




New York City Council
 Hon. Adrienne Adams, Speaker of the Council
 Hon. Gael Brewer, Chair, Oversight & Investigations Committee

**Report on the Fiscal 2026 Preliminary Plan
 For the Department of Investigation**

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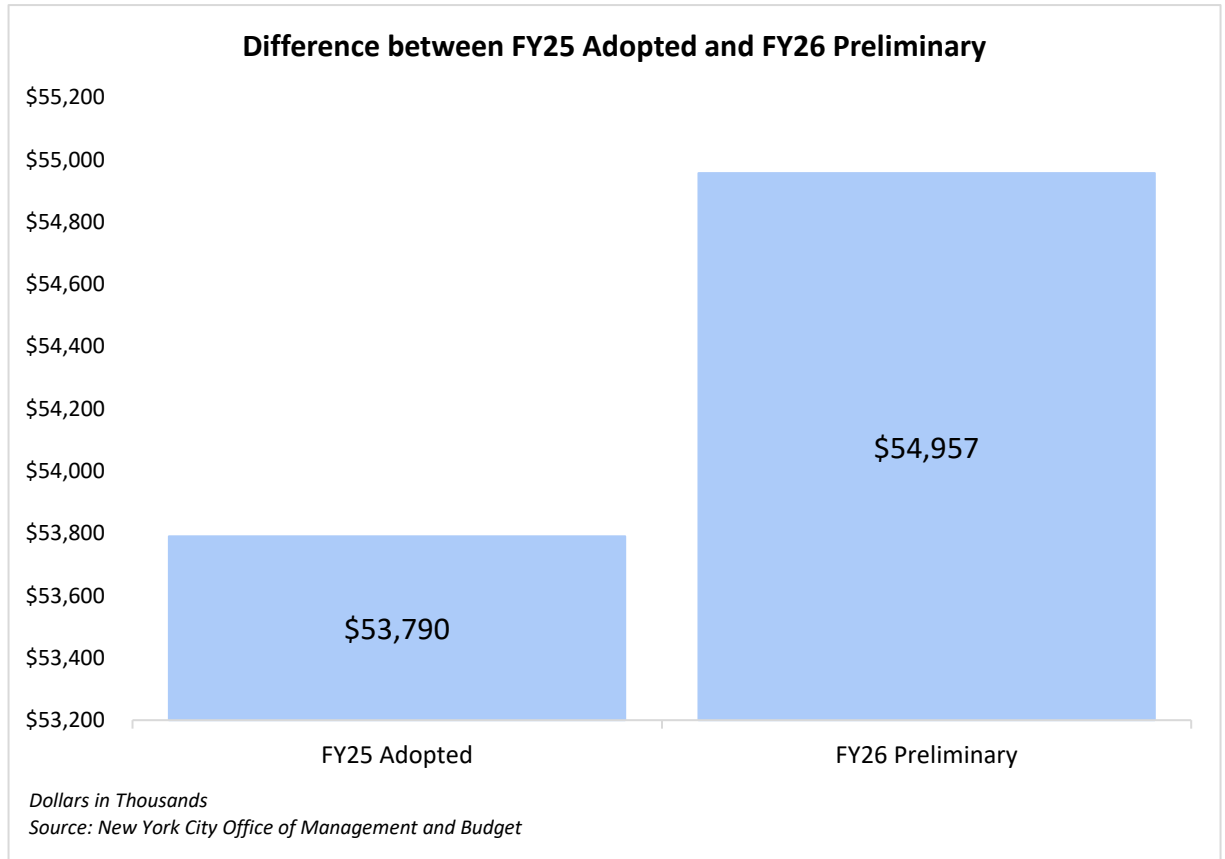
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Fiscal 2026 Preliminary Plan

FY25	FY26
<p>\$8.8 million since Adopt.</p> 	<p>\$2.6 million since Adopt.</p> 
<p>\$2.8 million since Nov.</p> 	<p>\$2.6 million since Nov.</p> 

