to have companies disclose a table describing the skills, gender and race/ethnicity of individuals. BAP 2.0 seeks to refresh boards with new voices and engaged directors who have the time and skills necessary to effectively manage the companies. The Comptroller's Office engaged 151 public companies — 80% of which are in the S&P 500. Since then, over 85 companies have adopted improved processes and increased transparency and over 35 companies are now disclosing not only the qualifications of their board members, but also details on boardroom gender and racial/ethnic diversity. The Comptroller's Office filed six shareholder proposals associated with the initiative, and all but one were withdrawn after the companies agreed to take steps to implement the request.



In addition to proxy access proposals, the City pension funds submitted shareowner proposals requesting that companies report to shareowners on their policies and practices to ensure gender pay equity, reaching agreements with eight major healthcare and insurance companies; the City pension funds also submitted proposals requesting that companies (1) disclose data on the race and gender of their workforce by job category, (2) disclose their direct and indirect political expenditures (3) adopt greenhouse gas reduction goals; and (4) adopt or strengthen executive pay claw back policies.

The Post-season Report, available on the Comptroller's website, provides additional information covering the City pension funds' shareowner initiatives and includes detailed results for all Fiscal Year 2018 shareowner proposals.

## **BUREAU OF CONTRACT ADMINISTRATION**

The Bureau of Contract Administration (BCA) fulfills the Comptroller's Charter-mandated role of registering all contracts and agreements for goods, services and construction executed pursuant to the Charter, including all agreements memorializing the terms of franchises, revocable consents or concessions that are paid out of the City Treasury or paid out of money under the control of the City. The Comptroller has 30 calendar days from the date a contract action is fully submitted by the respective agency to register or object to the registration of the contract. The process is designed to ensure that sufficient funds exist to make payments for that contract, that all appropriate certifications and documentation have been obtained and collected, that the contractor is not debarred or involved in corrupt activity, and that there was no corruption in the letting of the contract. Contracts for the provision of goods, services or construction that are not to be paid for out of the City Treasury or out of moneys under the control of the City do not have to be registered by the Comptroller, and emergency procurements may be registered after the contract commences, rather than before.

In Fiscal Year 2018, BCA received 20,931 contract actions for registration. Of those, approximately 93% were ultimately registered while around 7% were returned to or withdrawn by the submitting agency.

In addition to its Charter-mandated registration function, the Bureau also satisfies the Comptroller's obligation under the New York City Administrative Code to publish a summary report no later than January 30 following the close of each fiscal year. This report includes certain data for registered franchises, concessions and contracts for goods or services including, but not limited to, contract type, award method and aggregate dollar values of registered contract actions. The data that forms the basis of this report is generated from a computerized database jointly maintained by the Comptroller and the Mayor and contains detailed information on contracts, agreements, franchises and concessions reflecting the City's financial commitment assumed through registered agreements. The Annual Report on Contracts for Fiscal Year 2018 will be released by January 30, 2019.

## **BUREAU OF ECONOMIC DEVELOPMENT**

The Bureau of Economic Development leverages the authority and responsibilities of the Office of the Comptroller to create new and sustainable opportunities for the economic growth and development of The City of New York and its people. The Bureau's mission includes executing the Comptroller's statutory obligation to oversee City agencies and related entities that are responsible for economic development, conducting rigorous economic research that will form the basis of future economic development policy, and actively managing and making investment recommendations to the New York City Retirement Systems (NYCRS) for its Economically Targeted Investment (ETI) program.

ETI's are prudent investments that provide risk-adjusted market rates-of-return to NYCRS. ETIs seek to fill capital gaps and provide collateral benefits, such as affordable housing and job creation, to the geographic target area. The geographic target area includes the five boroughs of the City and the six New York State counties in close proximity to New York City where City employees are permitted to live (Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties). NYCRS have successfully invested in ETIs since 1981. ETIs have an allocation of 2% of the total assets of NYCRS. The market value of the ETI Program at the end of Fiscal Year 2018 is \$1.97 billion (1.01% of total assets) with an additional \$402.9 million committed to specific ETI investments. In addition, the Real Assets ETI investments have a market value of \$677.2 million, and together with the other ETI investments and commitments constitute 1.56% of total assets.

As of June 30, 2018, the ten-year overall performance of ETIs was 4.94% net of fees as compared to the benchmark performance of 3.72% (Barclays Capital U.S. Aggregate Bond Index).

During Fiscal Year 2018, the ETI program made cumulative investments of \$49.8 million in individual multifamily projects through its Public/Private Apartment Rehabilitation (PPAR) program. These investments financed the rehabilitation or new construction of 892 units of affordable housing. The PPAR program also issued additional commitments for \$71.5 million for new loans financing 681 units during Fiscal Year 2018. NYCRS's commitments to provide permanent financing ensures that construction will go forward on these projects. Since the inception of the PPAR program in 1982, more than \$1.30 billion has been invested.



NYCRS maintained their investment in the AFL-CIO Housing Investment Trust (HIT). The June 30, 2018 cumulative market value of HIT investments is \$810.1 million. Since 2002, the HIT has invested \$1.20 billion to preserve 34,512 units of the geographic target area's affordable housing stock, which generated jobs and provided for the long-term affordability of the units.

RBC Access Capital Strategies (RBC Access), a division of the Royal Bank of Canada, invests in mortgage-backed securities comprised of loans issued to single family homeowners making up to 200% of the Area Medium Income. All loans are screened for compliance with anti-predatory lending practices. RBC Access investments can also include securities backed by first mortgage loans issued to developers of multifamily rental housing, and other types of community development loans in New York City. In Fiscal Year 2018, RBC Access launched an initiative to invest a minimum of \$5 million annually in VA Home Loans for the NYCRS portfolio with the objective of VA Home Loans achieving a target 10% of the portfolio's assets. As of June 30, 2018, RBC Access has a market value of \$435.3 million, and has invested \$775.3 million for 2,419 single family units, 35,275 multifamily units, including Mitchell-Lama buildings, and 17 small business loans.

NYCRS committed a combined \$155 million in a separate account managed by Vanbarton Group LLC. The NYC Vanbarton Interborough Fund LLC equity fund (Vanbarton Fund) invests in a variety of real property sectors including revitalized multifamily housing and commercial retail and office space in low- and moderate- income neighborhoods in the five boroughs. As of June 30, 2018, the Vanbarton Fund invested \$162.5 million creating or preserving over 432,125 square feet of commercial space and 63 units of affordable housing. In addition to the Vanbarton Fund investment, NYCRS has committed \$500 million to rehabilitating and creating work-force housing as part of the City's response to Superstorm Sandy.

NYCRS committed \$40 million to the Community Preservation Corporation's construction loan facility in Fiscal Year 2015. The facility finances short-term construction loans originated by the Community Preservation Corporation. The construction loans are for housing and commercial spaces in low- and moderate- income City neighborhoods, generating jobs and promoting neighborhood revitalization.

NYCRS continually seeks proposals for new ETIs. The ETI Request for Proposal (RFP) is available on the Comptroller's website and investment proposals may be submitted for any approved asset class, including real estate and private equity.

## **BUREAU OF AUDIT**

The City Charter requires that the Comptroller's Office audit some aspect of every City agency at least once every four years. The City Charter also requires that these audits be conducted in accordance with generally accepted government auditing standards (GAGAS) promulgated by the Comptroller General of the United States. In Fiscal Year 2018, the Bureau of Audit issued 74 audits and special reports focused on the effectiveness and service quality of City programs and on financial issues.

Below is a brief synopsis of some of the audits that had a significant impact on City finances and quality of service delivery. The audits and special reports may have resulted in recommendations to address the deficiencies found. Overall, the agencies and organizations audited and reviewed agreed to implement approximately 80% of the recommendations.

### **Revenue and Cost Savings**

- An audit was conducted to determine whether the School Construction Authority (SCA) properly administered its Other Funds Account in accordance with applicable laws, rules and regulations. The SCA is a public benefit corporation established in 1988 by the New York State Legislature under the New York State Public Authorities Law, responsible for the design, construction, improvement, rehabilitation and repair of the New York City public schools. The SCA periodically receives additional funds from sources other than the City's capital budget appropriations. To maintain these funds, the SCA established a miscellaneous account, known as the "Other Funds Account." The Public Authorities Law provides that funds maintained by the SCA that do not need to be immediately expended, should be invested in accordance with §11 of the General Municipal Law, without regard to the source of those funds. The SCA must comply with all applicable internal controls and accountability directives issued by the Office of the Comptroller. The audit found that the SCA lacked sufficient internal controls over the administration of the Other Funds Account and that as a result, the financial records related to that account, which held in excess of \$100 million during the audit period, were inconsistent and inaccurate. These control deficiencies could impair the SCA's ability to make decisions on the appropriate use and allocation of the funds. In addition, the audit found that the SCA did not consistently follow the investment requirements of the Public Authorities Law and that as a result, it maintained in excess of \$100 million in a checking account that earned minimal interest, which could have been invested at a higher rate of return.
- An audit examined whether the Taxi and Limousine Commission (TLC) has adequate internal controls to ensure that revenues are properly collected, recorded, and reconciled and that related transactions are supported by adequate documentation. Pursuant to Chapter 65, §2303, of the City Charter, TLC licenses and regulates the medallion taxicabs, street hail liveries

(SHLs) (commonly known as “green cabs”), and other transportation service providers. The administration of TLC’s revenue is governed by Comptroller’s Directives that prescribe methods for revenue-collection and recording for City agencies. TLC’s main revenue categories include fees paid in connection with licensing and inspections, fines, and medallion sales. TLC also administers the collection of revenue related to its Taxicab Improvement Fund (TIF) and the medallion transfer tax. TIF revenue, which is collected through a \$0.30 per ride fare surcharge, is used to subsidize the cost of increasing the number of wheelchair-accessible TLC-licensed vehicles. In addition, TLC, on behalf of the New York City Department of Finance (DOF), collects a tax that is levied on all medallion transfers. For Fiscal Years 2015 and 2016, TLC reported total revenue of \$95 million and \$85 million, respectively. The audit determined that TLC has adequate controls over the core components of its revenue collection, recording, and reconciliation processes. However, the audit also found control weaknesses in certain aspects of TLC’s operations that impacted its revenues. Delays and missed opportunities in TLC’s enforcement of TIF requirements contributed to an uncollected balance, as of May 2017, of \$5.7 million, or 8%, of the \$72.7 million of TIF surcharges paid by passengers throughout the two preceding Fiscal Years. The audit also found that TLC relaxed its rules for assessing medallion transfer taxes, which resulted in underassessments of an undetermined amount. Based on the review of 100 transfers out of 232 that occurred during the audit scope period, the audit identified 8 transfers that were under-assessed by a combined total of \$29,225. Finally, the audit found TLC erroneously classified approximately \$1 million of revenue derived from fines it collected following proceedings at the City’s Office of Administrative Trials and Hearings (OATH).

