

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON YOUTH SERVICES  
JOINTLY WITH THE COMMITTEE ON  
AGING AND THE COMMITTEE ON CONTRACTS

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JANUARY 30, 2023  
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HELD AT: COUNCIL CHAMBERS - CITY HALL

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Youth Services

Julie Won,  
Chairperson of the Committee on  
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Crystal Hudson,  
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SERGEANT AT ARMS: Check one, two. Check one,  
two. This is a prerecorded sound test for the  
joint Committees of Aging, Youth Services, and  
Contracts. Today's date is January 30, 2023. It's  
being recorded by Michael Leonardo in the Council  
Chambers.

SERGEANT AT ARMS: Good afternoon everyone.  
Welcome to today's New York City Council hearing  
for Youth Services Aging and contracts. Please  
silence all cellphones. If you wish to submit  
testimony, you can do so at  
[testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). Chairs, we're ready to  
begin.

CHAIRPERSON STEVENS: Good afternoon. I'm  
Council Member Althea Stevens, Chair of New York  
City Council Committee on Youth Services. I'm  
joined by my colleagues Council Member Won and  
Council Member Hudson for today's joint hearing on  
nonprofit contracting and joint taskforce to get  
nonprofits paid on time.

In addition to today's oversight topic, we will  
discuss the hearing bills Intro. Number 510,  
sponsored by me would establish a prevailing wage  
requirement for city contract human services

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1 workers. Intro. 511 sponsored by me was set to  
2 limit for the procurement process reporting on  
3 agencies compliance of development on online  
4 platforms for managing procurement. Intro. 514  
5 sponsored by Council Member Won, would establish a  
6 public procurement database. And lastly, Intro.  
7 866 sponsored by me, will require a report on  
8 community engagement by city contractors.  
9

10 As we contain to the next phase of recovery from  
11 the pandemic, it is critical that we do everything  
12 we can to sustain and protect the nonprofits that  
13 have cared for New Yorkers during this global  
14 crisis. New York nonprofit service providers are  
15 the driving force behind a central services that  
16 have fed, clothed, housed New Yorkers for decades.

17 Now it's time for the city to step up and ensure  
18 they are paid and paid what they are owed and what  
19 they are deserved. My bill Intro. 510 will require  
20 city contract human services employees to be paid  
21 no less than a prevailing wage rate, as determined  
22 by the City Comptroller and human service  
23 providers. New York City Human Service workers are  
24 largely educated women of color who are overworked  
25 and grossly underpaid.



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1 Human Service workers generally earn seven  
2 percent of what government employees do. Falling  
3 far short of income needs to meet an individual or  
4 a family need as a former youth services nonprofit  
5 contractor myself, I understand the struggle  
6 personally. I deeply believe this bill and I will  
7 not let it become a broken promise or unfunded  
8 mandate for our dedicated providers. I strongly  
9 urge the administrator to prioritize these wages  
10 and the city's budget. For years, the city's  
11 painful slow procurement process has registered  
12 delays that have hindered nonprofits ability to get  
13 paid on time and meet their financial obligations.

14  
15 The Mayor's Office of Contract Services reports  
16 that over three quarters of the city contracts with  
17 nonprofit organizations were registered after the  
18 start date, resulting in delayed payments in 2022.  
19 As a result, many nonprofits are forced to take out  
20 loans and acquire substantial costs to keep their  
21 organizations afloat.

22 In 2021, Mayor Adams and Comptroller Lander  
23 established a joint task force to get nonprofits  
24 paid on time and urgent leaders at the highest  
25 levels of city government to address this bureac-

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1 uh, can't say the word, delays. In February 2022,  
2 the task force released an action memo with 19  
3 substantial recommendations to reform the  
4 procurement process across city agencies. Each  
5 recommendation is assigned responsible parties  
6 given a timeframe for implementation. Our goals  
7 for today's hearing is to learn what progress the  
8 administration has made towards implementation of  
9 these recommendations.  
10

11 In addition, bill Intro. 511 would codify a few  
12 of these critical recommendations into law. I look  
13 forward to the administrations feedback on this  
14 bill and learn how the City Council can partner  
15 with the Administration to expedite the  
16 implementation of these further reforms.

17 Lastly, bill Intro. 866 will require contractors  
18 to report quarterly on the organizations  
19 collaboration with valued community members and  
20 their programming. Each RFP the city requires  
21 providers to collect community support letters.  
22 However, after the contract is rewarded, we no  
23 longer collect data to see if this is substantial  
24 community partnerships. Nonprofit contractors  
25 regularly collect input from the community members

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1 on their services. This simply reporting  
2 requirement only serves as a standardize in this  
3 process.  
4

5 I'd like to thank the staff for their hard work  
6 in preparing this hearing, Policy Analyst Elizabeth  
7 Arzt, Committee Counsel Christina, yeah, I'm going  
8 to mess up her name, Yellamaty, as well as Chief of  
9 Staff Kay Connolly and the entire team back at the  
10 District Office. I would like to give a special  
11 shout out to the high school students from Bronx  
12 Latin who are here today taking part in government  
13 at work. So, we can give them a round of applause.  
14 It always amazes us to have young people in the  
15 building, so we're so excited to have them here and  
16 I'm so grateful that they're here today. And I'm  
17 going to pass it over to Council Member Won.

18 CHAIRPERSON WON: Thank you so much Chair  
19 Stevens. Good morning and welcome to the joint  
20 hearing of New York City Council's Committee on  
21 Contracts, Youth Services and Aging. My name is  
22 Julie Won and I have the privilege of Chairing  
23 Contracts Committee. I would like to thank the  
24 members of all three Committees for coming together  
25 to hold today's hearing and I would also like to

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1 thank the city's Comptroller's Office, the Mayor's  
2 Office of Contract Services and the Mayor's Office  
3 of nonprofit services for engaging with the Council  
4 and nonprofits contractors establishing the joint  
5 task force to get nonprofits paid on time.  
6

7 I'd also like to thank the city's nonprofit  
8 contractors for bearing with us as we continue to  
9 attempt to address these issues in a meaningful  
10 way. It remains a travesty that the people who are  
11 doing the work that the city has hired them to do,  
12 whether it be child care, taking care of those with  
13 disabilities, providing supportive housing, taking  
14 care of the homeless, practicing restorative  
15 justice or any other social services, need to wait  
16 months or in some cases over a year in order to get  
17 paid for work already completed.

18 We on the Council know that it's unacceptable  
19 and we are trying to make things better. At the  
20 beginning of this Council session, the joint  
21 taskforce released an action memo outlining how the  
22 city could address the persistent delays in getting  
23 nonprofit human services workers paid on time.

24 Even this morning, I was just with a local  
25 nonprofit on the move, who has voiced that they

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1 have not been paid since Fiscal Year 2021. It is  
2 now 2023.

3  
4 The task force found that delays often stemmed  
5 from the need for frequent contract amendments,  
6 especially large amendments that need to be  
7 reviewed by OMB as well as relatively common delays  
8 stemming from the Council's discretionary award  
9 process. Several of the task force's  
10 recommendations formed the basis of this hearing  
11 and we look forward to addressing some of the  
12 progress towards the recommendations today. We  
13 will also be hearing four bills today in the  
14 Contracts Committee, Introductions 510, 511 and 866  
15 sponsored by Chair Stevens as well as 514 which I  
16 sponsored to establish a public procurement  
17 database.

18 I'm proud to be a cosponsor of Introductions 510  
19 and 511, relating to prevailing wage for human  
20 service workers and timelines for city agency  
21 procurement respectively but we've already heard  
22 Chair Stevens discuss the bills and we'll hear  
23 further questions from her as well as from the  
24 Admin.

25

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1 Intro. 514 would be both upon prior transparency  
2 measures that have passed over the last several  
3 council sessions and would expand beyond the only  
4 public access points currently available, which is  
5 a terminal at the office of the Mayor's Office of  
6 Contract Services on the 9<sup>th</sup> Floor on 253 Broadway.  
7 So, we would like to digitize that and we look  
8 forward to discussing each of these bills as well  
9 as a task force on recommendations today. Did she  
10 already name all the Council Members? Okay, oh  
11 okay, you're going to do it.

12  
13 Lastly, I would like to thank my Committee Staff  
14 Senior Council Alex Paulenoff, Policy Analyst Alex  
15 Yablon and Finance Analyst Florentine Kabore for  
16 all their hard work on putting this hearing  
17 together. With that said, I'll now turn over to my  
18 Co-Chair Crystal Hudson for her opening remarks.

19 CHAIRPERSON HUDSON: Thank you and good  
20 afternoon. I'm Council Member Crystal Hudson,  
21 Chair of the Committee on Aging. I want to thank  
22 Chairs Stevens and Won for holding this extremely  
23 important hearing on nonprofit contracting and  
24 ensuring that nonprofit service providers are  
25 compensated fairly and in a timely fashion.

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I also want to acknowledge the Council Members that have joined us today, Lee, Schulman, Nurse and Ossè. Through NYC Aging, New York City's older adult population is heavily reliant on nonprofit providers for critical services like case management, legal assistance, home delivered meals, older adult centers and so many more resources. NYC Aging maintains contracts with hundreds of community-based organizations or CBO's to deliver these services. Contracts managed by NYC Aging total almost \$300 million disbursed among \$1,394 contracts in Fiscal Year 2023.

The largest category of contracts is payments to delegate agencies, which contains \$1,334 contracts with a total value of almost \$290 million. According to the FY23 Preliminary Mayor's Management Report, nearly all of NYC aging's key indicators declined when comparing the first four months of FY2021 to the same period in FY2022, which suggests that NYC Aging is struggling to rebuild in the aftermath of the pandemic. Per NYC Aging and I quote "invoicing delays" are making home delivered meal services appear lower in FY2022 than in the same period in FY2021.

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1 Homecare service and case management levels also  
2 declined in the first four months of FY2022. Low  
3 pay and staffing shortages are almost certainly  
4 contributing to this problem. While it's great  
5 that \$5 million was incorporated for staffing  
6 increases in the latest RFP, more needs to be done  
7 to ensure that service provider wages reflect the  
8 financial reality of operating in New York City.  
9 While NYC Aging has new contracts in place for  
10 OAC's in naturally occurring retirement  
11 communities, I'm concerned about NYC Aging's  
12 ability to support its CBO providers. The Mayor's  
13 Management report stated that there were 220 people  
14 on the home delivered meals waitlist, 346 on the  
15 homecare waitlist and 1,400 on the case management  
16 waitlist. This suggests that NYC Aging requires  
17 more financial administrative and contracting  
18 support in order to increase its programs capacity  
19 and impact.

20  
21 Despite this need, the plan programs to  
22 eliminate the gap contain a reduction in 12  
23 vacancies from NYC Aging's headcount, which will  
24 reduce their ability to staff up and meet the need  
25 for CBO's for administrative support, including



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1 human services contracting. The Human Services  
2 Council currently indicates that there is a  
3 moderate to substantial risk for case management  
4 RFP applicants upon entering the contractual  
5 agreement with NYC aging. And I look forward to  
6 working with the Administration to identify ways  
7 that the agency can lower the risk factor for  
8 service providers and improve the application  
9 process moving forward.  
10

11 I do want to recognize NYC Aging for the  
12 improvements it has made in the contracting  
13 process. Particularly cash advances and bridge  
14 loans offered to providers so they can continue  
15 serving our communities while they wait for their  
16 contracts to be fully registered. Ultimately  
17 however, these are stop gap measures that services  
18 providers should not have to rely on to operate.

19 I know that aspects of this hearing topic might  
20 feel impersonal, but the services rendered through  
21 contractual relationships between NYC Aging and our  
22 city's nonprofits impact countless lives every day.  
23 Delays in payments, hiccups in the RFP process and  
24 issues of passport are detrimental not just to the  
25 nonprofits on which our agencies so heavily rely

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1 but to our rapidly expanding older adult population  
2 that will only need more of these services in the  
3 coming decades.  
4

5 Nonprofit service providers need to be paid on  
6 time and paid fairly and it's up to us to ensure  
7 that the contracting process is as efficient,  
8 equitable and transparent as possible. We owe it  
9 to the nonprofit staff that work tirelessly every  
10 day for our city and we owe it to our older adults.  
11 Thank you to the advocates and members of the  
12 public who are joining us today and thank you to  
13 representatives from the administration for joining  
14 us. I would also like to thank my Chief of Staff  
15 Casey Addison and Andrew Wright and Aging Committee  
16 Staff Christopher Pepe, Chloè Rivera and Austrid  
17 Chan.

18 And now, I'll turn it over the Committee Counsel  
19 to administer the oath, but just before I do, I  
20 want to note that we have over 50 registrants and I  
21 encourage everybody to stay to their limited time.  
22 In person witnesses will testify before witnesses  
23 log into Zoom.