The Department of Investigation’s Services Budget Overview

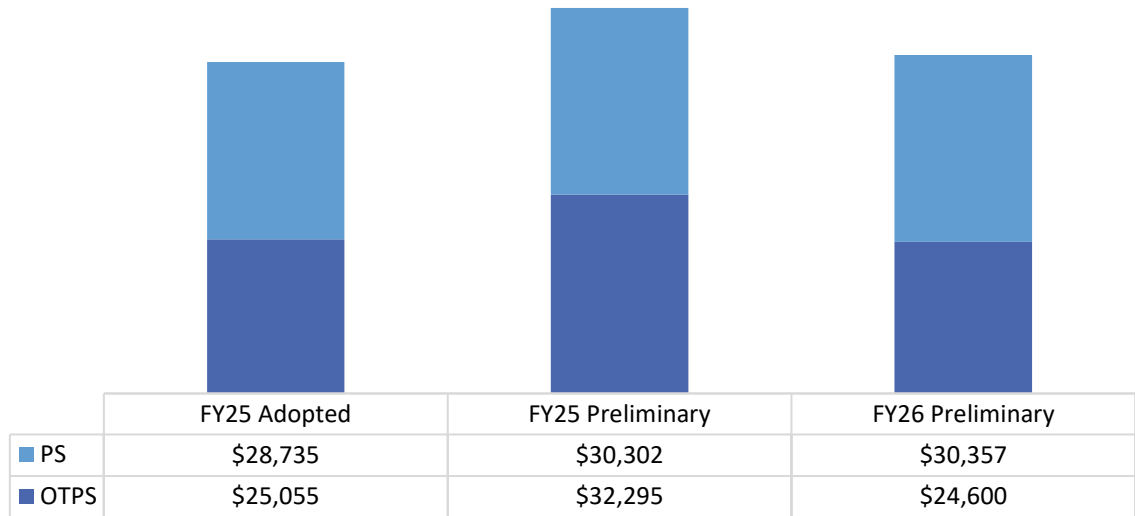
The Preliminary Financial Plan for Fiscal 2025-2029 (Preliminary Plan), includes a proposed Fiscal 2026 budget of \$55.0 million for the Department of Investigation (DOI or the Department). DOI’s Fiscal 2026 budget in the Preliminary Plan is \$2.6 million (5.1 percent) greater than its \$52.3 million Fiscal 2026 budget in the November Financial Plan. The Fiscal 2026 Preliminary Budget is \$1.2 million greater than the Fiscal 2025 Adopted Budget of \$53.8 million.



PS and OTPS:

PS:
\$30.4 million

OTPS:
\$24.6 million



Dollars in Thousands
Source: New York City Office of Management and Budget

**Agency
Financial
Summary**

<i>Dollars in Thousands</i>	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26 - FY25
Budget by Unit of Appropriation						
Personal Services	\$20,313	\$22,615	\$23,790	\$24,347	\$25,523	\$1,733
Other Than Personal Services	22,738	27,280	22,052	29,230	21,597	(455)
Inspector General - PS	4,270	5,484	4,945	5,955	4,833	(111)
Inspector General - OTPS	354	324	3,003	3,065	3,003	0
TOTAL	\$47,675	\$55,703	\$53,790	\$62,597	\$54,957	\$1,167
Funding						
City Funds			\$44,526	\$45,401	\$45,693	\$1,167
Other Categorical			604	644	604	0
Federal - Other			3,036	9,612	3,036	0
Intra City			5,623	6,940	5,623	0
TOTAL	\$47,675	\$55,703	\$53,790	\$62,597	\$54,957	\$1,167
Budgeted Headcount						
Full-Time Positions - Civilian	271	270	283	310	293	10
Full-Time Equivalent Positions	2	2	2	2	2	0
TOTAL	273	272	285	312	295	10

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*
Source: New York City Office of Management and Budget