- An audit was conducted to determine whether the New York City Department of Finance (DOF) effectively restrains and seizes City payments due to City vendors with outstanding tax warrants. DOF is responsible for the administration and collection of approximately \$37 billion in City revenue, which for Fiscal Year 2017 included approximately \$1.3 billion in business and excise tax revenue. As the City’s tax collector and enforcer of the City’s tax laws, DOF is responsible for collecting taxes due from, among others, private contractors and vendors that do business with the City. DOF’s Collections Unit is authorized to take legal action to collect delinquent tax debt, which may include issuing and docketing a tax warrant in the County Clerk’s office, enforceable against the tax debtor’s assets as a judgment. When a tax debtor with a docketed tax warrant for delinquent business and excise tax is a vendor that sells goods or services to the City, DOF’s Collections Unit is also empowered to collect the tax owed by providing certain notices to the vendor and then offsetting its tax debt from the City’s payment for the goods and services the vendor provided. The audit found that although DOF effectively restrained City payments due to City vendors with docketed tax warrants, it did not follow up by seizing and offsetting the vouchered funds.

According to DOF’s records, as of February 5, 2018, the agency had docketed 254 open warrants totaling \$5.7 million in unpaid business taxes against 192 City vendors, 186 of whom were owed a total of \$2.6 million in vouchered funds that had been placed on hold under DOF’s process. However, DOF had not used that process to offset-i.e., collect-such tax debt from the vendors for more than three years, and the agency did not systematically track how much it was collecting from City vendors through other means, such as voluntary payment plans.

- An audit was conducted to determine whether advance payments made by the New York City Department of Homeless Services (DHS) to contracted Adult Shelter Providers were issued and recouped in accordance with contract terms and DHS’s Fiscal Manual. DHS is the City agency responsible for providing temporary emergency shelter and social services to eligible homeless adults and families, and it contracts with nonprofit and for-profit entities. While the contracts generally provide for payment after services have been delivered, they also allow the service providers to request and receive cash advances in anticipation of services to be rendered. During Fiscal Years 2015 and 2016, DHS had contracts with multiple Adult Shelter Providers totaling \$307 million and \$335 million and made advance payments to the providers totaling \$55.4 million and \$82.7 million, respectively. The audit determined that DHS did not consistently follow its procedures for the issuance and recoupment of the advance payments. As a result, approximately three months into Fiscal Year 2018, DHS had failed to recoup \$11.8 million it had advanced to providers more than a year earlier, consisting of \$75,704 advanced for Fiscal Year 2015 and \$11.7 million advanced for Fiscal Year 2016.

### **Asset Management and Internal Controls**

- An audit examined whether the New York City Housing Authority (NYCHA) has adequate controls over playground inspections and ensures that its playgrounds are maintained in a clean and safe manner. The audit included inspections of all 788 NYCHA-maintained playgrounds—located in 238 NYCHA developments—and found unsatisfactory conditions in 549 (70%) of the playgrounds. The audit found numerous playgrounds with substandard and visibly hazardous conditions, including missing and broken play equipment (some with exposed jagged edges), loose and deteriorated safety surfacing, tripping hazards, debris, erosion, and unkempt vegetation. Audit staff conducted follow-up visits of 25 developments with substandard and hazardous playground conditions and found that almost half of those developments had not prepared or retained mandated monthly inspection reports. In those cases where inspection reports were available, they did not consistently reflect the conditions found during inspections of the playgrounds, and numerous reports were missing required signatures by the superintendents or housing managers who were supposed to review the report. The audit further found that NYCHA’s development staff were not recording the results of their monthly inspections of the grounds and playgrounds in NYCHA’s

asset- and work-management system, Maximo, as required by NYCHA's written procedures, a significant omission that deprived NYCHA of a reliable, current, and easily accessible record of the condition of all of its playgrounds.

- An audit was conducted to determine whether the New York City Department of Parks and Recreation (DPR) adequately oversees private construction management firms (CMs) to ensure that capital project work is performed as planned and in a timely manner. DPR's Capital and Forestry Divisions both contract with private construction management firms to oversee the work of construction and landscaping contractors hired by DPR to build and execute the capital construction projects. In-house staff of DPR's Capital and Forestry Divisions are responsible for overseeing the CMs working on projects in their respective divisions. The audit focused on 69 Capital and Forestry Division capital projects supervised by CMs during Fiscal Years 2014 and 2015 with total construction costs of \$317 million (exclusive of design and special inspections) and an additional \$18 million spent for project management services performed by the contracted CMs. The audit found that DPR needs to improve its oversight of contracted CMs to ensure that their projects are completed appropriately and on time. Thirty-nine percent of DPR's CM-managed projects that were open during the audit scope period were not completed within scheduled timeframes. The affected projects, located throughout the five boroughs, included construction of a carousel, a bikeway, a golf course, and a pool bathhouse, as well as tree-planting projects. The delays ranged from nine days to three years and resulted in DPR's incurring \$4.9 million more in fees charged by its contracted CMs than the amounts originally budgeted—a cost overrun of 35% on the CM component of the projects alone.
- A follow up review was conducted to determine whether the New York City Department of Education (DOE) implemented the eight recommendations made in the New York City Comptroller's Office's, *Audit Report on the Department of Education's Oversight of Computer Hardware Purchased through the Apple Inc. and Lenovo Inc. Contracts (Audit # FM14-057A)* issued on December 1, 2014. The 2014 audit found that DOE's controls and management practices in relation to computer hardware inventory were insufficient to ensure that its computer hardware, purchased through contracts totaling \$209.9 million, for use by students, teachers, and administrative staff was accounted for properly. Overall, the July 2017 follow up audit found that DOE had not improved its inventory controls over computer hardware because it had not agreed to implement the majority of recommendations made in the Comptroller's 2014 audit report, including that it maintain a centralized inventory of such hardware. Specifically, in the follow-up audit, DOE did not properly account for 4,993 out of the 14,329 pieces of computer hardware in the sample, 34.9%, at nine sampled sites. Of these 4,993 items, the auditors looked for but did not observe 1,816 pieces of computer hardware during physical inspections, and the sites did not include 3,541 pieces of computer hardware in their inventory records. In addition to these findings, the follow up audit found that DOE did not provide sites with sufficient guidance and support to ensure that decentralized inventory records were accurate and complete and that adequate controls were in place to properly safeguard computer hardware.

### **Service Delivery and Program Performance**

- An audit was conducted to determine whether the New York City Department of Education (DOE) conducted adequate outreach and provided sufficient oversight of the attendance of students residing in Department of Homeless Services (DHS)-operated homeless shelters. According to DHS' records, 32,243 school-aged children resided in DHS family shelters during the 2015-2016 School Year (September 9, 2015 through June 28, 2016). The responsibility for tracking school attendance rests with the individual schools and their principals. Incidences of poor school attendance have been found to be more prevalent among students who reside in homeless shelters than the general student population. In part to address this national phenomena, the federal McKinney-Vento Homeless Assistance Act of 2001 (the McKinney-Vento Act) mandates that homeless children be guaranteed equal access to the same free appropriate public education provided to children who are permanently housed within the community. To achieve the goals of the McKinney-Vento Act, every community school district under DOE management assigns DOE employees called Family Assistants to work at local shelters with the homeless families and monitor school attendance of the children in those families. DOE and DHS have each established their own procedures and requirements intended to ensure that school-aged children (Pre-Kindergarten through grade 12), ages 4-21, residing in City shelters attend school regularly and that outreach and intervention is conducted when necessary.

The audit found that the DOE does not engage in adequate outreach or have sufficient oversight of efforts made to track and monitor the attendance of students residing in temporary housing who are chronically absent from school, particularly those residing in DHS-operated homeless shelters. Further, DOE does not have adequate oversight mechanisms to ensure that its protocols are followed. Out of a sample of 73 students who were identified by DOE as having resided in DHS homeless shelters during the 2015-2016 School Year and were chronically absent according to DOE's criteria, the audit revealed no evidence that schools conducted outreach for 87% of the absences reported and for 94% of the instances of lateness reviewed. Since students who reside in temporary housing are known to have higher rates of absenteeism than permanently-housed students, DOE's oversight weaknesses could increase safety and welfare risks to this already vulnerable group of children.

- An audit was conducted to determine whether the New York City Board of Elections (BOE) took effective actions to ensure that certain voters inappropriately purged from voter rolls in 2014 and 2015 were restored to the voting rolls for the November 2016 elections, whether adequate assistance was provided to voters at polling sites, and whether polling sites were accessible

to all voters, including persons with disabilities. The BOE is charged with conducting federal, State and local elections in New York City. To carry out its functions, the BOE distributes, receives, and processes New York City residents' voter-registration forms, and maintains the roll of the City's registered voters. To facilitate Election Day operations, the BOE employs poll workers to open and close the polling sites, administer voting operations, assist voters, and electronically transmit the preliminary results from scanners to the BOE's General Office.

Between March 2014 and July 2015, the BOE's Brooklyn office canceled, or "purged," the registrations of over 117,600 voters, which prevented them from voting during the April 19, 2016 Presidential Primary Election. The BOE's action triggered an investigation by the New York State Attorney General and by the US Department of Justice. The BOE subsequently agreed to restore these voters to the rolls.

The audit found that the BOE took efforts to ensure that Brooklyn voters inappropriately purged from voter rolls for the April 2016 Primary Election were restored in time for the November 2016 General Election and, through sample testing, those efforts appear to have been effective. However, the audit found that the BOE failed to ensure that the polls operated effectively and efficiently and in accordance with applicable law, rules and guidelines, which ultimately could have impacted the ability of individuals to vote. Among the deficiencies found were problems with the assistance provided to voters, including those who require language interpreters and those with disabilities; problems with the information provided to voters; and problems with the accessibility of the poll sites themselves for disabled voters. The audit also found issues with the quality and amount of training BOE provides for Election Day workers.

