New York State Comptroller
THOMAS P. DiNAPOLI

# Battery Park City Authority

## Access Controls and Vulnerability Management Over Critical Systems

**July 2026 | Report 2025-S-8**

Prepared by the Division of State Government Accountability

## Contents

## Authority

Pursuant to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law, we have conducted an audit of the Battery Park City Authority (BPCA) to determine whether its access controls and vulnerability management over critical systems are sufficient to minimize the various risks associated with unauthorized access to systems and data.

## Background

BPCA, established in 1968, is a New York State public benefit corporation responsible for the planning, development, and maintenance of the 92-acre Battery Park City neighborhood in lower Manhattan. BPCA is governed by a Board of Directors whose seven members serve staggered terms and remain in office until successors are appointed and confirmed. BPCA is supported by a professional workforce of 151 full-time employees who support BPCA's operational, financial, legal, human resources, and information technology functions.

BPCA plays a vital role in managing residential, commercial, and public spaces within the community. BPCA generates revenue primarily through ground leases and event permits, managing the latter through its own system, while various other functions utilize third-party vendors.

We evaluated BPCA's information technology (IT) governance and security posture against recognized industry best practices and frameworks, including the National Institute of Standards and Technology (NIST) and the Payment Card Industry Data Security Standard (PCI DSS). We also used BPCA's own internal policies and procedures.

## Results of Audit

We identified areas where BPCA could improve overall governance and certain security controls to minimize the risks associated with unauthorized access to its system and data. Due to the confidential nature of our audit findings, we communicated the details of these findings with seven recommendations in a separate, confidential report to BPCA officials for their review and comment. BPCA officials generally agreed with our findings and indicated actions to implement our recommendations.

## Recommendation

1. Implement the recommendations included in our confidential draft report.

## Audit Objective, Scope, and Methodology

The objective of this audit was to determine whether BPCA's access controls and vulnerability management over its critical systems are sufficient to minimize various risks associated with unauthorized access to systems and data. The audit covered the period from May 2024 through October 2025.

To accomplish our audit objectives and assess related internal controls, we reviewed applicable laws, regulations, and industry standards; interviewed BPCA officials; conducted on-site observations; and reviewed policies, procedures, assessments, and supporting documentation. We also evaluated access controls, vulnerability management, incident response and recovery practices, data classification, and third-party oversight to assess BPCA's control environment and governance practices.

We obtained data from BPCA's systems and assessed the reliability of that data by reviewing existing information, interviewing officials knowledgeable about the systems, and tracing to/from source data.

## Statutory Requirements

### Authority

The audit was performed pursuant to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State, including some duties on behalf of public authorities. For BPCA, these include reporting BPCA as a discrete component unit in the State's financial statements and approving selected contracts. These duties could be considered management functions for the purposes of evaluating organizational independence under generally accepted government auditing standards. In our professional judgment, these duties do not affect our ability to conduct this independent audit of BPCA's oversight and administration of access controls and vulnerability management.

### Reporting Requirements

We provided a draft copy of this report to BPCA officials for their review and comment. We considered their comments in preparing this final report and have included their response in its entirety at the end of it. In their response, BPCA officials agreed with our audit conclusions and recommendations and stated they will begin implementing the recommendations immediately.

Within 180 days after the final release of this report, as required by Section 170 of the Executive Law, the Chairman of the Battery Park City Authority shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees advising what steps were taken to implement the recommendations contained herein, and where the recommendations were not implemented, the reasons why.

## BPCA Response

NEW YORK STATE | Battery Park City Authority

**KATHY HOCHUL**
Governor

**RAJU MANN**
President and CEO

June 26, 2026

Office of the New York State Comptroller
Attn: Nadine Morrell, CIA, CISM, Audit Director
110 State Street
Albany, New York 12236

**Re:** ***Battery Park City Authority Response to Draft Audit Report #2025-S-8***

Dear Ms. Morrell:

On behalf of the Battery Park City Authority (BPCA), thank you for the opportunity to review and respond to the draft audit report concerning access controls and vulnerability management over BPCA's critical systems.

BPCA concurs with the draft report's findings and will immediately begin implementing the recommendations outlined therein.

Thank you again for your partnership throughout the audit process.

Sincerely,

Signed by:
Stacey Flanagan
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Stacey Flanagan
Chief Operating Officer

Cc: Dmitriy Gutin, Chief Technology Officer
Brett Beecham, Deputy General Counsel

## Contact

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Prepared by the Division of State Government Accountability

July 9, 2026

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