24 COMMITTEE COUNSEL: Okay, hi, my name is  
25 Christopher Pepe, Counsel. Can you please raise

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1 your right hand? Okay, do you swear to tell the  
2 truth, the whole truth, and nothing but the truth  
3 and to respond honestly to Council Member  
4 questions?  
5

6 Great, you may proceed.

7 LISA FLORES: Good afternoon Chairs Won,  
8 Stevens, and Hudson and Committee Members. My name  
9 is Lisa Flores, I am the Director of the Mayor's  
10 Office of Contract Services and City Chief  
11 Procurement Officer. Thank you for inviting me  
12 today to provide an update on the city's historic  
13 efforts to improve our contracting process for  
14 nonprofits and make sure they get paid on time.  
15 I'm joined her today by Karen Ford, Executive  
16 Director of the Mayor's Office of Nonprofit  
17 Services, and our colleagues from DYCD and from  
18 DFTA and we'll be available for questions after my  
19 testimony.

20 MOCS is an oversight agency for city contracting  
21 that places an emphasis on services, partnership,  
22 equity, accountability and transparency. For many  
23 years, nonprofits have identified numerous  
24 challenges with the city's contracting process, and  
25 before this administration even began, we

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1 established a collaborative relationship with  
2 Comptroller Lander to conduct a wholesale review  
3 and reform of the city's contracting process for  
4 nonprofits.  
5

6 The output of this collaboration was the Joint  
7 Force to Get Nonprofits Paid On Time, which  
8 published a report near the start of last year  
9 based on a holistic assessment of the nonprofit  
10 experience contracting with the city and made an  
11 associated set of recommendations to guide the  
12 city's reform work. Many of the challenges  
13 identified, inconsistent documentation requirements  
14 across different agencies with the city,  
15 unpredictable timelines for moving forward with  
16 procurements, and slowness of the Council  
17 discretionary process, will be familiar to anyone  
18 who has worked with the city for many years.  
19 However, this task force process allowed us to  
20 collectively triage and agree upon the pain points  
21 that this administration should prioritize  
22 addressing.

23 The city tackled the issue widely acknowledged  
24 as the most significant pain point first: the  
25 backlog of retroactive, unregistered contracts and

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1 amendments that had built up over several years and  
2 amounted to billions of dollars in funds that  
3 nonprofits had earned yet could not access. The  
4 administration made it a priority to clear this  
5 backlog first, which required a coordinated,  
6 interagency sprint to make sure we provided the  
7 funding to these organizations that would help  
8 sustain their critical work.  
9

10 As we announced in August, over the course of  
11 this 12-week sprint, the city was able to unlock  
12 more than \$4.2 billion for over 460 providers. A  
13 tremendous achievement for this initiatives. We  
14 are now up to the clearance oof \$5.3 billion of the  
15 original \$6.4 billion identified as part of the  
16 backlog, and we've learned valuable lessons,  
17 exchanged best practices and set ourselves up to  
18 continue this reform work going forward. But the  
19 purpose of the backlog initiative was not just to  
20 unlock this immediate funding for service  
21 providers, it was also to identify the root cause  
22 issues that lead to delays in contracting in order  
23 to incorporate those lessons into future reform  
24 work.  
25

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1 We are now at the next stage of implementing the  
2 Task Force recommendations, which involved discrete  
3 workstreams across key areas such as rules and  
4 policies, technology, innovation, and our  
5 collective operating model to ensure we are  
6 surfacing the key reforms identified throughout the  
7 past year and setting them on a path toward  
8 implementation. Another key piece of this, as we  
9 have shared with the Council, is reforming the City  
10 Council discretionary process. As an area with  
11 some of the longest cycle times, often caused by a  
12 large volume of small dollar contracts, we are  
13 eager to continue working with you to make this  
14 process work better for our providers.  
15

16 With regard to the bills presented today, MOCS  
17 generally supports the goals evident in the  
18 legislation, enhancing transparency into the  
19 expenditure of taxpayer dollars and holding  
20 agencies accountable for community engagement and  
21 timely registration, but we have questions and  
22 concerns around implementation. While we  
23 appreciate the impetus behind Intro.'s 511 and 514  
24 when these pieces of legislation were introduced in  
25

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1  
2 the prior session, these bills currently propose to  
3 regulate work that the city is already doing.

4 Intro. 511 require the Procurement Policy Board  
5 to set time limits on various stages of the  
6 procurement process, which was identified as a  
7 recommendation through the Joint Task Force. This  
8 is a valid goal to set for the procurement process.  
9 However, these time limits should be grounded in  
10 the practical experiences of stakeholders, the  
11 current reform work taking place, and reflect  
12 realistic best practices that balance risk and  
13 efficiency.

14 Similarly, Intro. 514 would require MOCS to set  
15 up a database including public procurement  
16 information to foster greater transparency into how  
17 the city spends taxpayer dollars. Based on our  
18 initial review, most of the data identified in the  
19 bill is already available to the public. But more  
20 importantly, MOCS is already committed to this work  
21 and taking action. Nearly a year ago we released  
22 PASSPort Public Beta to bring transparency to our  
23 contracting data. This unprecedented public  
24 insight into the city procurement is just a  
25 starting point for taking the contract volume

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1 digitized through PASSPort and translating that  
2 into useful data and information for public  
3 consumption. This is as huge first step to  
4 demystifying our opaque system. We are committed  
5 to continuing this work but want to harmonize any  
6 legislation with current practice.  
7

8 We would like to also have further conversation  
9 with the Council on the goals and approach under  
10 Intro. 866. This bill would require city  
11 contractors to file a quarterly report on their  
12 community engagement efforts and set a similar  
13 reporting requirement for agencies to share  
14 information on the community engagement efforts by  
15 their vendors. MOCS appreciates the effort to  
16 improve engagement on city contracts. We have  
17 launched a number of new initiatives, including new  
18 monthly training series, in-person events, and more  
19 to meet people where they are and to clarify the  
20 city's procurement process. But we also don't want  
21 to mandate that vendors comply with new  
22 documentation and reporting requirements, many of  
23 whom feel overburdened by the city's existing  
24 procurement process. As we learn more about this  
25



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1  
2 legislation, we look forward to thinking through  
3 more ways to expand community engagement efforts.

4 Finally, through Intro. 510 the Council is  
5 considering requiring human service providers to  
6 pay a prevailing wage on contracts with the city.  
7 The city has demonstrated its commitment to the  
8 sector through much of the work described  
9 previously, as well as initiatives like the \$68  
10 million workforce investment and Indirect Cost  
11 Rate, which enhance funding available for Human  
12 Service Providers working with the city.

13 While we understand the intent behind this  
14 legislation, setting this requirement would come  
15 with fiscal and operational challenges for both the  
16 sector and the city. The current prevailing wage  
17 structure works well for industries like  
18 construction where there are established trades  
19 working on discrete projects. But identifying and  
20 establishing classification and rates for all of  
21 the unique services that our nonprofits provide to  
22 the city will be incredibly difficult.

23 Overall, implementing such a prevailing wage  
24 program will come with significant administrative  
25 burden on providers. This will pull nonprofits

1 away from providing necessary services to do  
2 bookkeeping, exactly what the Joint Task Force  
3 sought to undo. As a result of these issues, the  
4 legislation could ultimately drive-up costs for  
5 providers. We are happy to continue the  
6 conversation with the sector and City Council to  
7 best find ways to ensure that the city is a better  
8 business partner for the providers carrying out  
9 essential work.  
10

11 Thank you for hosting this hearing and thank you  
12 to many of the nonprofit providers in attendance  
13 and watching on the stream, and all of the young  
14 people participating in civic duty today and we  
15 acknowledge the extraordinary work you have done  
16 for the city, especially over the past few years.  
17 And I hope I've shown today that the city is  
18 committed to making our contracting process work  
19 better for you and for all of the sector. It will  
20 take time for us to do this work, but it is  
21 absolutely a priority and I'm proud of how much  
22 we've gotten done already.

23 Along with my colleagues, I'm happy to take any  
24 questions you may have. Thank you.  
25

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1  
2 KAREN FORD: Good afternoon Chairs Won, Stevens,  
3 and Hudson and the honorable, other honorable  
4 Committee Member. I want to thank Chair Won for  
5 her time last week in helping me to understand the  
6 priorities of the Committee and I also look forward  
7 to spending time with you Council Member Stevens as  
8 well understanding your priorities as well.

9 I want to acknowledge any Council Member  
10 including Farah N. Louis for sponsoring the  
11 legislation that created this office. My name is  
12 Karen Ford and I am the Inaugural Director of the  
13 Mayor's Offices for Nonprofit Service. Thank you  
14 for inviting me today to speak on the vision and  
15 the primary focus areas of the recently created  
16 office. Recognizing my colleagues, Lisa M. Flores,  
17 Director and Chief Procurement Officer for the  
18 Mayor's Office of Contracts and our colleagues from  
19 the Department of Youth and Community Development  
20 and the Department for the Aging.

21 I would like to first start by sharing a little  
22 bit about myself that will shed light on the  
23 perspective that I am fortunate to bring to this  
24 office. Today, I stand before you as a thriving  
25 New Yorker. For the 25 years, I've worked in city,

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1 state and federal government and prominent  
2 nonprofit agencies serving in varying roles.

3 Beginning with entry-level homeless street outreach  
4 and case management work to midlevel management to  
5 senior and executive leadership.  
6

7 Although I am extremely proud of my  
8 accomplishments today, the message I want to  
9 highlight is what it took for me to get here. I'm  
10 sure everyone in this room has a story but for me,  
11 mine is extremely personal and it's relevant to  
12 this meeting today. Thank you.

13 For me, it was the safety net system working  
14 together both government and community that  
15 provided the life changing opportunities for me.  
16 Starting with the settlement house I attended for  
17 afterschool tutoring and weekends social activities  
18 located in the Brooklyn public housing development  
19 that helped me become one of the youngest of eight  
20 siblings become the first and only college  
21 graduate, to the judge and probation officer that  
22 took a chance on a bright young person who was  
23 losing her way to the HRA worker that gave this  
24 teenaged mom an opportunity to return to college.  
25 Assisting me with childcare, car fare, cash and

1  
2 food assistance and to the community-based  
3 alternative to incarceration program that assisted  
4 with giving me my first entry-level city employment  
5 that would lead to an amazing career of service.  
6 It is with this lens that I, on behalf of Mayor  
7 Adams and in collaboration with the First Deputy  
8 Mayor Sheena Wright and her team have created the  
9 vision, values, structure and core functions of the  
10 Mayor's Office for Nonprofit Services.

11 MONS is a centralized location and that's what  
12 we're calling it MONS, right? Is a centralized  
13 location that will serve as a liaison to the  
14 nonprofit sector in relation to city policies,  
15 procedures, regulations, contracting, funding  
16 opportunities, programs, resources, research,  
17 training, Mayoral priorities and benefits affecting  
18 the nonprofit sector. MONS is the central point of  
19 communication between the Mayor's Office and  
20 nonprofit organizations.

21 The vision of MONS is to transform the city's  
22 approach to working with nonprofit organizations  
23 from a human service model to a human partnership  
24 model centered on equity, mutual respect,  
25

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1  
2 transparency, accountability and standards of  
3 excellence.

4       The mission of MONS is to promote thriving  
5 communities and the delivery of essential services  
6 across the city of New York by amplifying and  
7 addressing the needs of nonprofit organizations.  
8 To achieve these goals, the office strengthens city  
9 led practices affecting the nonprofit sector,  
10 supports capacity building for city agencies and  
11 nonprofits and gathers knowledge to center equity  
12 and inform city policy.

13       The five primary functions of MONS are: Leading  
14 the implementation and sustaining of procurement  
15 and contracting reforms. Capacity building,  
16 professional development for city contracting  
17 staff, technical support for BIPOC led and smaller  
18 nonprofits, central point of contact serving as the  
19 ombudsperson, and disseminating information.  
20 Action oriented research, sector surveys, analyzing  
21 large scale policy changes, accessing business  
22 models and planning and strategy, managing citywide  
23 initiatives, program design, and addressing mayoral  
24 priorities.

25

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1 Although the office is just starting out, a lot  
2 of work has taken place within the past year. MONS  
3 will work closely with MOCS on all contracting  
4 reforms. Our role in the partnership is to manage  
5 and track progress, coordinate with MOCS and other  
6 city agencies on priority issues, communicate cross  
7 agency updates and coordinate nonprofit input and  
8 feedback on relevant sector issues.  
9

10 Having recently joined Mayor Adams  
11 administration from serving in a senior leadership  
12 role at a renowned nonprofit organization, I am  
13 confident in the direction of this administration.  
14 In a bold and necessary move, during their  
15 transition into office, Mayor Adams and Comptroller  
16 Lander launched the Joint Task Force to get  
17 nonprofits paid on time. In February 2022, the  
18 Task Force delivered the action memo to the Mayor  
19 and the Comptroller with 19 recommendations for  
20 reforming the nonprofit contracting process. Since  
21 the release of the action memo, the Administration  
22 has made significant strides in advancing many of  
23 the recommendations.