- An audit was conducted to determine whether the Metropolitan Transportation Authority New York City Transit (NYCT) has established adequate controls over the Access-A-Ride (AAR) complaint resolution process. Specifically, the audit determined whether the controls provide reasonable assurance that: (1) all complaints are accounted for; (2) complaints are properly categorized; (3) complaints are adequately addressed and resolved in a timely manner; and (4) investigatory procedures are consistently followed. Under the Americans with Disabilities Act of 1990 (ADA), public transportation authorities are required to provide a paratransit system for people with disabilities who are unable to use public bus or subway service. In New York City, NYCT administers the AAR paratransit service, which provides shared-ride, door-to-door transportation 24 hours a day, seven days a week, including holidays. AAR primarily delivers service through contracts with a network of private vendors, including 13 Dedicated Carriers (DCs) and two Broker Car Service Providers (BCSPs). During Calendar Year 2016, NYCT's Paratransit program paid over \$292 million to DCs and over \$34 million to BCSPs for more than six million combined AAR trips. The audit focused on NYCT's handling of customer complaints about AAR services provided by the DCs. Approximately 86% of the 32,938 incident records were based on calls made to the Comment Line. Although the audit found that NYCT generally follows its internal procedures for receiving, processing and referring AAR complaints to the appropriate Paratransit units for investigation, the audit identified deficiencies in several areas. The audit found internal control weaknesses in NYCT's processes for handling AAR complaints that have led to some complaints not being investigated and others not being investigated within required timeframes. These deficiencies posed increased health and safety risks to AAR customers and to the general public.
- Seven audits were conducted—including four in Fiscal Year 2018—to determine whether personnel working at *EarlyLearn NYC* child care centers under contract with the Administration for Children's Services (ACS) had been properly screened through the Statewide Central Register of Child Abuse and Maltreatment (SCR). The New York City Health Code, §47.19, requires that all child care center employees and volunteers undergo an SCR clearance review prior to being hired and every two years thereafter. The four Fiscal Year 2018 audits reviewed the SCR-clearance status of a total of 97 individuals working at the respective centers on the dates of auditors' unannounced visits and found that the centers had not obtained required SCR clearances for 24 individuals whose clearances were late by periods that ranged from 4 days to 866 days. The audits also found that the centers employing four individuals had not received the required renewal SCR clearance at all. One of those centers thereafter failed to obtain the required renewal clearances for three employees for an additional year. All of the audit reports were provided to the centers and to ACS.
- An audit was conducted to determine whether the Department of Education (DOE) has adequate controls over payments to independent and contracted service providers who work with school-aged students in need of special education services such as physical therapy, occupational therapy, speech therapy and psychological counseling, called "related services." When a student requires related services, DOE first attempts to identify a DOE employee who can provide them. If no suitable DOE employee is available, DOE seeks a contracted related-service provider, and when neither a suitable DOE employee nor a contracted provider is available, DOE issues a Related-Service Authorization to the family, which enables the student's parents or guardians to secure the services from an independent provider at DOE's expense. According to DOE, the agency paid \$84,033,968 in Fiscal Year 2016 to 1,102 independent and contracted providers for related services for school-aged students.

The audit found that DOE does not have adequate controls over payments to related-service providers. As a result, DOE was unable to provide reasonable assurance that related services billed to and paid for by the agency were adequately supported and actually provided. Moreover, DOE's payment review process, which might have found errors in billing and payments, was not consistently implemented or effectively designed. In addition, the audit found that DOE's process for confirming with



parents and guardians that services were rendered was significantly flawed. Thus, DOE's processes were not an effective means of verifying that billed services were actually performed. Further, the DOE's Vendor Portal edit checks, which should have been designed to automatically reject certain billing irregularities, did not provide adequate protection against vendors' billing and receiving payment for duplicate and overlapping billing of related services. The auditors review of the related-service billing data for Fiscal Year 2016 identified an estimated \$131,913 in erroneous payments made to 597 providers resulting from (1) overlapping sessions billed by the same provider; (2) duplicate sessions billed by different providers; and (3) overlapping sessions billed by different providers.

### Information Technology

- An audit of the New York City Department of Transportation's (DOT's) access controls over its computer systems was conducted to determine whether DOT had adequate system security and access controls in place to protect the information in its computerized environment. DOT manages one of the most complex urban transportation networks in the world. It is responsible for the condition and operation of 6,300 miles of streets, highways, public plazas and 789 bridge structures. As part of its operations, DOT uses 88 computer applications. The agency identified 15 of those applications as critical. The 15 critical applications process private information in addition to public data. The private information includes driver's license numbers, personal medical data, the names and addresses of the employers of permit applicants, and other information restricted to agency use. All of DOT's applications and their data are regulated by the agency's policies and the New York City Department of Information Technology and Telecommunications' (DoITT's) policies. The audit found that DOT has established controls for application access and data protection, and has implemented security controls to protect its computerized environment. However, it found weaknesses in certain access and security controls. Specifically, DOT had not deactivated or disabled the user accounts of 113 former or on-leave employees, as required by DoITT's policies, increasing the risk that unauthorized users could gain access to DOT's applications and attempt to modify, delete, or steal data. In addition, DOT did not implement and enforce DoITT's password-expiration and complexity rules for three critical applications. We also found that two DOT public web applications used an unsecured network protocol—a method by which computers communicate with each other—that rendered the applications and the communications the protocol carries vulnerable to unauthorized intrusion and interception.
- Another IT audit was conducted to determine whether the New York City Administration for Children's Services' (ACS') Division of Preventive Services (DPS) properly secures personal information from unauthorized access and has adequate security controls over personally identifiable information (PII) that is being collected and stored. DPS is the unit of ACS that oversees the delivery and monitoring of preventive services for children and families in their communities through contracted service providers. Among its services are in-home family counseling, support groups for parents and youth and homemaking services. To accomplish its varying tasks, DPS uses several specialized computer applications. The agency's critical applications may contain PII that is private, sensitive and/or confidential, including names, addresses, social security numbers and medical information. ACS is responsible for ensuring that security controls are in place to protect PII that is collected and stored. The audit found that ACS has established policies, procedures and guidelines for access control, data protection and data classification to protect the PII that is collected and stored by DPS. However, the audit found several weaknesses in the agency's access controls, including inactive network user accounts that were not disabled and passwords for certain remote user accounts that never expired. In addition, ACS did not comply with DoITT's *Password Policy* with respect to two critical applications, did not properly monitor external service providers' access to its critical applications and did not properly limit users' access privileges in one application.
- An audit was conducted to determine whether the New York City Department of Parks and Recreation (DPR) had adequate system security and access controls in place to protect information in its computerized environment. DPR is responsible for the maintenance of a 30,000-acre municipal park system, which includes most of the City's parks and playgrounds. It also manages forests and trees (both in the parks and on the street), and provides recreational and educational opportunities for New Yorkers of all ages. To accomplish its varying tasks and conduct its operations, DPR maintains a computer network used by its employees and consultants to access agency emails and files. DPR also maintains several mission-critical computer applications that are accessible to its network users. Many of those mission-critical applications contain sensitive and private information, which includes names, birthdates, addresses, and other information that is intended for agency use only. DPR is responsible for ensuring that it has policies and procedures in place to protect the information in the agency's computerized environment. The audit found that DPR has established policies, procedures and guidelines for access control, data protection, and security controls to protect information in the agency's computerized environment. However, the audit also found access-control weaknesses, including a failure to disable the accounts of former City employees and inactive users, which could increase security risks. In addition, DPR did not always implement and enforce applicable City password-expiration and complexity rules for its mission-critical applications. Further, the audit found security weaknesses in DPR's computer environment. Specifically, DPR did not perform the required intrusion-detection and vulnerability scans to identify security weaknesses and threats to the servers for which it was responsible. In addition, DPR did not have a formal disaster recovery plan for certain mission-critical applications.

## OFFICE OF DIVERSITY INITIATIVES

The Comptroller's Office of Diversity Initiatives works to develop innovative solutions that expand economic opportunities for all. The Office is led by the Chief Diversity Officer, an executive level diversity and inclusion strategist reporting directly to the Comptroller. The Chief Diversity Officer serves as a watchdog for the inclusion of women and people of color in competing for public and private sector procurements, and focuses on launching initiatives that put diversity at the heart of the way the City does business. The first Chief Diversity Officer within the Comptroller's Office was appointed in 2014.

The Office of Diversity Initiatives is responsible for implementing and monitoring a letter-grading program that holds City agencies accountable to comply with Local Law 1 of 2013 and advocating for additional measures to increase the City's utilization of minority and women-owned business enterprises (M/WBEs). It also assists the Corporate Governance team on supplier, workplace and board diversity initiatives and leads the Comptroller's Advisory Council on Economic Growth through Diversity and Inclusion.

The Office of Diversity Initiatives also designs and manages the Comptroller's Office internal M/WBE program. As a result, the office more than doubled its spending with M/WBEs achieving 29% spending in Fiscal Year 2018, up from 12% in Fiscal Year 2014. Among micro purchases, the Office spent 38% with M/WBEs, more than double compared with Fiscal Year 2014. More than 50% of the Bureau of Law and Adjustment's claims hearings budget is allocated to M/WBE firms.

In addition, the Office of Diversity Initiatives works with the Comptroller's Bureau of Asset Management on diversity initiatives involving investment managers and portfolio companies held by the New York City Retirement Systems. In Fiscal Year 2018, the Comptroller appointed a Diversity and Inclusion Director in the Bureau of Asset Management, the first time the bureau has had staff dedicated to diversity across all asset classes.

The Office also introduced Comptroller's M/WBE University, which offered a series of workshops designed to increase access to the Comptroller's Office and citywide procurement opportunities for M/WBEs, engaging 600 diverse businesses in Fiscal Year 2018.

Also for the first time, the Comptroller's Office began tracking the number of M/WBEs on the prequalified list of certified public accountants, a list of firms that can provide audit services to the City's agencies. In Fiscal Year 2018, the Comptroller's Office also changed the criteria for the list to increase access for M/WBE auditors and now accepts both engagement and systems peer reviews. As of June, 2018, there were 16 M/WBEs prequalified to provide the City with audit services.

## THE COMPTROLLER'S COMPREHENSIVE ANNUAL FINANCIAL REPORT

The Comprehensive Annual Financial Report (CAFR) is required by Section 93(1) of the New York City Charter, and is presented in three sections. This transmittal letter serves as an introduction and summary. The financial section includes the basic financial statements, combining fund financial statements and schedules and other required supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The City is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of the Comptroller's Office's leadership's knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the City and its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Amendments Act of 1996 and the United States Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other related documents. Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditors' reports on internal controls and compliance with applicable laws and regulations, are issued as a separate report.

### Budgetary and Financial Controls

The City is responsible for establishing and maintaining internal controls designed to ensure that municipal assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. These internal controls are subject to continuous evaluation by the City.