**Agency
Contract
Budget:**

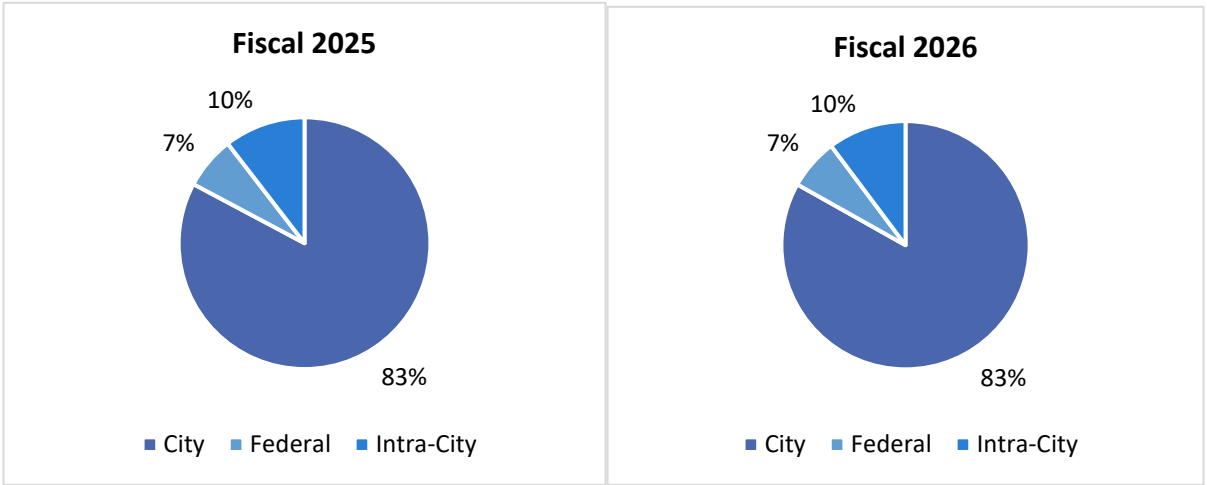
**FY26 Contract
Budget:**
\$5.5 million

**Number of
Contracts in
FY26: 33**

Category	FY25 Adopted	Number of Contracts	FY26 Preliminary	Number of Contracts
Contractual Services - General	\$5,300,384	2	\$4,803,704	2
Data Processing Equipment Maintenance	26,659	3	26,659	3
Maintenance and Repairs - General	3,500	2	3,500	2
Office Equipment Maintenance	5,367	3	5,367	3
Printing Services	11,190	4	11,190	4
Prof. Services - Computer Services	6,000	2	6,000	2
Prof. Services - Other	453,150	5	453,150	5
Security Services	1,500	1	1,500	1
Telecommunications Maintenance	11,468	3	11,468	3
Temporary Services	77,010	5	77,010	5
Training Program for City Employees	60,725	3	60,725	3
TOTAL	\$5,956,953	33	\$5,460,273	33

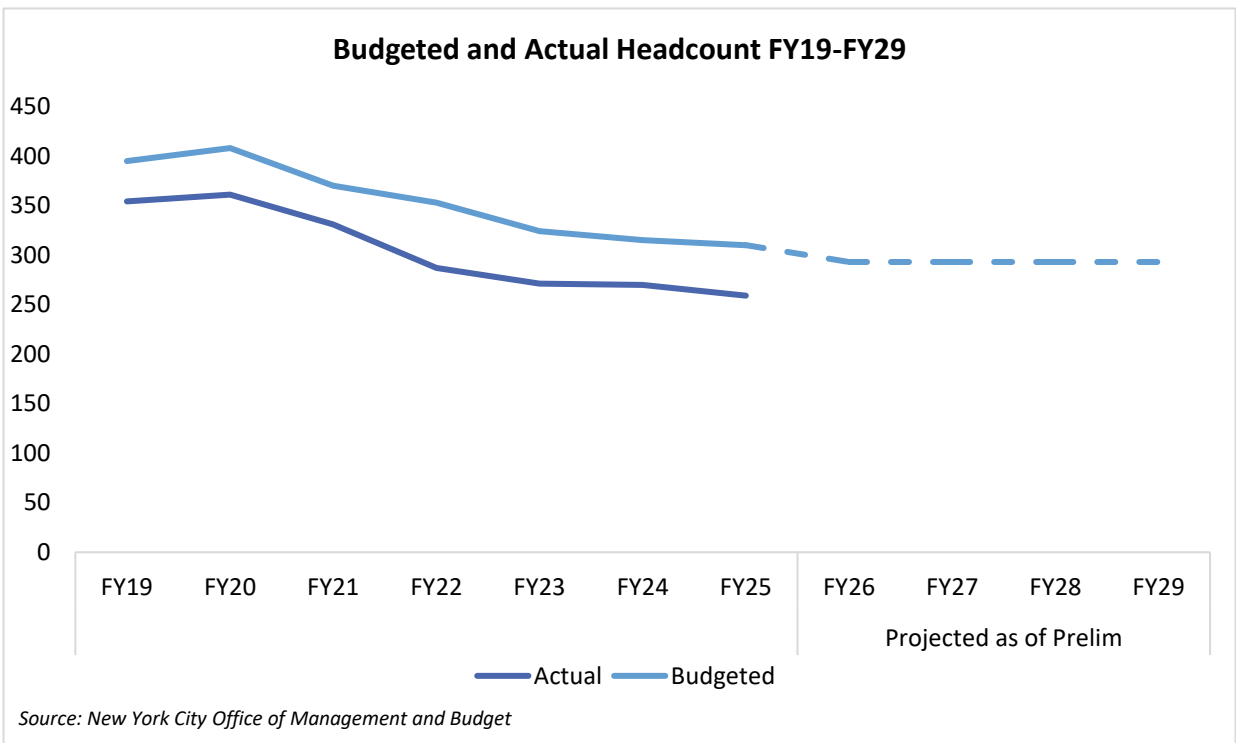
Source: New York City Office of Management and Budget