24 Prior to the standing up of this office, the  
25 Administration launched a comprehensive citywide

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1 effort to modernize and streamline nonprofit  
2 contracting. Inclusive of city and Council Staff  
3 and representatives from the Comptroller's Office.  
4 The following updates on the short and mid-term  
5 recommendations are as follows: The task force  
6 recommended six short-term goals. The following  
7 three have been accomplished. Clearing the backlog  
8 of unregistered contracts, clearing \$5.3 billion in  
9 payment of \$6. billion identified to nonprofits  
10 during the effort and continuing. The  
11 administration engaged in an inclusive information  
12 gathering process that included nonprofit sector  
13 partnership and key stakeholders to stand up the  
14 Mayor's Office for Nonprofit Services. And we have  
15 already heard more about the vision and the  
16 functions of the office.

17  
18 Creating transparency in the contracting  
19 process, by enhancing the functionality of passport  
20 to allow providers to see the status of their  
21 contracts. There are few that are still in  
22 progress right? We want to establish and publish a  
23 set of key performance indicators to assess  
24 citywide in agency specific performance. When  
25 looking at standardizing documentation templates



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1  
2 across human service agencies. And then there were  
3 ten medium term recommendations, recommending goals  
4 and that we're on cost for FY23. Using a lean six  
5 sigma approach, the team engaged in a comprehensive  
6 assessment of the procurement and contracting  
7 process looking for ways to streamline and  
8 modernize processes. The completion of this mid-  
9 term goal gave us the focus for many of the broader  
10 city-wide reforms that are well underway. This  
11 also includes the following Joint Task Force  
12 recommendations.

13       Developing a framework for contract Stat, right?  
14 A performance management accountability system that  
15 will allow us to engage in continuous quality  
16 improvement. Further enhancements to PASSPort to  
17 allow for a fuller integration and citywide usage.  
18 We want to thank the City Council Finance Staff for  
19 their insight and participation in the workstream  
20 dedicated to focus on discretionary reforms. And  
21 we are also looking at ways to expand access to and  
22 available funding, available financing to the  
23 returnable grant fund administered by the Fund for  
24 the City of New York.

25

1 Training is also a focus of MONS. The capacity  
2 building function of the office will create a  
3 structure to support skills training for city  
4 agency workers and nonprofit organizations with  
5 MOCS, as MOCS being the content expert.  
6

7 In the near future we look forward to returning  
8 to provide additional updates on the priorities of  
9 the office, as we continue focusing our efforts on  
10 the few remaining goals. Thank you for your time  
11 and I look forward to working closely with each of  
12 your offices and I'm available. We are available  
13 to take questions at this time. Thank you.

14 CHAIRPERSON STEVENS: Thank you. Thank you both  
15 for your testimony. Before we can answer  
16 questioning, I just want to recognize Council  
17 Member Ariola, Council Member Dinowitz, Council  
18 Member Marte and Council Member Williams who also  
19 have joined us.

20 So, Ms. Flores, your testimony was interesting  
21 and I won't lie, some of the push back from the  
22 Administration around the bills that were presented  
23 to me are making me uncomfortable because a lot of  
24 the reasoning don't make sense because you're  
25 saying you're already doing the work but your

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35

1  
2 against it. But let me get into the line of  
3 questioning because maybe that will help us  
4 understand because right now, I'm not understanding  
5 some of the push back.

6 While the City Council applauds the  
7 Administration and its work its done under the  
8 Clear Backlog Initiative, clearing more than \$4.2  
9 billion in unregistered contracts, more than 450  
10 providers, there are also worrying signs that  
11 registering and payment backlogs is building up  
12 again for the Fiscal Year 2023. What is the city  
13 doing to prevent another payment back jam?

14 LISA FLORES: Thank you for the question Chair  
15 and as I stated, the Administration most definitely  
16 I think both with my appointment and most  
17 definitely with Executive Director, Ford's  
18 appointment and many other appointments throughout  
19 the city, I think clearly demonstrates this  
20 Administration is 100 percent committed to this  
21 sector and to finding equity in everything we do,  
22 even in procurement and I having done procurement  
23 accidentally for far too many years. Having that  
24 lens in everything that we do and having the  
25 commitment that the administration does at the

1 highest-level drives all of the work that we're  
2 doing.  
3

4 As it relates to timeframes, as I mentioned in  
5 the testimony, but will flush out a little bit  
6 more. You know the Intro. was submitted in the  
7 last session. You know there was a very different  
8 climate in the last session when it was introduced  
9 before. It was prior to the task force work. It  
10 was prior to the task force report and it was  
11 definitely at a time when there wasn't what I can  
12 only describe as unprecedented collaboration, not  
13 only with the sector but with the Comptroller's  
14 Office as well and we are lock step in not only the  
15 creation of those task force recommendations but  
16 also in all of the work streams, all of the working  
17 groups and staking hands and meeting frequently,  
18 not only for the specific working groups but also  
19 through the steering committee structure that we  
20 have and also monthly meetings.

21 And so, the environment that we're in, in terms  
22 of a. the commitment to not only reform the  
23 procurement process, make it more efficient, more  
24 transparent and pay on time is different now and  
25 we're also in the middle of doing a lot of sort of

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1 sequential work and work that will build upon one  
2 another in order to hopefully have not only a  
3 completely different procurement system when we're  
4 done with all the reforms but also that you will  
5 continue to see us improve on our registration  
6 numbers and most importantly, which is why we  
7 started with a backlog. It's you have to pay on  
8 time right? We understand that the sector cannot  
9 function without having payment in order to supply  
10 the services that we expect of them. And so, we  
11 100 percent agree that we want to hold ourselves  
12 accountable, which is why we started putting  
13 information out publicly and make it available to  
14 everyone who wants to cut and slice the data. I  
15 think recently there was a report published  
16 indicating that I think it was almost a 20 percent  
17 increase, a favorable increase and timeliness for  
18 registration. We still have a lot of work to do.

19 So, with that Chair, I think we're definitely  
20 looking forward to working with you, seeing what  
21 other updates we can provide as we're working  
22 through our reform work. How we can better  
23 accomplish your expectations.  
24  
25

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2 CHAIRPERSON STEVENS: So, uhm, so then that's  
3 why I'm even more concerned right? You're saying  
4 that the climate is changing. One, so then why  
5 wouldn't we want to codify these things into law.  
6 Like, it's unacceptable to say that we're doing  
7 this work. And so, yes, you're doing the work and  
8 now we want to make sure this work continues long  
9 after you're gone and long after I'm gone.

10 So, everything that we're doing is about making  
11 sure that the nonprofit sector can continue to  
12 function. And so, we cannot wait on your  
13 commitment and the work that you're doing because  
14 it hasn't been done. And so, yes, it's happening  
15 but a lot of the things we're recommending are just  
16 codifying into law the things that you're saying  
17 you're doing. And so, pushing back to me doesn't  
18 make sense.

19 So, I think that uhm, it's important that we're  
20 making sure that we're not just saying that it's  
21 changing. Yes, the climate is changing and no one  
22 is saying the work isn't being done but this is  
23 about codifying these things into law and to make  
24 sure that that commitment is happening moving  
25

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1 forward. So, I just want to make sure that we're  
2 clear on that.  
3

4 But you also didn't answer the question. How  
5 are you guys making sure that this backlog is not  
6 happening? Because I'm still not very clear about  
7 that.

8 LISA FLORES: Thank you Chair. Again, just to  
9 reiterate, 100 percent agree that is important to  
10 hold ourselves accountable. Some of the language  
11 in the Intro. is written now. Again, I would  
12 welcome an opportunity to sit with you and work  
13 through that language. Some of the language  
14 currently exists in the Administrative Code and/or  
15 in the PBB rules. And so, we have the ability to  
16 sort of do that work in the current structure but I  
17 completely hear you and do not want there to be an  
18 assumption that there is a misalignment with the  
19 commitment. So, definitely would look forward to  
20 working with you on tweaking the language if  
21 amenable.

22 In terms of the next round of contracts coming  
23 up, it is 100 percent our charge not to allow  
24 another backlog to exist and to create a backlog as  
25 we found when we came in. And as I mentioned in my

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1 testimony, it was not just a backlog from the  
2 previous year. It was a backlog from many, many  
3 years. And so, we've done a significant job with  
4 all of the commitment of the agencies working  
5 tirelessly to get through that backlog in a short  
6 period of time and we've already started the kick  
7 off with all of our agencies. And Executive  
8 Director Ford will be part of that process holding  
9 MOCS accountable and holding the agencies  
10 accountable working from now and keeping everyone  
11 on task and identifying areas that we need to jump  
12 in and make sure that we're providing the resources  
13 and support, for agencies to be able to register  
14 their FY24 contract on time.

16 That is front and center of this administration  
17 that we would be held to and then I know that you  
18 will hold us to as well, significantly improving  
19 that is a commitment that I make.

20 CHAIRPERSON STEVENS: I will say this, talking  
21 to providers, they said the backlog was done and  
22 expeditiously. However, I don't want to give kudos  
23 for people getting the money that they're owed,  
24 right? Like, we're not going to make it seem like  
25 this was a good thing because they should have



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1 gotten the money anyway. And, in addition  
2 currently, I'm hearing that it's happening all over  
3 again. So, it was like we cleared out a backlog so  
4 we can be backed up again. So, this is not saying  
5 that you're not doing the work but the work still  
6 needs to be done in a much more expeditious way  
7 because it's not happening currently.

9 My next question is MOCJ receives budget  
10 information from PASSport, including salary  
11 information on every human services. Has MOCS  
12 emphasized information to share the average human  
13 service wage, what city pays on contracts?

14 LISA FLORES: Pardon me Chair. The question if  
15 we review MOCJ's?

16 CHAIRPERSON STEVENS: I mean MOCS, I'm sorry.

17 LISA FLORES: I'm sorry Chair, can you restate  
18 the question?

19 CHAIRPERSON STEVENS: Yes. MOCS receives budget  
20 information from PASSport including salary  
21 information on every human services contract. Has  
22 the office synthesized this information to share  
23 the average human services wages with city - what  
24 city pays on contracts?

25

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1  
2 LISA FLORES: Thank you Chair. Some of that  
3 information exists in PASSport and much of that  
4 information also exists in the accelerator, which  
5 is still standing in much of the budget process and  
6 invoice process for the human service sector,  
7 happens in accelerator.

8 We have not recently done an analysis. I  
9 believe that we have actually been in communication  
10 with the Comptroller's Office and their requests  
11 for that information for analysis that they're  
12 conducting and we participate fully in providing  
13 any information requested. But definitely would be  
14 open to looking into that information and how it  
15 can be useful for any of the Intro.'s presented  
16 here today.

17 CHAIRPERSON STEVENS: Yeah, I think that  
18 information is definitely needed and would be  
19 important. We know that fair wages help retain  
20 qualified staff. Is raising wages for human  
21 services workers a priority for the administration?  
22 What challenges does the administration foresee  
23 with the implementation of 510?

24 LISA FLORES: Thank you Chair. As I think we've  
25 noted and I'll just restate that while it's

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1 definitely not everything that the sector sort of  
2 asked for, we have made a commitment and have  
3 rolled out some initiatives that really get to  
4 buildings blocks of our commitment to investment in  
5 salaries throughout the sector. As I mentioned in  
6 my testimony, we had made a commitment to do a \$60  
7 million workforce enhancement initiative. The  
8 administration was able to find \$68 million that  
9 has been rolled out and that agencies are working  
10 through the process. Alongside not just that  
11 financial investment but the process in order to be  
12 able to do this if available in the future and  
13 other amendments and other commitments that we can  
14 do quicker, right? So, in parallel, we rolled out  
15 last year what was really unprecedented and  
16 hopefully will be a game changer for the sector in  
17 the long term of allowing allowances, contingency  
18 in contracts, to really account for the reality of  
19 our partnership with the sector and all of the work  
20 that we ask the sector to do. That they always  
21 arise to the occasion.

22  
23 And so, that allowance, amendment will be really  
24 important for a future investment in the sector as  
25 well.

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1  
2 CHAIRPERSON STEVENS: I don't know if they would  
3 agree but I hear you. For 866, you said that the  
4 mandate and new requirement but the mandate of  
5 having them to do reporting on community engagement  
6 would be burdensome but this is asked in the RFP,  
7 so why we collecting information in RFP's if we  
8 aren't going to codify and look at it and use it in  
9 any type of way?

10 LISA FLORES: Thank you Chair. We believe  
11 obviously that in across all of our contracts,  
12 where required, that community engagement is  
13 fundamental to ensuring the success of the programs  
14 and really an essential part of our commitment to  
15 our communities.

16 The bill as drafted, we'd definitely love to  
17 communicate with you and with the other Chairs and  
18 Council Members of exactly the problem we're trying  
19 to solve. In that, we want to make sure as we  
20 talked about earlier and I think also in the  
21 Committee Report it was mentioned, you know the  
22 numbers of documents that vendors have to provide  
23 over and over and over again to multiple agencies  
24 is a huge burden and takes away from the good work  
25 that they're doing in the City of New York.

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1  
2 And so, we just want to be cautious as we're  
3 working through the taskforce recommendations,  
4 which includes standardization of documentation,  
5 ensuring that we're actually doing a deep dive of  
6 what is many years of built-up processes and  
7 standardizing that across the city, so that each  
8 vendor or not-for-profit provider that does  
9 business with us really should feel like they have  
10 one experience as one city.