## Budgetary Controls

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the Annual Appropriated Budget approved by the City's governing body. Activities of the General Fund are included in the Annual Appropriated Budget. The City also makes appropriations in the Capital Budget to authorize the expenditure of funds for various capital projects. A level of budgetary control, i.e., the level at which expenditures cannot legally exceed the appropriated amount, is established within each individual fund. As reported in the schedules to the financial statements, several agencies have expended more than legally appropriated amounts. The City also maintains an encumbrance accounting system as another technique of accomplishing budgetary control. Encumbrances lapse at the end of each Fiscal Year.

## Financial Controls

The City maintains financial controls through the use of an integrated accounting and budgeting system, referred to as the Financial Management System (FMS). FMS maintains the City's centralized accounting and budgetary controls. FMS is also used by the City to maintain information on City contracts as well as capital projects. FMS provides the ability for the Comptroller's, Mayor's, and individual agencies' financial managers to access, analyze, and utilize the City's financial data. These capabilities are continuously improved to meet new information needs.

Section 93 of the New York City Charter grants the Comptroller broad powers for establishing accounting and internal control policies and procedures for the City. To ensure the adequacy of the City's internal controls, directives and memoranda that outline appropriate policies and procedures for all City agencies and component units are issued and periodically updated. These directives and memoranda establish internal controls and accountability, which safeguard City assets. The Comptroller's Office and agency auditors periodically check City agencies' and component units' adherence to internal control policies and procedures. Each year, in accordance with the *Comptroller's Directive #1 — Principles of Internal Control*, every City agency is required to prepare a report on its internal controls. Each agency's report must include an "Agency Financial Integrity Compliance Statement" signed by the agency head. The statement must include the agency head's opinion as to whether the agency's internal controls provide reasonable assurance that internal control objectives were achieved during the Fiscal Year and can continue to be achieved in the future.

The Comptroller's Office Audit Bureau administers the "Agency Financial Integrity Compliance Statement" program that is part of the "Principles of Internal Control" Directive and collects agency responses. In addition, the auditors collate these responses and use the results as part of a risk assessment to identify future audits. This approach helps to ensure that agencies genuinely assess their internal controls, rather than just examine them perfunctorily. The Comptroller's Office also asks agencies to assess the adequacy of their internal audit functions.

Should a control weakness prevent any significant control objective from being achieved, the agency head must describe management's plans for correcting it. Agencies must also explain and describe planned corrective action for any outstanding weakness described in audit reports prepared by the City Comptroller's Office auditors, the City's independent auditors, the State Comptroller, or other oversight or audit bodies.

The Comptroller revised and reissued the following Comptroller's Internal Control and Accountability Directives during Fiscal Year 2018: *Directive #9 — Administration of Cash and Securities Held as Collateral for Performance on Contracts, Franchises, Revocable Consents and Concessions, and Other Agreements*, and *Directive #22 — Accounting, Financial Reporting, and Audit Requirements for Entities Included in the Financial Reporting Entity of the City of New York*.

Directive #9 was reissued to clarify the rules and procedures for the administration of cash and securities that The City of New York holds as collateral for performance on contracts, franchises, revocable consents and concessions, and other agreements. The Comptroller, as the Chief Fiscal Officer of the City, is the custodian of all deposited cash and securities, and is responsible for the administration of all collateral deposits. No substantial changes were made to this Directive, however more detailed instructions were provided with regards to certain procedures and guidance for addressing retainage held and not released upon substantial completion of a project.

The revision to Directive #22 provides clarification and additional requirements for entities identified as part of The City's financial reporting entity, also known as Component Units. Due to recent promulgations issued by the Governmental Accounting Standards Board, which redefines a government's Blended Component Unit, this Directive was reissued in order to ensure financial reporting compliance by each of The City's Component Units. For a complete listing of The City's financial reporting entities, please see page 11.

In addition to the reissued directives, the Comptroller issued a new memorandum in Fiscal Year 2018: *Comptroller's Memorandum (CM) #17-01 — Amendment to Section 7.0, Computer Hardware, Software, Networks and Systems, of the Office of the Comptroller's*

*Directive #10 — Charges to the Capital Projects Fund.* This amendment provides guidance on the capital eligibility and treatment of frequent scenarios surrounding cloud computing projects.

All Comptroller directives and memoranda may be found on the Comptroller's Office website.

## **AWARDS**

For the 38th consecutive year, The City of New York was awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). The Certificate signifies that the City's CAFR meets the highest standards of governmental financial reporting. Only 2,621 of some 38,843 governmental counties, municipalities, and townships have received the Certificate thus far, and New York City is one of a very select group of 136 to have received the award for 38 or more consecutive years. To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government must publish an easily readable and efficiently organized CAFR. The CAFR for Fiscal Year 2017 again satisfied these requirements.

## **ACKNOWLEDGEMENTS**

First, I want to thank the hundreds of accounting and financial professionals in every city agency who work every day on behalf of the people of the City of New York, comprising the foundation of our City's financial accountability and transparency. Your hard work in partnership with the staff of the Comptroller's office made this report possible.

I also wish to convey my deep appreciation to my staff who have worked so diligently to prepare the financial statements and the entire CAFR. I offer special thanks to Deputy Comptroller for Accountancy Jacqueline Thompson, Bureau Chief Katrina Stauffer, and the entire management team and staff of the Bureau of Accountancy. I am also grateful for the assistance of the Office of the Actuary, the Mayor's Office of Management and Budget, and the Financial Information Services Agency.

I want to thank the City's independent auditors, Grant Thornton LLP, as well as the Pension Systems' independent auditors, Marks Paneth, LLP, for their efforts throughout this audit engagement. Finally, I want to acknowledge the work of the City's Audit Committee, and especially the private members who serve a vital role in assuring the integrity of the independent audit process.

A handwritten signature in black ink, appearing to read "Scott M. Stringer", is positioned above the printed name.

Scott M. Stringer  
New York City Comptroller



## **ACCOUNTING FIRM QUESTIONNAIRE FOR THE COMPTROLLER'S LIST OF PRE-QUALIFIED CPA FIRMS**

Pursuant to Section 3-10 (k) of the New York City Procurement Policy Board (PPB) Rules, the New York City Office of the Comptroller maintains a Pre-Qualified List of CPA firms (CPA List). City agencies seeking to award an external auditing contract must procure the services from firms that are on the CPA List.

To be considered for placement on the CPA List and to remain on the CPA List, your firm must:

1. Be registered with the New York State Education Department to practice in the State of New York, under your firm's current organizational status.
2. Have had a System or Engagement Peer Review (Peer Review) of your firm's auditing and accounting practice within the last three years and continue to have such peer reviews conducted every three years in accordance with AICPA Standards. In addition, firms must be aware of the following:
  - a. A firm must receive a pass rating or a pass with deficiencies rating to qualify.
  - b. A firm, whether applying for the first time or already on the list, that receives a pass with deficiencies, will be placed on the list, or be allowed to remain on the list.
  - c. A firm that receives a pass with deficiencies, if, on their next peer review, regardless of when that takes place, it again receives a pass with deficiencies, their continued placement on the list will be under internal review .
  - d. A firm, previously removed from the list, must receive a pass (without deficiencies) rating before it is restored to the list.
3. Submit a completed Vendor and Principal Questionnaire via PASSPORT (Procurement and Sourcing Solutions Portal). CPA firms, are highly encouraged to create a vendor account in the new online PASSPORT system, which replaced the paper-based process in VENDEX. The Comptroller's Office will periodically review the information submitted to ensure that the CPA firm remains in good standing to do business with the City.
4. Submit the Annual Affirmation Form attesting that there have been no changes to the information submitted in the Accounting Firm Questionnaire by June 30<sup>th</sup> of each calendar year. If there have been changes, submit an updated Questionnaire with any supporting information. In either case, this submission must include the firm's current peer review report, and the follow-up results of any pass with deficiencies rating.

Audits performed for the City are generally required to comply with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States.

Please answer all questions. If a question does not apply to your firm, answer N/A (not applicable). Please identify any attachments to the specific question(s) to which they apply. Failure to answer all questions will delay your application.

**1. Firm name, address, and telephone :**

---

---

---

---

---

**2. First time applying ☐ or Revision ☐**

**3. Firm website address:**

---

**4. State the name, title (partner, etc.), telephone number, and email address of the individual who has authority to act for the firm and who will have overall responsibility for City audit engagements:**

---

---

---

**5. State the name, title (partner, etc.), telephone number, and email address of the individual who will act as the liaison/secondary contact:**

---

---

---

6. **Type of Firm:** Individual ☐ Partnership ☐ PC ☐

7. **Indicate the appropriate identification number:**

---

Employer Identification Number (Partnerships and Professional Corporations)

---

Social Security Number (Sole Practitioners)

8. **On what date did the firm begin business under its current structure?**

---

9. **Is the firm registered to practice with the New York State Education Department under its current organizational structure (individual, partnership, or PC)?**  
YES ☐ NO ☐

---

Certificate of Registration Number

---

Date of Most Recent Registration (Include Copy of Current Certificate)

10. **Has the license of any principal of the firm ever been revoked or suspended, or has any principal of the firm ever been censured or reprimanded by the State Board for Public Accountancy?** YES ☐ NO ☐

If YES, please provide all relevant details. (Attach additional sheet if necessary.)

- 11. Is the firm certified as a Minority- and/or 51 % Women-owned Business Enterprise? (M/WBE) YES ☐ NO ☐** If no, proceed to question # 13

If YES, What Type of Business: Women-Owned ☐ Asian-Owned ☐  
African American-Owned ☐ Hispanic-Owned ☐ Other ☐  
If other, please provide all relevant details.

---

- 12. Please indicated the agency that issued the M/WBE certification (select more than one, if applicable):**

NYC SBS ☐ New York State ☐ Other ☐

Please included a copy of the certificate with your submission.

If other, please provide all relevant details.

---

- 13. Have you or any member(s) of your firm ever been involved in legal proceedings that resulted in indictment, debarment, or suspensions that precluded you from rendering work for any government or private organization? YES ☐ NO ☐**

If YES, please give all relevant details. (Attach additional sheet if necessary. To the extent this information is covered in the VENDEX/PASSPORT submission, the applicant may provide a cross-reference, rather than repeat the information.)

---

- 14. Have you or any member(s) of your firm ever been indicted on charges relating to or stemming from your/their roles as a CPA? YES ☐ NO ☐**

If YES, please give all relevant details. (Attach additional sheet if necessary. To the extent this information is covered in the VENDEX/PASSPORT submission, the applicant may provide a cross-reference, rather than repeat the information.)