Agency Budget by Funding Source



Source: New York City Office of Management and Budget

Budgeted Headcount:
 FY26 293 full-time positions
 FY25 310 full-time positions
Actual Headcount as of January: 259
Vacancies as of January: 51



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for FY26 where budgeted headcount is as of the Preliminary Plan and actual headcount is as of January 2025.

Preliminary Plan Changes

<u>FY25 = \$2,820.4</u>	<u>FY26 = \$2,648.2</u>	<u>FY27 = \$848.2</u>	<u>FY28 = \$1,305.4</u>	<u>FY29 = \$745.1</u>
New Needs = \$361.2	New Needs = \$848.2	New Needs = \$848.2	New Needs = \$1,305.4	New Needs = \$745.1
Other Adjustments = \$2,459.3	Other Adjustments = \$1,800	Other Adjustments = \$0	Other Adjustments = \$0	Other Adjustments = \$0
Savings = \$0	Savings = \$0	Savings = \$0	Savings = \$0	Savings = \$0

Dollars in Thousands

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

FY26 Changes in Preliminary Plan:
Total: \$2.6 million
New Needs: \$848,167
Other Adjustments: \$1.8 million

Significant Preliminary Plan Changes

New Needs

- **Additional Protest Settlement Funding.** The Preliminary Plan includes additional city funding of \$40,098 in Fiscal 2025 increasing to \$103,067 in Fiscal 2026 and 2027, further increasing to \$560,254 in Fiscal 2028. The funding will support increases to the salary levels initially approved so the Department can hire staff for the Protest Settlement Monitoring unit.
- **Investigative and Support Staff Enhancement.** The Preliminary Plan includes additional city funding of \$321,089 in Fiscal 2025 increasing to \$745,100 in Fiscal 2026 and the outyears. These funds will support three personnel in the digital forensic unit, one position in the investigative audit unit, two positions in the information technology division, and four positions to staff up various units.

Other Adjustments

- **Asylum Seeker City Funding Reallocation.** The Preliminary Plan includes an additional \$1.8 million of city funding in Fiscal 2026 only. This funding supports contracting costs for an integrity monitoring agreement. The monitor will oversee emergency procurement of shelter providers, HERRCs, and other costs related to Asylum Seeker spending.
- **Dept. of Treasury Put-up FY25.** The Preliminary Plan includes an additional \$410,000 of federal funding in Fiscal 2025 only. This funding supports laptop and tablet purchases for various units.
- **FY25 2nd Mid-Year FAF Put-Up.** The Preliminary Plan includes an additional \$1.5 million of federal asset forfeiture funding in Fiscal 2025 only. This funding is part of funding the Department has used to fill shortfalls in their OTPS budget including costs for support software and hardware upgrades, vehicles and consulting needs.
- **Lease Adjustment.** The Preliminary Plan includes an additional \$513,000 in city funding in Fiscal 2025 only.

Preliminary Mayor's Management Report

The Preliminary Mayor's Management Report (PMMR) for Fiscal 2025 reports on two service areas and three goals for the Department of Investigation. Noteworthy metrics that were reported are detailed below.