11 And right now, whether it's community  
12 engagement, documents provided in the RFP process,  
13 it's the audit process, there is still too much of  
14 a burden and disconnect for many of our providers  
15 across all of the agencies they contract with. So,  
16 I agree with you, you know if we ask for something  
17 there should be a purpose to it. I think we would  
18 love to work with you on sort of where we are now  
19 with our six-sigma process and where we hope to be  
20 in the near future and so, that we don't have  
21 unintended consequences of adding additional burden  
22 and documentation on the vendors.

23 CHAIRPERSON STEVENS: I agree and I am a person  
24 who believes that we should be doing things that  
25 make sense. And so, how often are you evaluating

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1  
2 the documentations that agencies are doing?  
3 Because you just said that you have years of things  
4 backed up on what their reporting on. Because a  
5 person who used to do these reports, know that  
6 sometimes the information you're asking for does  
7 not even make sense. So, how often are you guys  
8 evaluating that and trying to get those things  
9 taken away, so we can add new things that actually  
10 make sense and more up to date. So, what is that  
11 looking like?

12 KAREN FORD: Thank you for that question  
13 Chairwoman. Right now—

14 CHAIRPERSON STEVENS: Stevens.

15 KAREN FORD: Thank you Chairwoman Stevens. We  
16 are engaging in a process, taking a look at all of  
17 the documentation. That's one of the task force  
18 recommendations. So, we would be very happy to get  
19 back to you as I mentioned to give some updates  
20 later on in this process as we move further on with  
21 the process. But we understand and we recognize  
22 that it is an issue and that's something that's a  
23 part of one of the workstreams that we are leading.

24 CHAIRPERSON STEVENS: Yeah, so thank you. It's  
25 good to hear that you guys are looking and

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1  
2 evaluating what we were asking, just see a report  
3 on but I think we should also then not say that  
4 things aren't necessary because you didn't do -  
5 you're still in the process of doing that. Because  
6 I think that this is something that is necessary,  
7 especially because it's asked in the RFP.

8 So, Intro. 511 codifies some of the  
9 recommendations in the Joint Task Force report.  
10 Would the administrator recommend codifying any of  
11 the other recommendations into law, rather than  
12 relying on administration policies and will power?

13 LISA FLORES: Thank you Chair. Just to go back  
14 to your other question really quickly as a follow-  
15 up. I agree with you. Again, having done  
16 procurement for many years, I can't speak to  
17 previous efforts or frequency of reviewing  
18 processes but there are decades of rules, laws and  
19 reporting requirements. And some requirements you  
20 know that had good intentions but are not  
21 necessarily used as intended anymore. So, we're  
22 building off through decades of rules and  
23 regulations and processes that we're committed to  
24 really making more efficient. And more

25

1  
2 importantly, efficient on behalf of the nonprofit  
3 providers.

4 In terms of the Intro.'s submitted today, again  
5 I think we are committed 100 percent on really the  
6 intent of supporting our providers and supporting  
7 our providers and really being creative and looking  
8 at holistically at all the touchpoints that we have  
9 with our contractors. It's not just at the  
10 solicitation. It's not just at the registration.  
11 It's not just at the payment process. It's also  
12 the contract management and our ongoing commitment  
13 to providing the services that they also need to be  
14 successful as Executive Director Ford mentioned,  
15 capacity building for example, right?

16 We have a lot of requirements and we also need  
17 to work on providing the support for our providers  
18 to be successful. So, I think as I mentioned  
19 earlier, we really look forward to having an  
20 opportunity to work through these with you and  
21 really see where there's opportunity to get to the  
22 same end with some tweaks and edits.

23 CHAIRPERSON STEVENS: Uhm, so, thank you for  
24 that. Just thinking about you know Council always  
25 wants to work in partnership with all the



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1  
2 administrations to see where we can work together  
3 and where it makes sense. And also, just thinking  
4 about when we're evaluating you know documentation  
5 and things like that you're doing these things.  
6 I'm always here to be in partnership as well as my  
7 colleagues. Uhm, you know we say that often but I  
8 don't think sometimes you guys believe us but it's  
9 true.

10 But I think the question was more about, is  
11 there anything, any other things that the joint  
12 task force put forward that you guys think should  
13 also be put into law or be codified are some things  
14 that you guys think make sense from the  
15 recommendations?

16 LISA FLORES: Thank you and I will say I can  
17 speak for both of us that we will take you up on  
18 your offer to come to your office and roll up our  
19 sleeves and work through you know line by line and  
20 really talk through this. This is our life's work  
21 and it's really important for us to get this right  
22 and really have an impact on this sector, that has  
23 again time and time again through every emergency,  
24 through every new program, has stepped up to the  
25 plate. And it's important for us and all that we

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1 we've done to get this right when we had the  
2 opportunity to do so. So, we'll definitely take  
3 you up on that offer.

4 And I think along the same lines, you know we  
5 would be happy to you know set up a more frequent  
6 updates with you in your office and work through as  
7 we're providing updates on where we are with the  
8 taskforce recommendations and look for  
9 opportunities as we solidify sort of the analysis,  
10 the data and the next steps of implementation, if  
11 there are any opportunities for legislation to sort  
12 of be done in parallel as we're working through  
13 implementation.

14 CHAIRPERSON STEVENS: Absolutely, thank you.  
15 Intro. 511 was heard last session under the  
16 previous administration. And prior to the  
17 publication of this joint task force, the previous  
18 administration testified that setting timetables  
19 for each stages of the procurement process would  
20 interfere with an agency oversight and review.  
21 However, the first recommendation of the Joint Task  
22 Force Report with established timeframes to hold  
23 contracting agencies accountable for delays. How  
24

25

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1 if at all has the administration's position to this  
2 bill shift since it was first heard?  
3

4 LISA FLORES: Thank you Chair. So, I think  
5 first, when this was introduced previously, I  
6 believe there was uhm, you know actually some  
7 testimony from the sector around really at the end  
8 of the day, what's important about timeframes. And  
9 I would say the way I would describe it is if it  
10 takes three months or one month for a stage of the  
11 procurement process, that's not necessarily an  
12 indicator of being on time or not on time. It's  
13 really about getting the contract registered and  
14 paid on time, right?

15 And so, they're establishing timeframes for each  
16 step of the process, may take away the ability and  
17 the flexibility for the administration in  
18 partnership with the sector, especially when we're  
19 doing new programs and we're changing programs,  
20 particularly around programs where we really want  
21 community engagement for example. It may be  
22 logical and appropriate to have a longer time  
23 period for the RFP proposal period, so that we can  
24 have engagement Q&A sessions with the sector, so  
25 they can really inform the RFP and have a better

1  
2 program at the end of the day. So, establishing  
3 sort of arbitrary timeframe for that point of the  
4 process may take away the ability to have the best  
5 program and really be engaged with our partners.  
6 It's really about getting the contracts registered  
7 on time.

8 And so, where we are now in terms of looking at  
9 how we can establish and hold ourselves accountable  
10 with timeframes, is that we really need to have  
11 data that we can hold ourselves accountable to.  
12 Data that is transparent and data that both the  
13 sector can hold us accountable and taxpayers.

14 And so, so of the work really sort of building  
15 blocks that are necessary for the next step to have  
16 the appropriate recommendations. So, we're making  
17 progress now on first stages of contract stat.  
18 Working very closely with the Comptroller's Office  
19 and our partners to establish what we think are the  
20 right KPI's and being able to analyze that data in  
21 conjunction with the Comptroller's Office and  
22 reporting back out to the sector. I think will put  
23 us in a better place to inform what the appropriate  
24 timeframes are.

1  
2 CHAIRPERSON STEVENS: So, help me understand.  
3 So, what you're saying is, you don't think that a  
4 timeframe will make sense but you need data to help  
5 you analyze what's going on.

6 LISA FLORES: So, specifically Chair, question  
7 Chair earlier around specific timeframes for steps  
8 of the process, what I'm saying is, individual  
9 steps of the process are important but ultimately  
10 the goal is to make sure that we register contracts  
11 on time and that you get paid on time.

12 CHAIRPERSON STEVENS: Yeah but putting  
13 timeframes in place would help it be registered on  
14 time. Because the problem right now is that there  
15 is no time, which because there is no timeframe,  
16 you guys get to take your time and it's all over  
17 the place. And even when you look in PASSport, no  
18 one knows where it's at in the process. So, it's  
19 not making sense. So, you don't need the data, you  
20 need a timeframe so people can say, you got 90-days  
21 to register the contract and that's it. And then  
22 like, that's how we can get you guys moving  
23 forward. Right now, that's not what's happening.  
24 The Comptroller has a timeframe. You guys also  
25 need a timeframe. The Comptroller has 30-days from

1 once it gets to their desk to get it done, why  
2 don't you have a timeframe?  
3

4 LISA FLORES: Thank you for the question Chair  
5 and for the feedback. So, we, again and we've made  
6 some steps and they're building block steps in  
7 terms of what's available to providers. So, one of  
8 the recommendations that was in the Task Force  
9 report that's been completed is that we now have in  
10 PASSport. As a provider, you can see the  
11 milestones. So, you can see where you are in the  
12 process, which didn't exist previously and we  
13 continue to hope to build upon that. And yes, as  
14 previously being in the position as Deputy  
15 Comptroller for Contracts, I understand the three-  
16 day clock and it has an impact on the end of the  
17 process. And so, just to clarify, it is important  
18 for us to establish the correct parameters and  
19 timeframes that actually accomplish the intended  
20 goal.

21 And so, and we have to have the ability to then  
22 look at the information, have performance  
23 dashboards, and hold ourselves, hold our agencies  
24 accountable. And so, we need all the tools in  
25 place to do that and so, I think we would be

1 looking forward if possible to walk you through  
2 more detail then we will be able to do today at  
3 this hearing of sort of where we are with some of  
4 the recommendations particularly around data and  
5 particularly around how we're looking at  
6 timeframes.  
7

8 I would also say that as mentioned earlier, some  
9 of the language and introduction is similar to what  
10 exists in the current PVB rules. You know  
11 previously the procurement policy board I think  
12 last met at some time in 2019 before the Adams  
13 Administration. That is an important body, an  
14 important government body that really is intended  
15 to be active and looking at rules, looking at  
16 timeframes as appropriate and being informed by  
17 data, so that the board can act upon ensuring that  
18 we have timely registration and so, we've already  
19 had - we formed the PVB. We've had our first  
20 meeting and we've already planned out the schedule  
21 for the full year and we intend for that PVB to be  
22 extremely active and this will be one of the topics  
23 that will be discussed in that board.

24 CHAIRPERSON STEVENS: Yeah, I think that the  
25 sector has waited long enough where we have seen

1  
2 that this office has not been able to do this in a  
3 timely manner and we need to move forward with  
4 figuring out establishing timeframes. I don't  
5 think that we need to wait additional time to  
6 figure out data and analyze it because the data has  
7 shown that that has not been able to happen  
8 currently.

9       So, I hear what you're saying but I think that  
10 we need to move forward. I just have a few more  
11 questions and then I'll be passing it over to Chair  
12 Won.

13       In 2022, DYCD released a Compass Contract with  
14 1,414 participant rate, which had no increase from  
15 the prior year. What factors or metric does DYCD  
16 consider before issuing an RFP with no rate  
17 increase for providers?

18       DANA CANTELMI: Dana Cantelmi, Aging Chief  
19 Contracting Officer for the Department of Youth and  
20 Community Development. Thank you Chair Stevens for  
21 the question.

22       DYCD did not release an RFP in 2022. Those are  
23 existing contracts that are currently in place.

24       COMMITTEE COUNSEL: Excuse me, sorry. One  
25 second. We have to swear you in.



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1

DANA CANTELMY: Oh, sorry.

2

3

COMMITTEE COUNSEL: Can you please raise your  
right hand? Do you swear to tell the truth, the  
whole truth and nothing but the truth and to  
respond honestly to Council Member questions.

4

5

6

7

DANA CANTELMY: I do.

8

COMMITTEE COUNSEL: Thank you.

9

10

DANA CANTELMY: So, that rate that you're  
referencing I believe is the Summer Rising Rate.

11

CHAIRPERSON STEVENS: Yes.

12

13

DANA CANTELMY: Okay, we did not release an RFP  
in 2022.

14

15

16

CHAIRPERSON STEVENS: Okay, oh, yeah, you not  
release it because it was just rolling over the  
same contract.

17

DANA CANTELMY: Correct, yes.

18

19

20

21

22

CHAIRPERSON STEVENS: And so, that's part of the  
issue. So, can you talk about how not increasing  
the contract rate is currently a problem for  
providers when we know inflation and all these  
things are taking place?

23

24

25

DANA CANTELMY: Yeah, so in 2016, DYCD did  
release an RFP which we had to cancel because we  
understand that the rate was an issue. We do

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1 understand that this is something that the  
2 advocates have been pushing for and we are taking  
3 their feedback into consideration, which is why the  
4 concept paper and RFP have not been released as of  
5 yet. We are in the process of the stakeholder  
6 engagement to release the RFP, so that we ensure  
7 that the price is something that makes sense to the  
8 nonprofits.  
9

10 CHAIRPERSON STEVENS: But we understand that  
11 continuously just extending contracts is really  
12 problematic and harmful to the organizations  
13 because they are required to continue to providing  
14 the services with no increase and taking  
15 consideration for inflation.