---



15. **Have you or any member(s) of your firm ever been associated with a firm that has been removed or suspended from the Comptroller's List of Pre-Qualified CPA firms?**  
YES ☐ NO ☐

If YES, list name of firm, date removed or suspended from list, and function performed at the time by such individual(s). Provide any relevant details. (Attach additional sheet if necessary.)

---

16. **Are any of the principals or professional employees of your firm affiliated with any other public accounting firm or firms?** YES ☐ NO ☐

If YES, indicate name(s) of the individuals and firm(s), and describe the relationship(s). Also indicate whether the firms are on the Comptroller's CPA List.

---

17. **State the number of professional staff (accountants) in your firm and the number of CPAs.** Number of Accountants in firm \_\_\_\_\_ Number of CPAs \_\_\_\_\_

18a. What percentage of the audits that you performed in the last three years were audits of government agencies or not-for-profit entities? \_\_\_\_\_ %

18b. How many years have you been performing Government audits or audits of not-for-profit entities? \_\_\_\_\_ Years.

18. **The Comptroller's Office requires that firms on its CPA List undergo a Peer Review of their auditing and accounting practices; this review must be conducted in accordance with AICPA Standards. AICPA Standards require that a Peer Review be conducted every three years for those firms that conduct audits. (This is consistent with GAGAS, which also requires a review every three years.) Your firm must have had a Peer Review within the last three years and received a pass rating, or a pass with deficiencies, which must be corrected by its next peer review, in order to be placed on the Comptroller's CPA List. Your firm must continue to have Peer Reviews conducted every three years, in accordance with AICPA Standards, and receive a pass rating or a pass with deficiencies, in order to remain on the CPA List. (As previously noted, a firm will be allowed only one pass with deficiencies.) The current details of any pass with deficiencies, pass with a scope limitation rating and subsequent corrective follow-up actions must be provided to the Comptroller's Office**

**as part of the initial and subsequent annual Affirmations.**

19a. Has your firm had a peer review? YES ☐ NO ☐

*Note: if your firm has not had a peer review, you cannot be placed on the CPA List.*

19b. Who performed the last peer review? \_\_\_\_\_

19c. What was the date of the last peer review report? \_\_\_\_\_

19d. What was the peer review period year-end date? \_\_\_\_\_

19e. What was the result of the peer review?

Pass ☐ Pass with Deficiencies ☐ Pass with a Scope Limitation<sup>1</sup> ☐ Fail ☐

*Note: The final resolution indicating AICPA acceptance of any follow-up actions to a "Pass with Deficiencies" rating must be submitted to our office.*

19f. Include a copy of the peer review report, any additional comment letters, your firm's response(s) if any, and the AICPA review acceptance letter.

---

**NOTE**

---

In addition to the annual submission of the Accounting Firm Questionnaire, you are responsible for prompt written notification to the Comptroller's Office of any changes in the information provided in this application which could result in a reconsideration of the firm's qualifications to perform City audit engagements. In addition, written notification of all changes of address should be made immediately, as well as notification of any significant changes (10%) in the number of professionals in the firm. A change in the firm's name requires reapplication. Failure to comply with these requirements may result in revocation of pre-qualification status in accordance with Section 3-10 (l) of the PPB Rules.

I, \_\_\_\_\_ **Authorized to Represent** \_\_\_\_\_  
**Print Name and Title** **Print Name of Firm**

*Certify that the information contained in this application is to the best of my knowledge, information, and belief, accurate and complete and that I have read the above "Note".*

---

**Signature of Firm Representative and Date**

---

<sup>1</sup>*If the scope of the review is limited by conditions that preclude the application of one or more peer review procedure(s) considered necessary in the circumstances and the review team cannot accomplish the objectives of those procedures through alternate procedures, a report with a scope limitation should be issued. A scope limitation may be issued in a report with a peer review rating of pass if the team captain concludes, for the areas which were reviewed (areas with no scope limitation) that the firm's system of quality control for the accounting and auditing practice has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects.*



CITY OF NEW YORK  
**OFFICE OF THE COMPTROLLER**  
SCOTT M. STRINGER

TECHNICAL & PROFESSIONAL  
STANDARDS UNIT

**ANNUAL AFFIRMATION FORM FOR THE ACCOUNTING FIRM  
QUESTIONNAIRE FOR THE COMPTROLLER'S LIST OF  
PRE-QUALIFIED CPA FIRMS**

One of the requirements for remaining on the Comptroller's Pre-Qualified List of CPA Firms (CPA List) is to affirm annually the accuracy of the information previously submitted on the Accounting Firm Questionnaire, or to submit updated information, by providing an Annual Affirmation Form.

The Annual Affirmation Form on the following page is to be provided by firms if no changes to the information in the Accounting Firm Questionnaire have occurred since the Questionnaire was last submitted. The Annual Affirmation Form on page three of this document is to be provided by firms if changes to information in the Accounting Firm Questionnaire have occurred since the Questionnaire was last submitted.

The completed, signed, Annual Affirmation Form, including any updated information (System Peer Review, AICPA Acceptance Letter, etc.), should be submitted by June 30<sup>th</sup> each year to:

The Office of the Comptroller  
Attention: Technical and Professional Standards Unit  
Bureau of Accountancy  
David N. Dinkins Municipal Building  
One Centre Street, Room 200 South  
New York, NY 10007

Or via e-mail<sup>1</sup> to: [cpalist@comptroller.nyc.gov](mailto:cpalist@comptroller.nyc.gov)

<sup>1</sup>*Please be advised that the size of e-mail submissions must be less than 10MB.*



**ANNUAL AFFIRMATION FORM FOR THE ACCOUNTING FIRM  
QUESTIONNAIRE FOR THE COMPTROLLER'S LIST OF PRE-QUALIFIED  
CPA FIRMS – NO CHANGES**

\*\*\*\*\*

This Affirmation is to be provided if no changes to the information in Accounting Firm  
Questionnaire have occurred since the Questionnaire was last submitted.

\*\*\*\*\*

**Note:** In addition to the submission of the Annual Affirmation Form for the Accounting Firm Questionnaire, firms are responsible for prompt notification to the Comptroller's Office of any changes in the information provided in these documents which could result in a reconsideration of the firm's qualifications to perform City audit engagements. Notification of all changes of address should be made immediately, as well as any significant change (10%) to the number of professionals in the firm. A change in the firm's name requires reapplication. Failure to comply with these requirements may result in revocation of pre-qualification status in accordance with Section 3-10 (l) of the Procurement Policy Board Rules.

I, \_\_\_\_\_ Authorized to Represent \_\_\_\_\_  
Print Name and Title Print Name of Firm

*Certify that the information contained in the Accounting Firm Questionnaire, dated \_\_\_\_\_, to the best of my knowledge, information, and belief, is accurate and complete and does not require any updates. I also certify that I have read the above Note.*

\_\_\_\_\_  
Signature of Firm Representative

\_\_\_\_\_  
Date



**ANNUAL AFFIRMATION FORM FOR THE ACCOUNTING FIRM  
QUESTIONNAIRE FOR THE COMPTROLLER'S LIST OF  
PRE-QUALIFIED CPA FIRMS – CHANGES**

\*\*\*\*\*

This Affirmation is to be provided if changes to the information in Accounting Firm  
Questionnaire have occurred since the Questionnaire was last submitted.

\*\*\*\*\*

The information contained in the Accounting Firm Questionnaire, dated \_\_\_\_\_, requires updates, as noted in the table below. (Please include copies of any required updated information (System Peer Review, AICPA Acceptance Letter, etc., and use additional sheets if necessary).

**Note:** In addition to the submission of the Annual Affirmation Form for the Accounting Firm Questionnaire, firms are responsible for prompt notification to the Comptroller's Office of any changes in the information provided in these documents which could result in a reconsideration of the firm's qualifications to perform City audit engagements. Notification of all changes of address should be made immediately, as well as any significant change (10%) to the number of professionals in the firm. A change in the firm's name requires reapplication. Failure to comply with these requirements may result in revocation of pre-qualification status in accordance with Section 3-10 (l) of the Procurement Policy Board Rules.

Question #	Updated Information

I, \_\_\_\_\_ Authorized to Represent \_\_\_\_\_  
Print Name and Title Print Name of Firm

*Certify that the information contained in the Accounting Firm Questionnaire, dated \_\_\_\_\_, to the best of my knowledge, information, and belief, is accurate and complete, with the exception of the changes noted above. I also certify that I have read the above Note.*