- **Complaints.** A major aspect of the Department is to review the complaints received that allege criminal activity, corruption or conflicts of interest. In the first four months of Fiscal 2025, DOI received 5,050 complaints, an increase of 329 complaints or seven percent from the 4,721 complaints received during the same period in Fiscal 2024.
- **Integrity monitor agreements.** During the first four months of Fiscal 2025 the Department had nine integrity monitoring agreements to oversee, this is a decrease of four from the 13 monitoring agreements that were active in the first four months of Fiscal 2024.
- **Average time to complete and close an Investigation.** The Department's average time to complete an investigation increased to 252 days in the first four months of Fiscal 2025, a 78 day or 45 percent increase from the 174-day average of the first four months of Fiscal 2024. Meanwhile, in the first four months of Fiscal 2025 the Department closed 297 investigations, an increase of 266 investigations or 858 percent from the 31 cases closed in the first four months of Fiscal 2024. The PMMR states that the nature and complexity of investigations varies which affects the timeliness of investigations.
- **Active Investigations.** In the first four months of 2024 DOI had 941 active investigations, a three percent drop from the 974 active investigations in the first four months of Fiscal 2024.
- **Referrals for Criminal Prosecution.** In the first four months of Fiscal 2025, the Department referred 162 cases for criminal prosecution, an increase of 73 percent or 69 referrals from the 94 referrals in the same period during Fiscal 2024. Additionally, arrests resulting from DOI investigations increased by 42 percent or 30 arrests from 72 arrests in the first four months of Fiscal 2024 to 102 during the same period of Fiscal 2025. Referrals and arrests have steadily increased since Fiscal 2022, from 415 and 288 in Fiscal 2022 respectively, to 446 and 344 in Fiscal 2024 respectively. This represents a seven percent increase in referrals for criminal prosecution and a 19 percent increase for arrests.
- **Average time to complete a background Investigation.** The Department of Investigation performs background checks on certain City employees, including those that have a salary of \$125,000 or more, those that may enter into financial agreements of \$10,000 or more, and those that have administrative access to security systems. During the first four months of Fiscal 2025, the Department's average time to complete a background investigation was 109 days, a decrease of eight days or seven percent from the 117 day average during the first four months of Fiscal 2024.
- **Closed background investigation.** In the first four months of Fiscal 2025, DOI closed 409 background checks, a significant decrease of 220 investigations or 35 percent from the 629 investigations that were closed in the first four months of Fiscal 2024.
- **Backlogged background investigations remaining open.** In recent years, there was a large backlog of background investigations (cases). In July 2019, the backlog reached a peak of 6,500 cases. Since that time, DOI has made adjustments to decrease that backlog and complete new background checks in a timely manner.

	<p>In the first four months of Fiscal 2025, 256 backlogged investigations remained open, this is a decrease of 320 backlogged investigations or 56 percent from the 576 backlogged investigations which remained open during the first four months of Fiscal 2024. The Department has stated that the remaining investigations are increasingly complex and require information from outside entities to close the investigation. Delays in receiving and processing that information is the primary factor in why they haven't been able to close the backlog.</p>
<p>Budget Issues and Concerns</p>	<ul style="list-style-type: none"> • The Administration's PEG Restorations. Since Fiscal 2020 the Department has been required to cut a significant number of positions due to the Administration's PEGs. The Department's budgeted headcount has dropped from 408 positions in Fiscal 2020 to 293 positions in Fiscal 2026, a decrease of 115 position or 28 percent. The Council is concerned that these cuts have negatively affected the Department's ability to properly and comprehensively oversee city agencies and root out corruption. The Council advocated in the Fiscal 2025 Preliminary budget response to add \$1.2 million of baselined funding to support 18 positions, but additional funds were not included in Fiscal 2025 at adoption. The Preliminary Plan does include ten baselined positions for the Department. However, this only restores a small portion of the positions that were eliminated during previous PEGs. The expense requests submitted by the Department reflect essential operational needs for DOI to continue to carry out its mission effectively and proactively. • Federal Asset Forfeiture (FAF or AF) Funding. The Department utilizes Federal Asset Forfeiture funds that are allocated as a result of DOI's assistance with investigations to fund various OTPS expenditures. In Fiscal 2025 the Department has budgeted approximately \$9 million of FAF to cover an OTPS shortfall as a result of prior year PEGs. The Plan includes \$3 million in Fiscal 2026 and \$3 million in Fiscal 2027 to support additional OTPS costs. The Council is concerned that the PEGs imposed on the Department over the last few fiscal years have created a funding shortfall in the Department, forcing DOI to utilize asset forfeiture resources to fill funding gaps. As per Schedule G7 of the Comptroller's Fiscal 2024 Annual Comprehensive Financial Report the Department has \$1.5 million in Federal Forfeiture Funds – Department of Treasury, \$5.3 million in NYS Forfeiture Account and \$33.2 million in Department of Justice – Federal Forfeiture Funds available.