16 DANA CANTELMI: Yes, Chair Stevens, we do  
17 understand that but we also understand too that  
18 it's important for these services to continue,  
19 which is why we are working with the Mayor's Office  
20 of Contract Service with the indirect rate  
21 increases and the wage adjustment increases as  
22 well.

23 CHAIRPERSON STEVENS: And I just want to make  
24 sure that I heard you correctly. The last RFP was  
25 released in 2016?

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1  
2 DANA CANTELMY: That was the RFP which we had to  
3 cancel because the rate was not -

4 CHAIRPERSON STEVENS: Yeah and it's 2023, so  
5 people have been operating with the same rate for a  
6 number of years. Super problematic, thank you.

7 Uhm, does MOCS or Central Clearing House review  
8 RFP's to ensure fair rates and wages are included?  
9 If not, how's the city working to ensure fair wages  
10 for contracts?

11 LISA FLORES: Thank you Chair. So, yes, there  
12 are many RFP's that are reviewed by the Mayor's  
13 Office of Contract Services. Not all RFP's are  
14 reviewed by our office if they are delegated to an  
15 agency. And our office as an oversight is ensuring  
16 that the procurement rules and existing laws and  
17 processes that are required are obviously set and  
18 adhere to in the RFP and the agencies are obviously  
19 as programmatic experts responsible for drafting  
20 the appropriate RFP in order to procure the  
21 services needed.

22 CHAIRPERSON STEVENS: So, how are we ensuring  
23 fair wages?

24 LISA FLORES: Chair, there is a number of  
25 factors that go into our review of the contracting

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1 process and any set rules or regulations and  
2 standards related to the procurement process, we  
3 ensure that those are adhered to and the agencies  
4 work closely with their partners at OMB you know in  
5 terms of establishing the correct contact maximum  
6 and what's appropriate for any procurement and any  
7 solicitation.  
8

9 CHAIRPERSON STEVENS: Many providers are having  
10 trouble filling roles due to low wages, yet  
11 providers with three or more vacant positions are  
12 now being put on corrective action plans by DYCD  
13 and in DFTA. Can we clarify the purpose of  
14 consequences of a correction action plan? Welcome  
15 back.

16 DANA CANTELMI: I know. So, for DYCD, I would  
17 want to take that back to the team and get back to  
18 you because I do know that although we do do site  
19 visits, I don't have specific on the corrective  
20 action plans that are given out, specifically on  
21 the staffing.

22 CHAIRPERSON STEVENS: Uhm, youth service  
23 providers have concerns that issuing annual  
24 contract extensions; what we just talked about,  
25 uhm, leads to cuts in salary for workers because of

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1  
2 high rates of inflation. How are COLA increases  
3 accountable for when contracts are extended or  
4 opposed to going through a controversy or RFP  
5 process?

6 NAVITA BAILEY: Good afternoon, Navita Bailey  
7 DYC Deputy CFO.

8 COMMITTEE COUNSEL: We just need to -

9 NAVITA BAILEY: Sure.

10 COMMITTEE COUNSEL: Can you raise your right  
11 hand please. Do you swear to tell the truth, the  
12 whole truth and nothing but the truth and to  
13 respond honestly to Council Member questions?

14 NAVITA BAILEY: Yes, I do.

15 COMMITTEE COUNSEL: Thank you. You can proceed.

16 NAVITA BAILEY: Good afternoon Chair Stevens.  
17 Do you mind repeating that question again?

18 CHAIRPERSON STEVENS: Uhm, youth providers have  
19 voiced concerned that issuing annual contract  
20 extension leads to cuts in salaries for workers  
21 because of high rates of inflation. How are COLA  
22 increases accounted for when contracts are extended  
23 that are going to controversial RFP processes?

24 So, before we talked about the last RFP that  
25 happened in 2016. How are COLA's looked at each

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1  
2 year, so we can make sure we're keeping up with  
3 rate of inflation?

4 NAVITA BAILEY: Well, COLA has decided it's a  
5 citywide initiative, so it's not necessarily  
6 decided by agencies. It's depending upon funding  
7 availability that the city has. Regarding contact  
8 continuation, we continue to move forward the COLA  
9 that's awarded.

10 So, no provider will get any kind of cut if  
11 there's any continuation in their contract.  
12 Additionally, the city also recently initiated the  
13 Wage Enhancement Initiative. And so, that's  
14 another vehicle for contractors to get additional  
15 funding to support staffing in regards to respond  
16 to inflation.

17 CHAIRPERSON STEVENS: Thank you.

18 NAVITA BAILEY: You're welcome.

19 CHAIRPERSON STEVENS: Before I pass it off to  
20 Chair Won, I would like to acknowledge Council  
21 Member Avilès who joined us.

22 CHAIRPERSON WON: Thank you so much Chair  
23 Stevens. Good to see you Executive Director Ford,  
24 Director Flores. Could you help us understand the  
25 authority of the Office of Nonprofit Services? How

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1 will this office help implement the joint task  
2 force's recommendations? We're just trying to  
3 understand the new structures since it has been  
4 new. It's in tandem with MOCS as an office within  
5 in MOCS? So, that's my first question.

7 KAREN FORD: Right, so the office, the Mayor's  
8 Office of Nonprofit Services, reports directly to  
9 the First Deputy Mayor Sheena Wright, so that's the  
10 chain of authority that the office holds in place  
11 in the position that it will have in this  
12 administration. We work in collaboration with MOCS  
13 because MOCS is the contact expert on a lot of the  
14 contracting and procurement areas and the reforms  
15 that are going to get done. Our role in this work  
16 will be to project manage to lead to pretty much  
17 ensure that the work is getting done to provide  
18 support as we can through the Mayor's Office, as  
19 well as to be the point of communication for  
20 nonprofit providers. The central point of  
21 communication for them to come to.

22 Also, to have a voice in the reform work that is  
23 getting done. So, that's the way that we see the  
24 office working.

25

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1  
2 CHAIRPERSON WON: Can you help me understand,  
3 because I know currently Nonprofit Resiliency  
4 Committee has been the main point of contact for  
5 many nonprofits who are having issues and that  
6 Committee still exists. Is that true?

7 KAREN FORD: That, I will have to get back to  
8 you. Thank you for the question.

9 CHAIRPERSON WON: Uhm, Director Flores?

10 LISA FLORES: Nice to see you Chair Won. Thank  
11 you for the question. So, it's my understanding  
12 you know the bill that was introduced, that  
13 formulated this office and the requirement for the  
14 Mayor's Office of Nonprofit Services was really an  
15 output of what was a successful NRC in the last  
16 administration.

17 And so, our engagement now you know at the  
18 direction of City Hall as it relates to the task  
19 force work is that we have taken touch points  
20 through City Hall leading and providing updates  
21 since the Task Force report was released on the  
22 progress in achieving those recommendations and  
23 workstreams. And even outside of those more formal  
24 touch points, whether it's engagement with the  
25 sector or key partners providing updates and



1  
2 allowing for that opportunity to engage and provide  
3 feedback. And now, that Executive Director Ford  
4 has been appointed, as she mentioned in her  
5 testimony, a key part of what will be a focus of  
6 the office, is really having that central place of  
7 providing input for creating a space to bring not-  
8 for-profits together on a host of issues, including  
9 contracts that will be just one of the convenings  
10 that will be held in order to have consistent  
11 partnership with the sector.

12 CHAIRPERSON WON: So, does this mean that the  
13 Nonprofit Resiliency Committee will be phased out?

14 LISA FLORES: Thank you for the question.  
15 Nonprofit Resiliency Committee sort of predates the  
16 creation of this office and many of the tasks and  
17 what was in the bill was really based on the best  
18 practices and the output of that NRC and is just  
19 one of the many tenants that will be part of the  
20 Mayor's Office of Nonprofit Services, as described  
21 in Executive Director Ford's testimony.

22 CHAIRPERSON WON: Okay, so if I understand  
23 correctly, the NRC will be consolidated into the  
24 nonprofit office?

25

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1  
2 LISA FLORES: The NRC again, sort of a Committee  
3 from the last administration and then COVID  
4 happened Chair and there was a lot of engagement  
5 with the sector dealing with obviously the pandemic  
6 and the emergency and communication, loads of  
7 communication change at the height of COVID and  
8 since the beginning of – as mentioned in both of  
9 our testimonies of this Administration, not only  
10 the task force work, there's been a lot of work  
11 done to really establish what are the primary goals  
12 of this office and as Executive Director Ford  
13 mentioned in her testimony, a communication  
14 bringing stakeholder issues to the Administration,  
15 ensuring that we're acting upon those and that we  
16 are implementing our recommendations will just be a  
17 few of the – some of the work that will happen  
18 through months.

19 CHAIRPERSON WON: For the standardization of  
20 contract processing across agencies is critical and  
21 as you can see in this Co-Chair-ship of this  
22 hearing with youth and seniors and so many else,  
23 there are so many agencies that work directly with  
24 nonprofits. So, for contracts, the standardization  
25 across all the agencies will be critical, as we've

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1 talked about in many hearings. Will the Mayor's  
2 Office of Nonprofit Services have the authority to  
3 implement changes across these agencies? What has  
4 the message been across the agencies to understand  
5 who they should speak to, one, for knowing when to  
6 go to MOCS and when to go to nonprofit services?  
7 And what is the difference and what is authority  
8 difference?  
9

10 KAREN FORD: So, right now, during the reforms,  
11 we have convened across agency governance process.  
12 We are - every agency is involved in the reform  
13 process. That includes having steering committees  
14 and having leadership oversight from each of the  
15 different reforms. So, the way that we have  
16 engaged the reform work will continue on this, uh,  
17 in the Mayor's Office of Nonprofit Services.

18 One of the areas also just to also kind of  
19 double back Chairwoman Won, is that I forgot to  
20 mention that we are going to have an Advisory Board  
21 of nonprofit providers that will participate in  
22 again, helping to look at the reforms, help set  
23 policy, help make recommendations that will go  
24 forward towards the Mayor's Office.  
25

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2 CHAIRPERSON WON: So, for the agencies, what has  
3 currently been communicated on what you have  
4 authority to change and what MOCS has authority to  
5 change? Or when they should be coming to either of  
6 you?

7 KAREN FORD: So, the office is new right? So,  
8 we are still in the process and phasing of moving  
9 forward with meeting with all of the offices across  
10 the administration. That is on my list of to do's  
11 and will be forthcoming. We will be able to report  
12 out on all of the reforms and the changes in the  
13 processes in the near future.

14 CHAIRPERSON WON: What is your current budget  
15 for the Mayor's Office of Nonprofit?

16 KAREN FORD: Right now, the budget is anywhere  
17 between \$1.2 to \$1.5 and that's all personnel  
18 services.

19 CHAIRPERSON WON: And what is your projected  
20 budget for the next fiscal year?

21 KAREN FORD: The next fiscal year is the same.  
22 It's \$1.2 moving -

23 CHAIRPERSON WON: And how many personnel's or  
24 staff you expect to be able to have within your  
25 office budget?

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1 KAREN FORD: Including myself will make nine.

2  
3 CHAIRPERSON WON: Okay. The implementation of  
4 PASSport is a meaningful starting point but the  
5 city must further streamline in standardized  
6 processes, documentation systems and invoicing  
7 systems within agencies. Several straggler  
8 agencies have yet to adopt the digital platforms  
9 that the New York City Department of Health and  
10 Human Services for example, still does not have  
11 PASSport. And the Department of Education only  
12 partially uses it. What is the administration's  
13 progress on remedying this patch work system?

14 LISA FLORES: Thank you Chair Won. All of the  
15 mayoral agencies have full adoption of the use of  
16 PASSport for any transactions that are supported by  
17 PASSport. I may have mentioned at a previous  
18 hearing, the bulk of the procurement workflow  
19 processes, meaning if you're doing an RFP, if  
20 you're doing a sole source, if you're doing a BID  
21 was rolled out during COVID. And so, as you can  
22 imagine, you know there was definitely a slower,  
23 sort of adoption at the beginning of that process,  
24 where we were able to do our normal full  
25 implementation in terms of providing in-person

1 training and support to agencies. But at this  
2 point, all mayoral agencies are fully adapted to  
3 using whatever functionality exists currently in  
4 PASSport.  
5

6 As it relates to DOE, DOE as you know is not a  
7 mayoral agency and they have their own rules and  
8 are governed by New York State Education Law and  
9 they have their own systems, however, you know they  
10 have been a partner with us to have some of their  
11 contracts go through PASSport and the Chancellor  
12 and First Deputy Mayor and City Hall have all  
13 committed that part of our longer-term goals are  
14 really to in addition have DOE be part of PASSport  
15 and adopted where possible. Again, knowing that  
16 they have different rules and are governed by  
17 different state laws.

18 CHAIRPERSON WON: Got it. For the nonprofit  
19 task force, there has been conversation about  
20 contracts stat. Can you help me understand the  
21 difference between the current interface on  
22 PASSport, which shows the status of the contract or  
23 that RFP versus what you're trying to build in  
24 contract stat and why you need two separate  
25 interfaces and two separate investments for that?