\_\_\_\_\_  
Signature of Firm Representative

\_\_\_\_\_  
Date





Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
A Gary Aaronson CPA PLLC	42 W 38th Street Suite 1003, New York, NY 10018	Mesug Kim	mesug@agaaronsoncpa.com	(212) 684-5770		1 - 5	51 - 100	16 - 30
A.F. Paredes & Co., CPAs	99 John Street, Suite 408, New York, NY 10038	Anthony Paredes	afparades@paredescpa.com	(212) 285-1725		16 - 50	51 - 100	6 - 15
Adelman Katz & Mond	230 West 41 Street, 15th Floor, New York, NY 10036	Jack E. Gold	jgold@akmcpa.com	(212) 382-0404		16 - 50	26 - 50	16 - 30
Allan G. Pope, CPA, LLC	200-19 Linden Blvd. 2nd Fl, St. Albans, NY 11412	Allan G. Pope	allan.pope@allangpopecpa.com	(718) 528-7708		6 - 15	26 - 50	16 - 30
Alleyne & Company, CPA, PC	80 Broad Street, Fifth Floor, New York, NY 10004	Cuthbert A. Alleyne	Alleyne@Alleynecompany.com	(212) 391-2410		6 - 15	51 - 100	6 - 15
Anchin, Block, & Anchin, LLP	1375 Broadway, New York, NY 10018	Stephen Shulman	stephen.shulman@anchin.com	(212) 840-3456		> 100	1 - 25	31 - 100
Andrew Freund, CPA	4920 Fifteenth Avenue , Brooklyn, NY 11219	Andrew Freund	Freundcpa@aol.com	(718) 633-4680		1 - 5	1 - 25	6 - 15
Andrew L. Hult, CPA - PLLC	14 Hilton Avenue, Hempstead, NY 11550	Andrew L. Hult	ALHULT@ALHCOMPANY.COM	(516) 565-1702		1 - 5	51 - 100	16 - 30
Antonio A. Soriano, CPA	141-05 Northern Blvd, 1C,, Flushing, NY 11354	Antonio A. Soriano	aas2447@yahoo.com	(646) 283-0753		1 - 5	51 - 100	16 - 30
Armstrong, Ivan D.	233 Broadway Suite 2075, New York, NY 10279	Ivan Armstrong	tacarmstrong@aa-cpa.net	(212) 233-2777		1 - 5	1 - 25	6 - 15
Arumemi, Peter A., CPA	49 Winchester Avenue, Staten Island, NY 10312-6506	Peter Arumemi	parumemi@aol.com	(718) 984-0392		6 - 15	51 - 100	16 - 30
Baker Tilly Virchow Krause LLP	One Penn Plaza, Suite 3000, New York, NY 10119	Gordon Siess	gordon.siess@bakertilly.com	(631) 719-3315		> 100	1 - 25	31 - 100
Ballo & Co.	67 Hudson Street, #1C, New York, NY 10013	Angelito A. Ballo	balloandco@aol.com	(212) 406-1640		1 - 5	51 - 100	16 - 30
Barry Popick, CPA	2048 Willimasbridge RD, Bronx, NY 10461	Barry Popick	bpopickcpa@gmail.com	(718) 892-7462		1 - 5	26 - 50	16 - 30
Baum, Rose CPA	48 Lake Nanuet Drive, Nanuet, NY 10954	Rose Baum	rose@baumcpa.com	(212) 769-3633		1 - 5	51 - 100	6 - 15
BCA Watson Rice, LLP	5 Penn Plaza 15th Floor, New York, NY 10001	Marcevir Bernardo	marcbernardo@bcawatsonrice.com	(212) 447-1911	NYC/S-Certified	> 100	51 - 100	31 - 100
BDO USA, LLP	100 Park Avenue, New York, NY 10017	Adam B. Cole	acole@bdo.com	(212) 885-8327		> 100	51 - 100	31 - 100
Bell, Aston CPA	131 West 35th Street, 8th Floor, New York, NY 10001	Aston Bell	astonbell@msn.com	(212) 957-7385		1 - 5	51 - 100	16 - 30
Berdon LLP	360 Madison Avenue, New York, NY 10017	Seth Molod	smolod@berdonllp.com	(212) 331-7420		> 100	1 - 25	31 - 100
Bonadio & Co. LLP	488 Madison Ave, New York , NY 10022	Timothy Doyle	tdoyle@bonadio.com	(212) 600-2854		> 100	26 - 50	31 - 100
Braverman CPA PC	520 8th Avenue, Suite 2001, New York, NY 10018	Alan S. Braverman	Abraverman@Bravermancpany.com	(212) 989-0009		6 - 15	51 - 100	6 - 15
Buchbinder, Tunick & Co., LLP	One Pennsylvania Plaza Suite 3500, New York, NY 10119-0219	Greg Auteri	gauteri@buchbinder.com	(212) 896-1910		51 - 100	1 - 25	16 - 30
Bunker and Company CPA PLLC	1054 43rd Street, Brooklyn , NY 11219	Joel Lowy	joel@bunkercpa.com	(718) 438-4858 x103		1 - 5	51 - 100	1 - 5
Caballero & Associates LLC	48 Whitehead Road, Bridgewater, NJ 08807	Alvin Caballero	acaballero@caballeroandassociates.com	(732) 902-2929	State-Certified	1 - 5	51 - 100	1 - 5



Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
Cavalcante & Company, CPA's, LLC	8804 4th Avenue, Brooklyn, NY 11209	Joseph Cavalcante	joe@cavalcantecpa.com	(718) 680-5300		1 - 5	1 - 25	1 - 5
Cerini & Associates, LLP	330 Veterans Memorial Hwy, Bohemia, NY 11716	Kenneth Cerini	kcerini@ceriniandassociates.com	(631) 582-1600 x203		16 - 50	51 - 100	16 - 30
Charles Foster CPA LLC	P.O BOX 2645, NEW YORK , NY 10163	Jina Thomas	jinathomas@msn.com	(646) 626-2400		1 - 5	26 - 50	6 - 15
CliftonLarsonAllen LLP	9515 Deereco Road, Suite 500, Timonium, MD 21093	Keith F. Novak	keith.novak@cliftonlarsonallen.com	(888) 778-9588		> 100	26 - 50	31 - 100
Cohen & Company LTD	1350 Euclid Avenue, Suite 800, Cleveland , OH 44115	Jeffrey Kovacs	jkovacs@cohencpa.com	(724) 260-8112		> 100	26 - 50	31 - 100
Cohn Reznick LLP	1301 Avenue of the Americas 7th Floor, New York, NY 10019	John Alfonso	john.alfonso@cohnreznick.com	(646) 254-7415		> 100	1 - 25	31 - 100
Consuelo T Baisas, CPAs	10 Green Drive, Roslyn, NY 11576	Consuelo T. Baisas	connieb208@aol.com	(917) 494-5416		1 - 5	51 - 100	6 - 15
Crowe LLP	488 Madison Avenue, 3 Floor, New York, NY 10022	Kevin W. Smith	Kevin.w.smith@crowe.com	(214) 777-5208		> 100	1 - 25	31 - 100
Cullen & Danowski, LLP	1650 Route 112, Port Jefferson Station, NY 11776	Michael J. Leone	mjl@cdllp.net	(631) 473-3400 x321		16 - 50	26 - 50	31 - 100
Daniju CPA's, PC	733 Taylor Avenue (Suite B), Bronx, NY 10473	Iskeel O. Daniju	dani jucpa@yahoo.com	(718) 589-2762		6 - 15	51 - 100	1 - 5
DDK & Company, LLP	One Penn Plaza,54th Fl., New York, NY 10119	Stewart Langhaus	slanghaus@ddkcpas.com	(212) 997-0600		16 - 50	1 - 25	16 - 30
Defino & D'Elia, LLP	2093 Bellmore Avenue, Bellmore, NY 11710	Joseph DeFino	joe@definodelia.com	(516) 783-5685		6 - 15	51 - 100	16 - 30
Deloitte & Touche, LLP	2 World Financial Center, New York, NY 10027	Glenn Friedrich	gfriedrich@deloitte.com	(973) 683-7125		> 100	51 - 100	16 - 30
DeSantis, Kiefer, Shall & Sarone, LLP	1675 Richmond Road, Staten Island, NY 10304	John M. Shall	JShall@dkscpa.com	(718) 351-2233 x204		6 - 15	51 - 100	31 - 100
Desire & Company CPA's	100 Park Avenue Suite 1600, New York, NY 10017	Zache desire	zache@desirecpas.com	(917) 750-2116		1 - 5	51 - 100	6 - 15
Diamond, Kerbis CPAs, PC	471 N. Broadway, Suite #201, Jericho, NY 11753	Arnold Roger Kerbis	akerbis@diamondkerbis.com	(516) 484-2700		6 - 15	51 - 100	31 - 100
Dorfman Abrams Music, LLC	250 Pehle Avenue, Suite 702, Saddle Brook, NJ 076631	Andrew Silverstein	asilverstein@dorfman.com	(201) 403-9412		16 - 50	51 - 100	16 - 30
EFPR Group, CPAs, PLLC/Partner	6390 Main St., Suite 200, Williamsville, NY 14221	Douglas Zimmerman	dzimmerman@efprgroup.com	(716) 634-0700		> 100	51 - 100	31 - 100
Eisner, Rosalyn T. CPA	3512 Flatlands Avenue, Brooklyn, NY 11234	Rosalyn T. Eisner	roz@eisnerassoc.com	(718) 377-5439		1 - 5	51 - 100	16 - 30
EisnerAmper LLP	750 Third Avenue, New York, NY 10017	Charles Weinstein	Charles.Weinstein@EisnerAmper.com	(212) 891-4030		> 100	1 - 25	31 - 100
Ernst & Young, LLP	Five Times Square, New York, NY 10036-6530	Louis Roberts	Louis.Roberts@ey.com	(212) 773-3000		> 100	1 - 25	31 - 100
Ethan Kahn CPA, LLC	1841 55 street, Brooklyn, NY 11204	Ethan Kahn	ethan.kahn@mazarsusa.com	(917) 750-1478		1 - 5	51 - 100	16 - 30
Franciosa Stephen E, CPA	213 Fordham Street, City Island, NY 10464-1467	Stephen Franciosa	sfranciosa@cpa.com	(718) 885-9191		1 - 5	51 - 100	16 - 30
Frank J. Scarano & Co.	2 Hamilton Avenue, New Rochell, NY 10801	Mary Jane Pisani	mjpisani@scaranocpa.com	(914) 632-6633		1 - 5	51 - 100	31 - 100
Friedman, LLP	1700 Broadway, New York, NY 10019	Amish Mehta	amehta@friedmanllp.com	(212) 842-7099		> 100	1 - 25	31 - 100



Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
Galleros Koh LLP	115 Davis Station Road, Cream Ridge, NJ 08514	Leonora G. Galleros	ngalleros@gkllp-cpa.com	(732) 925-2608	NYC/S-Certified	6 - 15	51 - 100	1 - 5
Gallo & Company CPA LLP	420 Jericho Turnpike, STE 101, Jericho, NY 11753	Frank A. Gallo	FGALLO@GALLOANDCO.COM	(516) 681-4700		1 - 5	26 - 50	16 - 30
Gettry Marcus Stern & Lehrer, CPA, PC	220 Fifth Ave 4th Floor, New York, NY 10001	Joel C. Dressner	jdressner@gmslly.com	(212) 684-3399		51 - 100	1 - 25	6 - 15
Grace Global Capital LLC	875 Avenue of the Americas Suite 2300, New York, NY 10001				NYC/S-Certified	1 - 5	1 - 25	16 - 30
Grant Thornton LLP	757 Third Avenue, New York, NY 10017	Cosmo Saginario	cosmo.saginario@us.gt.com	(212) 542-9637		> 100	1 - 25	31 - 100
Grassi & Co.CPAs PC	50 Jericho Quadrangle , Jericho, NY 11753	Louis Grassi	lgrassi@grassicpas.com	(516) 256-3500		51 - 100	1 - 25	6 - 15
Griffiths Tax & Accounting, CPA LLC	9610 Avenue L, Brooklyn, NY 11236	Sandra Griffiths	Sandra@Griffithscpa.com	(718) 209-3652		1 - 5	51 - 100	16 - 30
Gutierrez & Estabillo, LLP	141-05 Northern Boulevard, Suite 10, Flushing, NY 11354	Samuel Estabillo	sestabillo@estabillolp.com	(718) 886-7444		6 - 15	1 - 25	16 - 30
H.K Koya CPA, P.C.	37-51 72nd Street Jackson Heights, New York, NY 11372	Harendra Koya	hkoyacpa@gmail.com	(718) 426-7881		6 - 15	51 - 100	16 - 30
Harish Hathiwala, CPA	591 Summit Avenue, Jersey City, NJ 07306	Harish Hathiwala	info@AnjayAccountax.com	(201) 656-2000		1 - 5	26 - 50	6 - 15
Harper, Ivan W., CPA	1322 Carroll Street, Brooklyn, NY 11213	Ivan W. Harper	ivanharper@aol.com	(718) 467-3296		> 100	51 - 100	31 - 100
Harvey Levitin CPA PLLC	5 Van Winkle Road, Monsey, NY 10952	Harvey Levitin	harveylevitin@aol.com	(917) 825-8508		1 - 5	51 - 100	1 - 5
Horne LLP	1020 Highland Colony Parkway, Suite 400, Ridgeland, MS 39157	Joe D. Havens	Joey.havens@hornellp.com	(601) 326-1000		> 100	1 - 25	16 - 30
Horowitz & Ullmann, CPAs, PC	275 Madison Avenue, Suite 902, New York, NY 10016	Steward Hung	shung@horowitz-ullmann.com	(212) 532-3736		16 - 50	1 - 25	16 - 30
Huie & Associates LLP	1350 Broadway, Suite 705, New York, NY 10018	Bill K. Huie	bhuie@gaffinancialgroup.com	(212) 279-9040		1 - 5	1 - 25	6 - 15
Israeloff, Trattner & Co., CPAs, PC	1225 Franklin Avenue, suite 200, Garden City, NY 11530	Michael Garibaldi	garibaldi@israeloff.com	(516) 240-3300		16 - 50	1 - 25	16 - 30
J. L. Howard, PC	139 Fulton Street, New York, NY 10038	John L. Howard	jllhowardjr@aol.com	(212) 227-3730		1 - 5	1 - 25	16 - 30
James, Edgar CPA	32 Court Street - # 701, Brooklyn, NY 11201	Edgar James	EJCPA_98@yahoo.com	(718) 596-8481		1 - 5	51 - 100	6 - 15
Jean G. Joseph, C.P.A., P.C.	1208 E 49TH ST, Brooklyn, NY 11234	Jean G. Joseph	jeanjoseph42@aol.com	(718) 338-6852		1 - 5	51 - 100	6 - 15
John Vazzana CPA PLLC	155 Bay Ridge Ave. , Brooklyn, NY 11220	John Vazzana	JV@JVCAPAPLLC.COM	(718) 491-1241		1 - 5	51 - 100	16 - 30
John, Jacob & Vayalumkal, LLP	11 Broadway, Suite #1166, New York, NY 10004	Dominic J. Vayalumkal	DVayal@gmail.com	(212) 635-4155		16 - 50	51 - 100	16 - 30
Joseph, Allan S., CPA	5 Hanover Square, Suite 1902, New York, NY 10004	Allan S. Joseph	mail.asjcpa@verizon.net	(212) 766-0797		6 - 15	51 - 100	6 - 15
K&R CPA's PLLC	105 Grove Street , Monsey, NY 10952	David Rubenstein	davidjcpa@theJnet.com	(845) 425-5264		1 - 5	51 - 100	6 - 15
Kaufman, Irwin, CPA	1203 Avenue J - Apt. 3B, Brooklyn, NY 11230	Irwin Kaufman	IRWIN@IKAUFMANCPA.COM	(718) 376-3456		1 - 5	51 - 100	16 - 30



Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
Kayode Agunbiade & Co., CPAs	134 Evergreen Place, 8th Floor, East Orange, NJ 07018	Kayode Agunbiade	KAYODECPA@optonline.net	(973) 676-9851		1 - 5	51 - 100	16 - 30
KBL, LLP	535 Fifth Ave, 30th floor, New York, NY 10017	Sanjay Singla	SSINGLA@KBL.COM	(212) 785-9700 x452	NYC/S-Certified	6 - 15	1 - 25	1 - 5
Kenneth Cookler, CPA, PC	600 PINE HOLLOW ROAD 1-7B, EAST NORWICH, NY 11753	Kenneth Cookler	Kencookler@gmail.com	(516) 681-8381		1 - 5	26 - 50	1 - 5
Key, Vernon	6747 161 Street Apt. 2J, Flushing, NY 11365	Veron Key	jvk07@yahoo.com	(718) 591-3155		1 - 5	51 - 100	16 - 30
Koch Group & Company, LLP	333 Seventh Avenue , New York, NY 10001	Miaoling Lin	mmlin@kgcpas.com	(212) 631-0700		16 - 50	1 - 25	6 - 15
KPMG, LLP	757 Third Avenue, New York, NY 10017	Greg Driscoll	gdriscoll@kpmg.com	(212) 909-5421		> 100	1 - 25	> 100
Lederer, Levine & Associates, LLC	1099 Wall Street West - Suite 280, Lyndhurst, NJ 07071	Kenneth Lederer	Dflanagan@llassoc.com	(201) 933-3780		6 - 15	1 - 25	6 - 15
Les S. Thompson & Co., LLP	112 W 34th Street, FL18, New York, NY 10120	Les S. Thompson	les@lestco.com	(212) 481-7634	State-Certified	6 - 15	51 - 100	16 - 30
Loeb & Troper	655 Third Avenue, 12th fl., New York, NY 10017	Harold Gelernter	hgelernter@loebandtroper.com	(212) 867-4000 x242		> 100	51 - 100	16 - 30
Long Island Financial Management Services	3535 Jerusalem Avenue, , Wantagh , NY 11793	Susan Rich	susanrichcpa@lifms.com	(516) 557-2325	NYC/S-Certified	6 - 15	51 - 100	6 - 15
Lucas, Tucker & Company	105 Stevens Avenue, Suite 505, Mt. Vernon, NY 10550-2686	Charles Utti	Lucas.tucker@verizon.net	(914) 699-6000		6 - 15	26 - 50	16 - 30
Luigi LaVerghetta, CPA PC	88 Lakeshore Drive, Eastchester, NY 10709	Luigi Laverghetta	glaverghetta@Laverghettacpa.com	(914) 874-3409		1 - 5	51 - 100	16 - 30
Marcum LLP	750 3rd Avenue, 11TH FL,, New York, NY 10017	Brain Sackstein	BRIAN.SACKSTEIN@MARCUMLLP.COM	(631) 414-4210		> 100	26 - 50	31 - 100
Margolin, Winer & Evens, LLP	370 Lexington Ave. 12th fl., New York, NY 10017	Nuruz Rahman	nrahman@mwellp.com	(212) 973-1000		> 100	1 - 25	16 - 30
Marks Paneth & Shron LLP	685 Third Avenue, New York, NY 10017	Warren Ruppel	wruppel@markspaneth.com	(212) 503-6391		> 100	26 - 50	31 - 100
Mayer Rispler & Co., PC	18 Heyward Street, Brooklyn, NY 11249	Michael Friedman	michaelf@risplercpa.com	(718) 852-9200 x224		6 - 15	1 - 25	16 - 30
McGladrey LLP	1185 Ave. of the Americas, Suite 500, New York, NY 10036	Ian J. Benjamin	ian.benjamin@mcgladrey.com	(212) 372-1480		> 100	1 - 25	31 - 100
Mercadien, PC CPA's	3625 QuakerBridge Road, Hamilton, NJ 08619	Warren A. Broudy	wbroudy@mercadien.com	(609) 689-9700 x2326		51 - 100	26 - 50	16 - 30
Mitchell & Titus, LLP	One Battery Park Plaza 27th floor , New York, NY 10004-1461	Marc Christmas	mchristmas@mitchelltitus.com	(212) 709-4560	NYC/S-Certified	51 - 100	26 - 50	31 - 100
Muller, Aron E. CPA	5513 12th Avenue Suite #100, Brooklyn, NY 11219	Aron E. Muller	amuller@kewnet.com	(718) 437-9225		6 - 15	51 - 100	6 - 15
N. Cheng & Co., CPA, PC	40 Wall Street, Suite 3222, New York, NY 10005	Nerou Neil Cheng	nerou@ncheng.com	(212) 785-0100	NYC/S-Certified	16 - 50	51 - 100	16 - 30
Nawrocki, Smith LLP	290 Broad Hollow Road Suite 115E, Melville, NY 11747	LAUREN AGUNZO	LAQUNZO@NSLLCPA.COM	(631) 756-9500 x229		51 - 100	51 - 100	16 - 30
Neral & Company, PA	2510 Belmar Blvd, Suite I-14PO Box 1727, Wall, NJ 07719	Patricia M. Linsley	plinsley@naccpa.com	(732) 681-4595 x17		6 - 15	1 - 25	16 - 30



Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
Nkenke, Grace, CPA	221-10 Jamaica Avenue, Suite 207, Queens Village, NY 11428	Grace Nkenke	gracecpa@aol.com	(718) 468-1240		1 - 5	51 - 100	16 - 30
Novak Francella LLC	450 Seventh Avenue, Suite 3500, New York, NY 10123	Patrick Stines	pstines@novakfrancella.com	(212) 279-4262 x536		51 - 100	26 - 50	31 - 100
O'Connor Davies, LLP	500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528	Nicholas DeSantis	ndesantis@odpkf.com	(914) 421-5637		> 100	51 - 100	31 - 100
Olugbenga Olabintan, CPA	137 Camden Street, Suite # 3, Newark, NJ 07103	Olugbenga Olabintan	oolabintan@aol.com	(201) 230-7518		1 - 5	51 - 100	1 - 5
Padilla & Company, LLP	175-61 Hillside Avenue Suite 200, Jamaica, NY 11432	Jose Espiritu	JPESPIRITU@PADILLACPA.COM	(718) 558-5858	City-Certified	6 - 15	51 - 100	16 - 30
Patel, Rajinikant H., CPA	33 Fleetwood Drive, Rockaway, NJ 07866	Rajinikant H. Patel	akruti@earthlink.net	(973) 664-0417		1 - 5	51 - 100	6 - 15
Payabyab, Conrad A., CPA	22-37 123 Street, College Point, NY 11356	Conrad A. Payabyab	CONRADPAY@MSN.COM	(718) 445-3537		6 - 15	51 - 100	16 - 30
PricewaterhouseCoopers, LLP	300 Madison Avenue, New York, NY 10017	Lisa Preddice	Lisa.Preddice@us.pwc.com	(646) 471-8126		> 100	1 - 25	6 - 15
R. Creary, CPA, PC	104 S. Central Ave., Suite 15, Valley Stream, NY 11580	Rowan L. Creary	rowan@rcrearycpa.com	(718) 706-6768	City-Certified	1 - 5	1 - 25	1 - 5
Raich Ende Malter & Co., LLP	1375 Broadway, New York, NY 10018	Andrew Levine	ALEVINE@REM-CO.COM	(212) 944-4433		> 100	1 - 25	16 - 30
Resnick Druckman & Hill LLP	469 7th Avenue, Suite 1300, New York, NY 10018	Robert Goldstein	rgoldstein@therdgroup.com	(212) 594-2020		16 - 50	1 - 25	6 - 15
Richards Accounting & Financial Services	868 Nostrad Ave, Brooklyn, NY 11225	Genroy Richards	grichards@richardscpanyc.com	(718) 221-1282	City-Certified	1 - 5	51 - 100	1 - 5
Robinson CPA, P.C.	488 Madison Avenue, 23rd Floor, New York, NY 10022	Stewart Robinson	srobinson@gallerosrobinson.com	(917) 405-4900	City-Certified	6 - 15	26 - 50	16 - 30
Rosen Seymour Shapss Martin & Co, LLP	757 Third Avenue, New York, NY 10017	Michael Bernstein	mbernstein@rsmcpa.com	(212) 303-1822		> 100	1 - 25	16 - 30
Roth and Company LLP	1428 36th Street, Suite 200, Brooklyn, NY 11218	Chaya Salamon	Csalamon@rothcocpa.com	(718) 975-5321		16 - 50	51 - 100	16 - 30
Roy, Cole & Speranza	32-74 Steinway St., Rm.208, Astoria, NY 11103	Prabir K. Roy	ROYCOLE@AOL.COM	(718) 956-0801		1 - 5	1 - 25	1 - 5
RSM US LLP	1185 Avenue of the Americas, New York , NY 10036	Jen Katz	jen.katz@rsmus.com	(212) 372-1617		> 100	1 - 25	31 - 100
Ryan, Thomas J. CPA	33-47 60th Street, Woodside, NY 11377	Thomas J. Ryan	TJRCPAPC@aol.com	(718) 205-1030		1 - 5	1 - 25	6 - 15
S.A. Koenig & Associates, CPAs, P.C.	485 Underhill Blvd Ste. 100 , Syosset, NY 11791	Steven A. Koenig	stevek@sak-cpas.com	(516) 921-6480		6 - 15	26 - 50	16 - 30
S.K. Anand CPA PC	12 Poe Court, Staten Island, NY 10307	Sunil K. Anand	skacpapc@aol.com	(718) 605-3434		1 - 5	51 - 100	6 - 15
Sarkar, Arun C., CPA	9 Rebecca Court, Dayton, NJ 08810	Arun C. Sarkar	arunsarkar@verizon.net	(732) 329-6740		6 - 15	51 - 100	16 - 30
Satty, Levine & Ciacco, CPAs, P.C.	125 Jericho Turnpike, Jericho, NY 11753	Frank W. Sluter	Fslutter@satty.com	(516) 338-9500		16 - 50	51 - 100	16 - 30
Saul N. Friedman & Company	6201 15th Avenue, 4th Floor, Brooklyn, NY 11219	Saul N. Friedman	mfriedman@snfco.com	(718) 232-1111		16 - 50	1 - 25	16 - 30
SaxBST LLP	26 Computer Drive West, Albany, NY 12205	Ronald L. Guzior	rguzior@saxbst.com	(518) 459-6700		> 100	26 - 50	16 - 30





Name	Address	Contact	Email	Phone	MWBE**	Firm Size*	Gov Exp %*	Years*
Schall & Ashenfarb LLC, CPAs	307 Fifth Avenue, 15th Floor, New York, NY 10116	David C. Ashenfarb	dash@schallandashenfarb.com	(212) 268-2800 x105		6 - 15	51 - 100	16 - 30
Sean Drakes CPA	365 Clinton Ave. Suite 12A,, Brooklyn, NY 11238	Sean Drakes	sdrakescpa@gmail.com	(917) 593-1821		1 - 5	51 - 100	1 - 5
Shah & Pandya, CPA, PC	1983 Marcus Avenue, Suite 205, Lake Success, NY 11042	Rajesh Shah	RAJESH@SNPCPAPC.com	(516) 829-0734		6 - 15	51 - 100	16 - 30
Shallo, Galluscio, Bianchi & Fucito CPAs PC	21 North Seventh Street, Hudson, NY 12534	Richard Bianchi	rbianchi@empirecpa.com	(518) 828-6500		6 - 15	51 - 100	16 - 30
Siddique, Aftab A., CPA	42 Patience Ln, Westbury, NY 11590	Aftab A. Siddique	aftabcpa@aol.com	(516) 334-0273		1 - 5	1 - 25	1 - 5
Skody, Scot & Co., CPAs, PC	520 8th Avenue, Suite 2200, New York, NY 10018	William Skody	william@skodyscot.com	(212) 967-1100		6 - 15	51 - 100	6 - 15
Sobel & Co. LLC.	293 Eisenhower Parkway, Livingston, NJ 07039	Alan D. Sobel	alan.sobel@sobel-cpa.com	(973) 994-9494		51 - 100	1 - 25	16 - 30
Steinberg, Steckler & Picciurro CPA's	462 Seventh Avenue, 16th Floor, New York, NY 10018	Michael Steckler	Michael.Steckler@sspcpas.com	(212) 695-1300		6 - 15	51 - 100	31 - 100
T.S. Anand & Co., CPAs, PC	450 Seventh Avenue, Suite 2305, New York, NY 10123	Tejinder Anand	tjanand@tsanandco.com	(212) 695-5889		6 - 15	51 - 100	16 - 30
TG Associates CPAs, PLLC	9 Brookside Drive, PO Box 238 , Delmar, NY 12054	Thomas J. Goodfellow	tgoodfellow@tg-associates.com	(518) 424-6776		1 - 5	51 - 100	1 - 5
Torres Llompart, Sanchez Ruiz LLP	110 Wall Street/ 11 th Floor, New York, NY 10005	Luis Llompart	ltllompart@tlsr.com	(866) 228-2396	City-Certified	16 - 50	51 - 100	16 - 30
Toski,& Co. , CPA PC	6390 Main St., Suite 200, Williamsville, NY 14221	Douglas Zimmerman	dzimmerman@toskicpa.com	(716) 634-0700		51 - 100	51 - 100	31 - 100
UHY LLP	19 West 44th St, 12th floor, New York, NY 10036-6101	Michael Burke	mburke@uhy-us.com	(212) 381-4732		> 100	1 - 25	16 - 30
Valles & Vendiola LLP	91-31 Queens Blvd. Suite 418, Elmhurst, NY 11373	Gilberto Vendiola	gvendiola@vallesvendiola.com	(718) 275-1422	NYC/S-Certified	16 - 50	51 - 100	16 - 30
Vargas & Rivera, LLP	586 Route 304, New City, NY 10956	Luis Rivera	Luis@cpatrust.com	(845) 638-3113		6 - 15	26 - 50	16 - 30
Venkataraman, Ravi CPA	14 Courtside Lane, Princeton, NJ 08540	Ravi Venkataraman	ravicpanj@yahoo.com	(609) 452-7770		6 - 15	26 - 50	6 - 15
Wegner CPAs, LLP	230 Park Avenue, 10th Floor, New York, NY 53713	Scott Haumersen	scott.haumersen@wegnercpas.com	(608) 442-1925		51 - 100	26 - 50	31 - 100
Wei, Wei & Co., LLP	133-10 39th Avenue, Flushing, NY 11354	Liren Wei	liren@weiweico.com	(718) 445-6308 x117	NYC/S-Certified	51 - 100	51 - 100	16 - 30
WeiserMazars LLP	135 West 50th St., New York, NY 10020	Mitchell Lewis	Mitchell.lewis@weisermazars.com	(212) 812-7000		> 100	51 - 100	16 - 30
William Ramos CPA PC	226 N Wantagh Ave, Bethpage, NY 11714	William Ramos	wramos@wrtax.com	(516) 938-1418	NYC/S-Certified	1 - 5	51 - 100	6 - 15
Wiss & Company, LLP	354 Eisenhower Parkway Suite 1850, Livingston, NJ 07039	Scott Clelland	scllland@wiss.com	(973) 994-9400 x2153		> 100	1 - 25	31 - 100
Withum, Smith & Brown	1411 Broadway 23rd Floor, New York , NY 10018]	Catherine Bendall	cbendall@withum.com	(646) 604-4180		> 100	26 - 50	31 - 100
YSL & Associates	11 Broadway, Suite 700, New York, NY 10004	Susan Li Ping	susanli@yslcpa.com	(212) 232-0122		1 - 5	26 - 50	1 - 5
Zelin, Steven	555 8th Avenue, Suite 2203, New York, NY 10118	Steven Zelin	steven.zelin@thesingingcpa.com	(646) 678-4496		6 - 15	51 - 100	6 - 15



In accordance with New York City Procurement Policy Board Rules Sec. 3-10 (k): A prequalified list of auditors shall be maintained by the Comptroller. An agency seeking to award an audit contract shall solicit only those vendors that have been prequalified by the Comptroller.

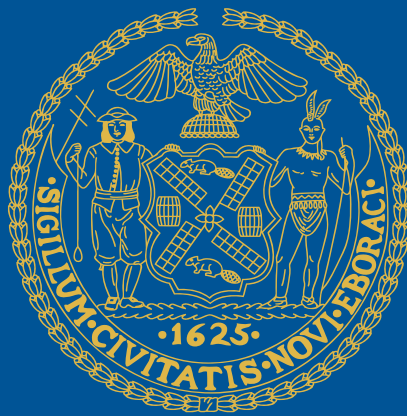
\*The List includes the following: "Firm Size", "Gov Exp %", and "Years" as a reference for users of this List. The information presented represents data provided to the Comptroller’s Office from the firms as reported on their most recent questionnaire that was submitted; and therefore, should be thoroughly vetted as part of any procurement process. "Firm Size" refers to the number of professional staff (accountants) in the firm. "Gov Exp %" refers to the percentage of audits of government agencies and/or non-for-profit entities the firms reported that they had conducted, as a percentage of their overall business within the last 3 years. "Years" refers to the number of years that the firm reported that it has been performing government audits.

\*\*City-Certified = Certified with New York City Small Business Services.    State-Certified = Certified with New York State.    NYC/S-Certified = Certified with both New York City Small Business Services and New York State.

[illegible]

[illegible]





NEW YORK CITY COMPTROLLER  
**SCOTT M. STRINGER**

 [@NYCComptroller](https://twitter.com/NYCComptroller)  
 [ComptrollersOffice](https://www.youtube.com/ComptrollersOffice)