**Budget
Actions in
the
November
and
Preliminary
Plans**

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
DOI Budget as of the Adopted FY25 Plan	\$44,527	\$9,263	\$53,790	\$43,045	\$9,263	\$52,308
Changes Introduced in the November 2024 Plan						
New Needs						
Subtotal, New Needs	\$0	\$0	\$0	\$0	\$0	\$0
Other Adjustments						
Adding funding for PRC2 202400	\$0	\$0	\$0	\$0	\$0	\$0
DEP/ DOI MOU 3 Pos & OTPS	0	260	260	0	0	0
DEP-DOI MOU BT-2	0	794	794	0	0	0
DOI- TELEPHONE MONITORING	0	264	264	0	0	0
FY25 1st Mid-Year FAF Put Up	0	1,500	1,500	0	0	0
FY25 FAF Put Up	0	2,921	2,921	0	0	0
FY25 NYCHA Funds Put-Up	0	40	40	0	0	0
NYCHA FEMA PUT UP	0	209	209	0	0	0
Subtotal, Other Adjustments	\$0	\$5,986	\$5,986	\$0	\$0	\$0
Savings						
Subtotal, Savings	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, All Changes in November 2024 Plan	\$0	\$5,986	\$5,986	\$0	\$0	\$0
AGENCY Budget as of the November 2024 Plan	\$44,527	\$15,249	\$59,776	\$43,045	\$9,263	\$52,308
Changes Introduced in the FY26 Preliminary Plan						
New Needs						
Additional Protest Settlement Funding	\$40	\$0	\$40	\$103	\$0	\$103
Investigative and Support Staff Enhancement	321	0	321	745	0	745
Subtotal, New Needs	\$361	\$0	\$361	\$848	\$0	\$848
Other Adjustments						
Asylum Seeker City Funding Reallocation	\$0	\$0	\$0	\$1,800	\$0	\$1,800
DOT Put-up FY25	0	410	410	0	0	0
FY25 2nd Mid-Year FAF Put Up	0	1,536	1,536	0	0	0
Lease Adjustment	513	0	513	0	0	0
Subtotal, Other Adjustments	\$513	\$1,946	\$2,459	\$1,800	\$0	\$1,800
Savings						
Subtotal, Savings	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, All Changes in the FY26 Preliminary Plan	\$874	\$1,946	\$2,820	\$2,648	\$0	\$2,648
DOI Budget as of the FY26 Preliminary Plan	\$45,401	\$17,196	\$62,597	\$45,693	\$9,263	\$54,956

Source: New York City Office of Management and Budget

**Units of
Appropriation**

001 - Personal Services						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$19,623	\$21,211	\$23,480	\$23,819	\$25,212	\$1,732
Other Salaried	0	0	10	10	10	0
Additional Gross Pay	326	370	94	312	94	0
Additional Gross Pay - Labor Reserve	62	597	0	0	0	0
Full-Time Salaried - Uniformed	10	0	0	0	0	0
Overtime - Civilian	275	366	42	42	42	0
Fringe Benefits	0	0	96	96	96	0
P.S. Other	0	0	0	0	0	0
Unsalaries	18	71	67	67	68	0
Subtotal	\$20,313	\$22,615	\$23,790	\$24,347	\$25,523	\$1,733
TOTAL	\$20,313	\$22,615	\$23,790	\$24,347	\$25,523	\$1,733
Funding						
City Funds			\$23,342	\$23,898	\$25,074	\$1,733
Intra City			52	52	52	0
Other Categorical			397	397	397	0
TOTAL	\$20,313	\$22,615	\$23,790	\$24,347	\$25,523	\$1,733
Budgeted Headcount						
Full-Time Positions - Civilian	228	225	244	254	254	10
TOTAL	228	225	244	254	254	10