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1  
2 LISA FLORES: Thank you Chair Won. So, first I  
3 will say that I think uhm, you know any software  
4 while it may do many things, no one software does  
5 everything and I will say, when the city ruled out  
6 APT many years ago, reporting was also an issue in  
7 terms of what functionality of extracting the data  
8 was available and then, how do you use that data in  
9 a way that you can easily scale up, replicate and  
10 make accessible to all of the stakeholders involved  
11 in the process.

12 And so, there is abundance of information that  
13 is generated from PASSport and we have begun to  
14 produce some of that information publicly on  
15 PASSport public data and to provide some of that  
16 information to vendors as they're in the system  
17 moving through the process. Contracts stat really  
18 is an accountability tool above and beyond just I  
19 am moving through the process in PASSport and where  
20 am I in the process right?

21 It's about having the agility to establish  
22 KPI's, review those KPI's and have those dashboards  
23 be accessible to multiple stakeholders and to mind  
24 that data in a way that holds us accountable. And  
25 so, while we have the ability to run information

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1 data inquiries in PASSport, we want a tool that is  
2 very agile, very accessible, and that provides all  
3 of the stakeholder including the none for profit  
4 sector, the ability to hold us accountable. I know  
5 it will be something that is continually phased  
6 with additional data, as the steering committee, as  
7 the advisory board reviews data together as a team  
8 side by side including sector partners and  
9 determine additional KPI's and data that we should  
10 be held to and we'll be using contract staff for  
11 that.  
12

13 CHAIRPERSON WON: That would simply just be  
14 another user interface that uses contract  
15 information from PASSport as the backend. That is  
16 very easily doable in contracts stat. How much do  
17 you expect to pay for contract stat?

18 LISA FLORES: At this point, we don't have a  
19 finalized budget for contract stat. We're doing  
20 our due diligence in ensuring with our partners at  
21 OTI in looking at all of the possibilities. To  
22 your point, we're - it's on our attention to create  
23 a whole new system. It's our intention to be  
24 flexible and ensure that we are using sort of best  
25 practices on the front end visualization of



1 contract data that is pulling from our PASSport  
2 system in the most effective way in looking at all  
3 of the tools that are used across the city, so that  
4 we are lock step with performance dashboards that  
5 are used for other purposes across the city at the  
6 direction of OTI and ensuring that we are you know  
7 providing even internally when we're looking at  
8 dashboards and again externally. This is sort of  
9 unprecedented that we're going to have a process  
10 like CompStat but bringing in providers as well to  
11 look at this data that we are - we have this one  
12 experience.  
13

14 So, we're finalizing with our partners at OMB  
15 and OTI the final price tag but again, we're not  
16 voting a new work flow system. We want to ensure  
17 that we had the appropriate tool that's as  
18 efficient and cost effective as possible to  
19 visualize the data that is usable for performance  
20 management purposes from the huge amount of data  
21 that is produced for PASSport.

22 CHAIRPERSON WON: A dashboard is just data  
23 visualization on a user interface. That is very  
24 easy to build, very cheaply even on-air table that  
25 can save the city a lot of money, which is what I

1 recommend. And for best practices, research has  
2 shown time and time again, user research shows that  
3 it's better to have one user interface instead of  
4 having 15. So, I really recommend that you try to  
5 work within PASSport on that vendor for contract  
6 stat because the idea itself in essence sounds good  
7 and it's very easily implemented but I just do not  
8 want to see anymore millions and millions of  
9 dollars wasted building another user interface with  
10 another contractor for another contract that may  
11 take us another eight years to get it done.

12  
13 The next question I have is for the Joint Task  
14 Force acknowledged the exponential cost of  
15 nonprofits created by the city's delay in contract  
16 registration and payment. Is it feasible for the  
17 city to reimburse the interest on private loans  
18 borrowed to cover operating expenses for  
19 unregistered retroactive contracts as referenced in  
20 the report?

21 LISA FLORES: Thank you for the question Chair.  
22 I was not participant in all of the Joint Task  
23 Force conversations but I believe that was part of  
24 many recommendations that were discussed as part of  
25 the Task Force before issuing the final

1 recommendations. At this time, we are working  
2 really hard on all of the recommendations that did  
3 make it into the Task Force Report. And obviously,  
4 with our partners again at the Comptroller's Office  
5 in the sector, I would welcome ongoing  
6 conversations through the Advisory Board of  
7 anything else that we need to investigate with the  
8 sector.  
9

10 CHAIRPERSON WON: Will you be able to expand the  
11 returnable grant fund? It was one of the  
12 recommendations.

13 LISA FLORES: As I think it was mentioned in  
14 Executive Director Ford's testimony, that is  
15 actually one of the workstreams that we're working  
16 on. And so, we are working with the sector and our  
17 partners across city government to look at the  
18 appropriate expansion and where is the best place  
19 to focus our efforts. Obviously, there is lots of  
20 options. You could focus on small vendors, large  
21 not-for-profit providers. Providers that are in a  
22 certain phase in the contracting process and there  
23 is active discussions in the workstreams around the  
24 expansion and the appropriate - where it's  
25 appropriate to lean in with an expansion of the

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1 returnable grant funds. And that 100 percent we'll  
2 have updates in the near future.  
3

4 CHAIRPERSON WON: Thank you and I want to  
5 acknowledge we've been joined by Council Member  
6 Riley and next, I'll turn it over to Chair Hudson  
7 for her questions.

8 CHAIRPERSON HUDSON: Thank you so much Chair  
9 Won. My first question is, is the city planning to  
10 increase funding in contracts to address inflation?

11 LISA FLORES: Thank you Chair for the question.  
12 As stated previously, it is really important for us  
13 to not only implement the recommendations of the  
14 task force but some of the investments that we've  
15 made, even in the budget climate that we're in,  
16 including the \$68 million work force enhancement,  
17 including the continuing - which is baselined in  
18 the future as well. So, it's not a one time, it's  
19 baseline across the portfolio in addition to the  
20 continuation of our indirect cost rate, which sort  
21 of dove tails on Chair Won's question earlier, that  
22 was an output of the previous NRC, which we have  
23 continued to commit to and working with the sector  
24 to make sure that every provider accesses that ICR,  
25 RCR rate in their contracts. And looking to

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1 additional you know additional work, whether it's  
2 investments or some of the task force  
3 recommendations of getting things done quicker, so  
4 that you can get paid on time and not have that  
5 burden, an unnecessary burden on nonprofits as  
6 they're doing the work that is required in their  
7 contract.  
8

9 So, we are looking at all possibilities, not  
10 only the ones that are in the task force and again,  
11 through the advisory board, I'm sure there will be  
12 additional recommendations that will be discussed.

13 CHAIRPERSON HUDSON: Okay, so for the record,  
14 that's a yes?

15 LISA FLORES: Chair, for the record as I said,  
16 everything is on the table. As you know, the  
17 Council will be engaging with the administration  
18 soon on budget negotiations, so I would defer to  
19 those who would participate in those conversations.

20 CHAIRPERSON HUDSON: Okay, so it sounds more  
21 like a no. I just want to be clear for the record.

22 LISA FLORES: Thank you. I appreciate wanting  
23 to have clarity for the record and the clarity is,  
24 the budget negotiations that are outside of the  
25 function of Executive Director and myself, if you

1 know if that's on the table for those parties in  
2 the administration had the discussion, then I'm  
3 sure we'll be open to having that discussion with  
4 you.  
5

6 CHAIRPERSON HUDSON: Okay, I'll take that as a  
7 no then for the record. Are subcontractors  
8 eligible for cash advances, bridge loans or other  
9 benefits available to lead contractors? And how  
10 does the city support subcontractors?

11 LISA FLORES: I'm sorry, can you repeat the  
12 question Chair?

13 CHAIRPERSON HUDSON: Are subcontractors eligible  
14 for cash advances, bridge loans or other benefits  
15 available to lead contractors and how does the city  
16 support subcontractors? So, I mean this is  
17 specific to aging but just as an example, we  
18 distributed or NYC Aging distributed vans last year  
19 for home delivered meals but subcontractors weren't  
20 eligible for those. So, I'm just trying to get you  
21 know the difference of treatment between or  
22 available resources for subcontractors versus lead  
23 contractors.

24 CHAIRPERSON HUDSON: Thank you Chair. We'll be  
25 able to speak to the specifics of the example that

1  
2 you provided but the general procurement and  
3 contracting response. The relationship with the  
4 city is with the prime vendor, the legal privity is  
5 with a prime vendor. And so, in terms of what is  
6 available through the State of Human Services  
7 Contract, which again was many years ago an output  
8 of a different committee that was not called NRC,  
9 it was called something else.

10 There was the creation of the State of Human  
11 Services Contract and the creation of advances,  
12 which now is up to 25 percent and that advance  
13 through the Human Service Contract, also no longer  
14 requires, which was instituted I think during  
15 COVID, no longer requires the initiation of  
16 documentation from the nonprofit provider in order  
17 to access those – the 25 percent advance. It  
18 happens automatically.

19 And so, but that privity in terms of the  
20 contract is with the prime vendor. That's just the  
21 legal relationship.

22 CHAIRPERSON HUDSON: Okay.

23 LISA FLORES: In terms of loans, again there is  
24 sort of a general structure requirement of the loan  
25 program of what type of contracting to whom we can

1 provide loans. There have been instances in  
2 certain circumstances where we've sort of been as  
3 creative as possible to support a particular  
4 program or need beyond what is sort of the prime  
5 relationship but the privity and the legal  
6 relationship is with the prime vendor. And more  
7 generally obviously, we're here today to talk about  
8 human service providers but obviously, you know the  
9 administration just made a huge investment of over  
10 \$75 million with partners in the private sector for  
11 supporting NWBE's and providing enhancing loan  
12 programs in that sense. So, there are lots of  
13 other programs where you talk about the contracting  
14 portfolio as a whole.

16 CHAIRPERSON HUDSON: And are subcontractors or  
17 even prime contractors as well, are they aware of  
18 these opportunities and forthcoming opportunities  
19 or what's your plan to make them aware?

20 LISA FLORES: Citywide both MOCS and our  
21 partners across multiple agencies, whether it's  
22 Office of NWBE or SBS, has multiple modes of  
23 communication, whether obviously the social media,  
24 documentation, newsletters but also out in all of  
25 the bureaus and really you know for the Department



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1 of Small Business Service. As you know they have  
2 workforce centers in each bureau. They have small  
3 business service in each bureau. They have mobile  
4 the mobile sort of van that goes around to  
5 different locations. So, there are every possible  
6 mode of communication is really leveraged to ensure  
7 that we provide that information. There's always  
8 room for improvement and look forward to any  
9 specific recommendations you think that we really  
10 haven't really touched that we should be working  
11 on.  
12

13 CHAIRPERSON HUDSON: Okay, great and then does  
14 NYC Aging have an answer maybe or thoughts that you  
15 wanted to give? And I can repeat the question but  
16 I think we have to swear you in first.

17 COMMITTEE COUNSEL: Good afternoon, raise your  
18 right hand. Do you swear to tell the truth, the  
19 whole truth and nothing but the truth and to  
20 respond honestly to Council Member questions?

21 MICHAEL OGNIBENE: Yes I do.

22 CHAIRPERSON HUDSON: Let me just repeat the  
23 question for you. Unless you're ready to go. I'll  
24 repeat it. Uhm, are subcontractors eligible for  
25 cash advances, bridge loans or other benefits

1 available to lead contractors and how does the city  
2 support subcontractors? And so the example that I  
3 gave was the home delivered meal vans that we gave  
4 out last fiscal year or I guess this fiscal year.  
5 And that subcontractors weren't eligible to receive  
6 those, so just trying to get a sense of how we  
7 support subcontractors.  
8

9 MICHAEL OGNIBENE: Okay, my name is Michael  
10 Ognibene, First Deputy Commissioner and Chief  
11 Operating Officer for the New York City Department  
12 for the Aging.

13 As Director Flores stated, it's the relationship  
14 with the primary contractor that would allow  
15 advances or loans. So, our relationship is with  
16 the primary and that's who received the hot shot  
17 vans in the census.

18 CHAIRPERSON HUDSON: Okay, any plans for  
19 expanding eligibility or the relationship and  
20 allowing subcontractors to get access to some of  
21 those resources or is it a legal issue?

22 MICHAEL OGNIBENE: It's probably beyond NYC  
23 Aging's decision.

24 CHAIRPERSON HUDSON: Yeah, if I may Chair, I  
25 would just say as part of sort of the previous

1 questions related to the Returnable Grant Fund.

2 Again, that's one of the recommendations to expand  
3 the returnable grant fund and there are active  
4 conversations in those work streams of all  
5 possibilities.  
6

7 So, we can't say today whether or not that will  
8 be part of the sort of the final recommendation of  
9 that workstream but certainly can take that back.  
10 I'm sure it's one of the many things that is part  
11 of those discussions.

