



STATE OF NEW YORK
Authorities Budget Office

P O Box 2076
Albany, NY 12220-0076
WWW.ABO.NY.GOV

e-mail address:
info@abo.ny.gov

Local:518-474-1932
Toll Free: 1-800-560-1770

For Release: IMMEDIATELY
Thursday
February 20, 2020

Contact: Jeffrey Pearlman, Esq.
Director
(518) 474-1932

The Authorities Budget Office Issues Report on the Governors Island Corporation Operating Practices

The ABO issued a report today on the operating practices of the Governors Island Corporation (Corporation) for the 2016-17 through 2018-19 fiscal years. The Corporation was established in 2010 by New York City to develop, maintain and operate Governors Island as a public open space destination with diverse cultural and recreational activities, and educational, not-for-profit and commercial facilities.

The Corporation is governed by a thirteen-member board of directors who are appointed by the Mayor of New York City. It operates on a July through June fiscal year and currently has 39 employees. Over the last three fiscal years the Corporation averaged \$20.1 million in annual operating revenue and \$20.4 million in annual operating costs. The primary source of revenue is funding from New York City, while the primary operating cost is a contractual payment for facilities and construction management services.

The operational review found that the Corporation relies significantly on the Governors Island Alliance, Inc. for fundraising, but also receives grants and donations directly from contributors. The Corporation could maximize the value obtained from donations if it directed potential contributors to donate directly to the Corporation, rather than direct those donations to the Governors Island Alliance, Inc.

The review also noted that the Corporation should improve its monitoring and financial controls over vendors to maximize its revenues and reduce its spending on items that are not necessary for its mission of planning, developing and operating Governors Island. In response to the review, Corporation officials generally indicated that improved processes are being developed and implemented to address the issues noted in the report.

A copy of the full report is available at www.abo.ny.gov.