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget

002 - Other Than Personal Services						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Other Than Personal Services						
Contractual Services	\$2,016	\$6,063	\$2,870	\$4,610	\$2,373	(\$497)
Contractual Services - Professional Services	24	25	404	678	404	0
Supplies & Materials	1,430	2,556	1,381	4,136	1,431	50
Fixed & Misc. Charges	31	26	170	143	170	0
Property & Equipment	1,596	969	1,390	2,762	1,388	(2)
Other Services & Charges	17,641	17,641	15,837	16,900	15,831	(6)
Subtotal	\$22,738	\$27,280	\$22,052	\$29,230	\$21,597	(\$455)
TOTAL	\$22,738	\$27,280	\$22,052	\$29,230	\$21,597	(\$455)
Funding						
City Funds			\$17,176	\$17,739	\$16,721	(\$455)
Federal - Other			3,036	9,612	3,036	0
Intra City			1,837	1,837	1,837	0
Other Categorical			3	43	3	0
TOTAL	\$22,738	\$27,280	\$22,052	\$29,230	\$21,597	(\$455)

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget

003 - Inspector General PS						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$4,130	\$5,228	\$4,811	\$5,821	\$4,700	(\$111)
Other Salaried	12	0	0	0	0	0
Additional Gross Pay	28	37	27	27	27	0
Additional Gross Pay - Labor Reserve	3	138	0	0	0	0
Overtime - Civilian	97	81	65	65	65	0
Fringe Benefits	0	0	41	41	41	0
Unsalaries	0	0	1	1	1	0
Subtotal	\$4,270	\$5,484	\$4,945	\$5,955	\$4,833	(\$111)
TOTAL	\$4,270	\$5,484	\$4,945	\$5,955	\$4,833	(\$111)
Funding						
City Funds			\$1,387	\$1,142	\$1,276	(\$111)
Intra City			3,358	4,613	3,358	0
Other Categorical			199	199	199	0
TOTAL	\$4,270	\$5,484	\$4,945	\$5,955	\$4,833	(\$111)
Budgeted Headcount						
Full-Time Positions - Civilian	43	45	39	56	39	0
TOTAL	43	45	39	56	39	0

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget

004 - Inspector General OTPS						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Other Than Personal Services						
Contractual Services	\$88	\$10	\$2,628	\$2,663	\$2,628	\$0
Contractual Services - Professional Services	0	47	56	6	56	0
Supplies & Materials	181	124	92	208	92	0
Fixed & Misc. Charges	0	18	18	17	18	0
Property & Equipment	35	87	87	106	87	0
Other Services & Charges	50	38	122	66	122	0
Subtotal	\$354	\$324	\$3,003	\$3,065	\$3,003	\$0
TOTAL	\$354	\$324	\$3,003	\$3,065	\$3,003	\$0
Funding						
City Funds			\$2,622	\$2,622	\$2,622	\$0
Intra City			376	438	376	0
Other Categorical			5	5	5	0
TOTAL	\$354	\$324	\$3,003	\$3,065	\$3,003	\$0

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget

Miscellaneous Revenue

- The Preliminary Plan includes approximately \$4.2 million of DOI miscellaneous revenue in Fiscal 2026, the same as the Fiscal 2025 budget at Adoption.
- Fiscal 2023 and 2024 actual revenue are less than what is budgeted in Fiscal 2025 and 2026. The increase in the Fiscal 2025 and 2026 projected budget over fiscal 2023 and 2024 actuals come from two areas; fees from marshals and unclaimed funds from marshals. This increase is slightly offset by a decrease in the projected budgeted revenue for background investigation fees.
- The increased revenue projections in part are attributable to the eviction moratorium in NYC that was in effective until January 15, 2022. Due to this we are seeing a ramp up period and a return to the pre-COVID revenue projections. It stands to reason that with more work and fees collected by the marshals there would be some additional funds that go unclaimed.

Dollars in Thousands

Revenue Sources	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Fees From Marshals	\$1,179	\$1,684	\$2,345	\$2,345	\$2,345	\$0
Background Investigation Fee	1,163	718	507	507	507	0
Marshal Fines	0	0	10	10	10	0
Unclaimed Funds From Marshals	277	1,042	1,042	1,042	1,042	0
Restitution: City Employees	165	80	300	300	300	0
TOTAL	\$2,784	\$3,524	\$4,204	\$4,204	\$4,204	\$0

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.
Source: New York City Office of Management and Budget*