12 CHAIRPERSON HUDSON: Thank you. The case  
13 management RFP seems to encourage a more diverse  
14 set of providers which makes sense considering the  
15 diversity of the older adult population. However,  
16 very few if any community districts have a  
17 homogeneous population. How will NYC Aging balance  
18 selecting a provider who focuses on specific  
19 populations, while also ensuring that everyone in  
20 the community district receives high quality and  
21 equitable services?

22 MICHAEL OGNIBENE: Well, the first thing I'm  
23 going to say about the case management RFP is the  
24 deadline to submit proposals was today at noon.  
25 So, we'll have a good count on what was submitted

1  
2 later on and we'll start evaluating proposals there  
3 shortly later this week.

4 Can you repeat the second half?

5 CHAIRPERSON HUDSON: Sure. How will NYC Aging  
6 balance selecting a provider who focuses on  
7 specific populations while also ensuring that  
8 everyone in a community district receives high  
9 quality and equitable services?

10 MICHAEL OGNIBENE: Since our Commissioner has  
11 been with the Department for three and a half  
12 years, that's been certainly her focus is equity,  
13 diversity, trying to expand in areas where they've  
14 been historically underserved and I imagine with  
15 this evaluation, the readers, the training that  
16 we've been doing for the readers, we're certain to  
17 have a diverse set of contractors when the  
18 evaluation is done.

19 CHAIRPERSON HUDSON: Thank you. The Human  
20 Services Council recently rated NYC Aging's RFP for  
21 case management at 60 percent, which means that the  
22 RFP bears a moderate to substantial risk for  
23 applicants. Among HSC's concerns are NYC Aging's  
24 rigid funding requirements, a lack of transparency  
25 in awards, and an inadequate window for providers

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2 to submit proposals. Is NYC Aging aware of these  
3 concerns and taking action to address them?

4 MICHAEL OGNIBENE: Uhm, we're aware of the  
5 concerns but the early scoop is that there's a  
6 tremendous number of proposals that have been  
7 already submitted, so.

8 CHAIRPERSON HUDSON: So, you're not taking  
9 action to address them?

10 MICHAEL OGNIBENE: Well an action would have  
11 been in the RFP but given the number of proposals  
12 that seemed to be coming in, the number 60 percent  
13 maybe under estimating, over estimating the risk  
14 but under estimating the response.

15 CHAIRPERSON HUDSON: Okay. NYC Aging  
16 established a maximum reimbursement of \$75.31 per  
17 hour of service provided. Although the RFP states  
18 that the rate and staffing levels were established  
19 by the analysis based on FY22 expenditures and case  
20 management hours is unclear in the RFP how this  
21 rate was established in order to cover the full  
22 cost of services. How is this rate established and  
23 why not communicate that information to providers?

24 MICHAEL OGNIBENE: I'm going to defer to our CFO.

25 CHAIRPERSON HUDSON: Sure.

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1 MICHAEL OGNIBENE: Okay.

2  
3 COMMITTEE COUNSEL: Good afternoon and please  
4 raise your hand. Do you swear to tell the truth,  
5 the whole truth and nothing but the truth and to  
6 respond honestly to Council Member questions?

7 JOSE MERCADO: I do.

8 COMMITTEE COUNSEL: Thank you.

9 JOSE MERCADO: Jose Mercado Chief Financial  
10 Officer. We did, as you pointed out, we did look  
11 at the actual expenses for FY22 but you also got to  
12 factor in that there was additional money added,  
13 about \$5 million to this RFP.

14 CHAIRPERSON HUDSON: I'm sorry, how much?

15 JOSE MERCADO: \$5 million.

16 CHAIRPERSON HUDSON: \$5 million. So, and you're  
17 saying that you did communicate the information to  
18 providers?

19 JOSE MERCADO: Yeah, we did, yes.

20 CHAIRPERSON HUDSON: HSC recommends that NYC  
21 Aging provide a sample budget to ensure  
22 transparency on how rates are developed and to  
23 assess what actual costs are, so that providers are  
24 paid for those costs. Does NYC Aging plan on  
25 providing sample budgets in the future?

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2 JOSE MERCADO: We actually took that into  
3 consideration in the new RFP for the geriatric  
4 mental health. We did provide – we will be proving  
5 as part of that sample budget.

6 CHAIRPERSON HUDSON: Okay, that's good. It  
7 seems like you're beating us to the punch, so  
8 that's a positive. The RFP states that contractors  
9 should submit budgets assuming a ten percent  
10 indirect cost rate and if awarded, they'll be  
11 provided the difference between the ten percent de  
12 minimis and the certified indirect cost rate as a  
13 separate allocation.

14 Providers argue that this reimbursement process  
15 is inefficient and creates further administrative  
16 burdens. Why aren't providers able to submit  
17 budgets with just their certified indirect cost  
18 rate and why ten percent de minimis?

19 JOSE MERCADO: So, when we factor in the budget,  
20 I mean, for example as pointed out earlier, each  
21 organization dismiss their own ICR. They get their  
22 own ICR approved my MOC. We then basically factor  
23 those in. When we first developed the budget, that  
24 information was kept to the side to ensure that  
25 everyone gets their own ICR separately from the

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1 RFP. We start off with ten percent, everyone gets  
2 ten percent. They in turn get their own individual  
3 to ensure that they get what they are supposed to  
4 get.  
5

6 LISA FLORES: And if I may Chair just to add to  
7 Jose's answer. Just to separate or distinguish  
8 sort of the budgetary process and assumptions  
9 needed to size the box for the procurement and then  
10 obviously administering the contracts once awarded  
11 and contractors that have accepted ICR receive  
12 their ICR in their contract.

13 CHAIRPERSON HUDSON: Okay, thank you. The case  
14 management RFP states that NYC Aging can change or  
15 modify the geographic area of the catchment payment  
16 structure, the program service size, program type,  
17 and model depending on the needs of the system and  
18 to change units if city, state and or federal  
19 definitions of service are changed.

20 Per HSC, this is a risk for applicants because  
21 they need to ensure that they have enough financial  
22 and staff resources to sustain the program in case  
23 NYC Aging decreases funding at any time or  
24 increases the program size during the contract.  
25



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1  
2 Does NYC Aging understand this risk for service  
3 providers?

4 JOSE MERCADO: Yes.

5 CHAIRPERSON HUDSON: And what can NYC Aging do  
6 to increase transparency in the RFP process, so  
7 applicants better understand the scope of services  
8 they're expected to provide if their proposal is  
9 accepted?

10 JOSE MERCADO: I think for example with the new  
11 geriatric mental health, you'll see much more  
12 information being shared, based on the information  
13 that's been provided to us from the CMARFP.

14 CHAIRPERSON HUDSON: The case management RFP was  
15 issued on December 14, 2022, and closed on January  
16 27, 2023. Is that correct or you said today,  
17 right?

18 JOSE MERCADO: Yeah, we extended it for one day.

19 CHAIRPERSON HUDSON: Okay, so but it was issued  
20 on December 14<sup>th</sup>, so would NYC Aging be open to  
21 setting an application window that doesn't coincide  
22 with the holiday season and three federal holidays?

23 JOSE MERCADO: I think those days were built  
24 into the timeline.

25

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1  
2 CHAIRPERSON HUDSON: Okay. In the future, will  
3 NYC Aging's case management - so, sorry, let me go  
4 back to that really quickly. So, what is the -  
5 what's the full timeline then that you consider to  
6 be sufficient for applicants. If you baked in all  
7 of the holidays?

8 JOSE MERCADO: So, if a month is an adequate  
9 timeline and this is about five in a half weeks.

10 LISA FLORES: Chair if I may just for a moment.  
11 Uhm, just from a technical standpoint, the rules  
12 require a minimum of 20 days. And often in  
13 contracts were nonprofit providers, it's as in this  
14 case, the starting point was more than 20 days.  
15 And many agencies extend the timeframe if they  
16 receive feedback from nonprofit providers prior to  
17 the closing date. In some cases, they need more  
18 time or there are more questions and the agencies  
19 make a decision whether or not to extend the period  
20 but just the rules perspective, it's 20 days is the  
21 minimum.

22 CHAIRPERSON HUDSON: And who establishes those  
23 rules?

24 LISA FLORES: The 20 days is in the procurement  
25 policy board rules.

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1  
2 CHAIRPERSON HUDSON: Okay, so those rules could  
3 be changed?

4 LISA FLORES: Absolutely, there's an opportunity  
5 to discuss through the PBB if there's a different  
6 timeframe. I would also say that again, allowing  
7 for the flexibility and agility for each program  
8 and agency to make the appropriate sort of  
9 programmatic decisions for a number of reasons.  
10 One, ensuring that to earlier line of questioning,  
11 that they can get new awards done and in some  
12 cases, sticking to that timeline obviously is  
13 important, so that you don't have a delay in the  
14 transition from existing contracts to new  
15 contracts, or there will have to be a decision made  
16 to extend contracts to ensure continuity of  
17 services.

18 So, doing solicitations is important to stick to  
19 that timeline to prevent that from happening but we  
20 also did some work with the sector some years ago,  
21 a few years ago and I'm happy to provide you with  
22 the documentation in what was shared with the  
23 sector and it was also an output of the NRC of how  
24 to really do sort of community, more community  
25 engaged RFP process and the best practices around

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1  
2 that and part of that process depending on the  
3 program would inform the amount of time that the  
4 RFP would be on the street.

5 CHAIRPERSON HUDSON: Okay, thanks. I mean, go  
6 ahead.

7 JOSE MERCADO: I'm going to add to that. So,  
8 you'll recall with the older adult center RFP, we  
9 did extend the timeline based on feedback we were  
10 receiving. With this RFP, even though we put it  
11 out in December and we held our conference and the  
12 questions that we were receiving each day and we  
13 had a couple addendums that followed, none of them  
14 requested an extension in time, which is why we  
15 closed today.

16 CHAIRPERSON HUDSON: Thank you for that and all  
17 of that makes sense. I guess it also would seem  
18 that if you're putting out a due date for a  
19 contract or for an RFP, and then people are in  
20 certain circumstances asking for more time. It  
21 might be more efficient to just extend the amount  
22 of time that the contract is out for, so that you  
23 don't have to go back and forth between folks and  
24 then extend the time.

25

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2 JOSE MERCADO: To Chair Stevens point earlier  
3 about timelines, knowing that these contracts start  
4 July 1<sup>st</sup>, we back up a year ago and started thinking  
5 about this RFP, so we would hit the July 1<sup>st</sup>  
6 timeline as opposed to extending and then July 1<sup>st</sup>  
7 becomes a problem. So, I think that we're dead on.  
8 We're going to have time to review these proposals  
9 and if there is changes in the awards, be able to  
10 get those new providers up to speed for July 1<sup>st</sup>  
11 start date. You've got to stick to some type of  
12 schedule and that's the schedule we chose.

13 CHAIRPERSON HUDSON: Yeah, I understand but if  
14 we're planning a year in advance, then perhaps we  
15 could make the date of distribution of the RFP  
16 maybe a little bit earlier, just to give folks a  
17 little bit more time.

18 JOSE MERCADO: Sure, thank you.

19 CHAIRPERSON HUDSON: I'm going to go to my  
20 colleagues for a couple of questions because  
21 they're on time limits. So, we're going to go to  
22 Council Member Schulman and then followed by -  
23 we're going to go to Council Member Schulman for a  
24 moment.

25

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COUNCIL MEMBER SCHULMAN: Thank you very much and thank you very much for this really important hearing. I've worked with HSC and uhm in many iterations and all of these Intro.'s are very important. So, I have a question for Ms. Ford I think it is. So, how much of a - I know you're relatively new and welcome. How much of a backlog is there? Like, how many organizations are still owed money right now?

KAREN FORD: Thank you Councilwoman Schulman for that question. We will get back to you on that.

COUNCIL MEMBER SCHULMAN: Okay.

KAREN FORD: Okay.

COUNCIL MEMBER SCHULMAN: So, the second question, I didn't think that you would have it out here. The second question is, of those organizations that are still owed money, how much money are we talking about and where is that money right now?

KAREN FORD: That, I will get back to you, okay.

COUNCIL MEMBER SCHULMAN: Okay, those were the questions I had Chair. Thank you.

KAREN FORD: Thank you. Thank you for the question.

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2 CHAIRPERSON HUDSON: Thank you. Council Member  
3 Williams.

4 COUNCIL MEMBER WILLIAMS: Great, thank you tri-  
5 Chairs. My first question is for the Mayor's  
6 Office of Nonprofit Services. I just wanted to  
7 know a little bit more details on the functions  
8 that you mentioned in your testimony around  
9 procurement and your third function around being  
10 the central point of contact for nonprofits. Like,  
11 more details.

12 KAREN FORD: Yes, thank you Councilwoman  
13 Williams. So, the area around procurement is  
14 really working with MOCS. Right now, there are  
15 from the outcome of the joint task force to get  
16 nonprofits paid, there were the 19 recommendations.  
17 So, a lot of the recommendations have turned into  
18 reform workstreams. So, right now, there are  
19 workstreams that are going on and again, I look  
20 forward to coming forward to the Council to talk a  
21 little bit more in depth about the work that we're  
22 doing across agencies. And that work right now,  
23 the Mayor's Office of Nonprofit Services is  
24 directly involved in collaboration with the Mayor's  
25

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1 Office of Contracts in terms of leading the reform  
2 work that's happening.  
3

4 Like, we're meeting regularly, weekly, monthly.  
5 Again, there is governance. You know there buy in.  
6 There's a steering committee of agency leadership  
7 beginning with the Mayor's Office. Right, the  
8 First Deputy Sheena Wright is also championing this  
9 work. So, that's the role that this office is  
10 playing in that respect around contracting and  
11 procurement. Right now, looking at all of the  
12 reforms and making sure that we get them done.

13 COUNCIL MEMBER WILLIAMS: Okay, so you're just  
14 essentially - it's like the Committee of Agencies,  
15 your office, the First Deputy Mayor in this like  
16 Committee of people all working to streamline.

17 KAREN FORD: Absolutely.

18 COUNCIL MEMBER WILLIAMS: Okay, great. And then  
19 the third function, the central point of contact.  
20 How does that work? So, if a nonprofit is  
21 contracting with a city agency or maybe one of our  
22 offices give them discretionary funding, is there  
23 first initial thing to be directed to your office?  
24 How are you actually going to be the central point?  
25



1  
2 KAREN FORD: Yeah, so part of the structure of  
3 the office is a dedicated team for communications  
4 and that is the goal. You articulated it actually  
5 the way it's supposed to manifest itself, so yes,  
6 my office will be the point of contact for  
7 nonprofits in terms of communicating,  
8 troubleshooting issues, sharing resources, and then  
9 working in collaboration with the Mayor's Office of  
10 Contracts and also other city agencies to address  
11 concerns.

12 COUNCIL MEMBER WILLIAMS: Right, I know of  
13 course I don't know what happens in agencies but I  
14 can imagine but I know for us, the nonprofits might  
15 get some type of notification from MOCS. And so,  
16 will they equally get the same notification from  
17 you so they'll have like a direct access way or is  
18 your office going to proactively reach out to them?  
19 And can I have more time? I have a - are you going  
20 to do a second round?

21 Okay, so what do you want? This is my last  
22 question that she answers or I can ask - what do  
23 you want me to do?

24 CHAIRPERSON HUDSON: That's your last and we'll  
25 come back for second round.

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1  
2 COUNCIL MEMBER WILLIAMS: Okay because I'm still  
3 on my first question just to be clear.

4 CHAIRPERSON HUDSON: It's a long first question.

5 COUNCIL MEMBER WILLIAMS: Okay, it's a lot of  
6 follow-up's. Go ahead.

7 KAREN FORD: Alright, so I'm going to also share  
8 this response with my esteemed colleague Director  
9 Flores as well.

10 LISA FLORES: So, first if I may and hopefully  
11 I'm not taking from your time. I know Council  
12 Member Schulman just walked out but to your earlier  
13 question, in our testimony we provided an update on  
14 where we are now of the backlog, which is \$5.3  
15 million cleared of the initial \$6.4 billion that  
16 was identified, just to answer that previous  
17 question.

18 In terms of communication as Executive Director  
19 Ford mentioned, we will be working hand and hand  
20 joined at the hip with all things related to the  
21 sector including communication. Presently, there's  
22 lots of different things that come up and just to  
23 distinguish sort of technical issues, right.

24 There's a closing of an RFP and I'm a provider and  
25 I have an error in PASSport. We have a full-

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1 service desk that takes issues both by phone and  
2 takes tickets and responds to those and is able to  
3 triage depending on the severity of the issue and  
4 the timeliness of the issue and that will continue  
5 to be a function of our office that will take in  
6 not only questions from the sector but all  
7 contractors. In addition, there will be  
8 communication around updates, whether it's task  
9 force or other actions that we need to communicate  
10 to the sector. And also, we have a learning  
11 development staff that will be working closely with  
12 MONS on creating contents and using the sort of  
13 communication vehicles that we have as well and  
14 leverage those communications vehicles of providing  
15 training and access to information to providers.  
16

17 So, we will be working in tandem as the  
18 Executive Director continues to build out her team  
19 and that we leverage the staff and the function and  
20 expertise that we have at our office as well.

21 COUNCIL MEMBER WILLIAMS: Thank you. Looking  
22 forward to my second round of questions.

23 CHAIRPERSON HUDSON: We are too. Thank you  
24 Council Member.

25

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The Case Management RFP does not specify how much money how much money will be awarded to the two citywide providers. As the funding for those programs would come out of the pool of funds available for applicants to specific community districts, how will NYC Aging determine how much to take from those awards and how will NYC Aging decide which community district grants should be decreased?

Did I say two what? Oh yeah, two citywide providers. I can repeat the question if that's helpful.

JOSE MERCADO: Yeah, good.

CHAIRPERSON HUDSON: The case management RFP does not specify how much money will be awarded to the two citywide providers. As the funding for those programs would come out of the pool of funds available for applicants to specific community districts. How will NYC Aging determine how much to take from those awards and how will NYC Aging decide which community district grant should be decreased?

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2 JOSE MERCADO: I think for example, it depends  
3 on how many awards we get and then we evaluate  
4 which way we're going to go with that.

5 CHAIRPERSON HUDSON: Sorry, it depends on how  
6 many?

7 JOSE MERCADO: How many awards. So, right now  
8 as Michael mentioned, we received about 50. Sorry  
9 didn't say 50 but anyway there was about 50 that  
10 was received today. Sorry about that.

11 CHAIRPERSON HUDSON: That's okay, I didn't hear  
12 it.

13 JOSE MERCADO: Yeah, he didn't hear it. So,  
14 anyway so yes, it depends on exactly what we  
15 receive and then we'll make determinations based on  
16 that.

17 The goal is to actually sort of hit every single  
18 district.

19 CHAIRPERSON HUDSON: Okay. NYC Aging recently  
20 announced that staff in the Case Management Program  
21 would have mandatory salaries that generally  
22 represented a significant increase and the RFP  
23 requires those minimum salaries for additional  
24 staff in that program.

25

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1 This is truly amazing for the staff and the Case  
2 Management Program but now it creates deep  
3 disparity between the staff and this program and  
4 that of NYC Aging's other programs including but  
5 not limited to staff in the Care Giver Program,  
6 Older Justice and older adult centers. Does the  
7 department plan to make similar changes to those  
8 programs? Sure. NYC Aging recently announced that  
9 staff in the Case Management Program would have  
10 mandatory salaries that generally represented a  
11 significant increase and the RFP requires those  
12 minimum salaries for additional staff in that  
13 program. So, that's the plus. The plus is that  
14 you've increased the salaries in the case  
15 management program. What I'm asking is,  
16 essentially does this create - well, it does create  
17 a deep disparity between the staff and this program  
18 and other programs including NYC Aging's Care Giver  
19 Program, Elder Justice and Older Adult Centers.  
20 So, does the department plan to make similar  
21 changes to those programs and bring everybody up to  
22 the same?  
23

24 JOSE MERCADO: So, actually it's recommended.  
25 That's the recommended salary, so I mean, I think

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1 we will look at each RFP individually and see if we  
2 can set these recommended salaries across the  
3 board.  
4

5 CHAIRPERSON HUDSON: Okay, so just to be clear,  
6 you have implemented those salaries for Case  
7 Management or you have not?

8 JOSE MERCADO: We have not. I mean, these are  
9 recommended for the RFP.

10 CHAIRPERSON HUDSON: Okay, so I take away my  
11 plus then. And then, I wanted to Director Flores,  
12 just go back to your testimony. You mentioned that  
13 you've cleared \$5.3 billion of the total \$6.4  
14 billion originally identified as part of the  
15 backlog. So, what about the other \$1.1 billion  
16 that's remaining?

17 LISA FLORES: Thank you for the question. We  
18 are working diligently with agencies that have  
19 contracts that remain unregistered and I would just  
20 like to say I think, the backlog again, which was  
21 built over many years, really was intended for  
22 multiple purposes. First and foremost, we have to  
23 pay our contractors right. And so, that's why that  
24 was one of the first things out the gate that we  
25 doubled down on and applied resources citywide from

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1 all agencies and had a very strong accountability  
2 structure to the Commissioner level and all the way  
3 to the Mayor. What we also knew it was going to  
4 happen to the backlog initiative, is that that  
5 intense work with all parties being responsible and  
6 all stakeholders being involved and accountable is  
7 that it reveals areas that are informing the  
8 workstreams, right? It really brought it into full  
9 focus some of the difficulties and inefficiencies  
10 in the process. Not just what's written in the  
11 rules but the process that happens at each agency.  
12 And so, that brought many of those challenges to  
13 full focus and so, the contracts that are remaining  
14 are really those that for many different reasons  
15 either for programmatic changes or for sort of  
16 areas of improvement across the process that still  
17 need to be done.

18  
19 We actually in those cases had and will continue  
20 to do so, have pulled resources from other agencies  
21 to assist in getting those contracts through. And  
22 so, while they're delayed and we would have hoped  
23 that they would not have been delayed, our eye is  
24 not off the ball in getting those through the  
25 process and those retracted problems, while also



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1 making sure that we don't create a new backlog the  
2 next fiscal year.

3  
4 CHAIRPERSON HUDSON: Okay, thank you and I just  
5 wanted to go back to the pay rates or salaries that  
6 were recommended and just encourage you all to  
7 think about you know the impact that those rates  
8 would actually have on the workforce and who the  
9 workforce is, predominantly women, women of color,  
10 immigrants and making sure that we're actually  
11 paying people what they should be paid.

12 So, just want to encourage you to come back and  
13 get that plus back okay. I'm going to turn it -  
14 did you want to say something? Okay, you were  
15 reaching for the mic there.

16 I'm going to turn it back to Council Member  
17 Williams and then Council Member Lee and then I  
18 think we'll go to public testimony or Comptroller,  
19 sorry.

20 COUNCIL MEMBER WILLIAMS: Thank you so much  
21 Chair Hudson for your generosity. You mentioned  
22 actually about the staff and you're going to have a  
23 comps person and you upwards of nine people you can  
24 hire. How many people do you currently have in  
25 your office and then if you can tell me your

1  
2 intended roles. Like, what type of roles will  
3 people have in the office?

4 KAREN FORD: So, I am the only person hired for  
5 now. I've been onboarded for eight weeks but I  
6 have identified again the key roles and the  
7 positions and the skills that are necessary in  
8 order to support the work of the office. So, I am  
9 moving ahead you know in trying to recruit and post  
10 for the positions. I'm looking forward to having  
11 staffing at least through the beginning of the new  
12 fiscal year.

13 COUNCIL MEMBER WILLIAMS: Okay, can you tell me  
14 the different type of positions? So, you said  
15 communications?

16 KAREN FORD: Yes, so you have communications.  
17 There's a direct, Deputy Director for Procurement  
18 and Contracting. Deputy Director for  
19 Communications and research and then a Deputy  
20 Director role for strategic initiatives.

21 COUNCIL MEMBER WILLIAMS: Okay.

22 KAREN FORD: And then policy advisors to support  
23 those positions.

24 COUNCIL MEMBER WILLIAMS: Got it. So, I know  
25 you mentioned that both of your offices will work

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1  
2 in the symbiotic relationship and so, like what  
3 does that look like in real time? Is it like  
4 ongoing, consistent meetings or is your office  
5 going to take over some duties that your office  
6 currently has or where she only has nine people.  
7 What's your headcount at MOCS?

8 LISA FLORES: It's more than nine people.

9 COUNCIL MEMBER WILLIAMS: Right, so if you can  
10 like explain how the actual functionality of the  
11 two offices will work because it is creating a  
12 little bit more bureaucracy; we hope for the better  
13 but it is - it seems like there might be some  
14 overlap. So, just trying to understand that.

15 KAREN FORD: So, from the MONS prospective, the  
16 way we - right now we are - there are weekly  
17 meetings like you said, right? So, there is going  
18 to be ongoing communication. The Deputy Director  
19 of the you know contracting and his team, they will  
20 or their team, they will directly with every  
21 individual that's at the Mayor's Office of  
22 Contract. That's right now dealing with a lot of  
23 the reform work that's going on. Director Flores  
24 and I also have almost daily communication around  
25 the work that's needed to get done.

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1 So, that's the internal structure for now that I  
2 anticipate seeing. And then we have a lot of work  
3 to do, right. You know the Administration, the  
4 Council, you know the Joint Task Force has charged  
5 us with some heavy lifting and that's going to  
6 require that we communicate and we stay in you know  
7 in support of one another's office.

9 LISA FLORES: And if I may Council Member, so  
10 want to just, want to restate that this  
11 administration is laser focused on ensuring that  
12 we're reducing inefficiencies. Adding a Chief  
13 Efficiency Officer just being one of the many  
14 commitments of this Administration.

15 So, 100 percent take your concern. We do not  
16 intent to have overlap or duplication of efforts  
17 and a lot of the work that was done over the last  
18 few months informing you know and with Executive  
19 Director Ford's input, one of the right positions  
20 was the right focus, is also intended to ensure  
21 that we are leveraging our resources appropriately.

22 And so, we will continue to be a contract  
23 oversight agency, right? Through the Charter, the  
24 BVV, the Administrative Code, we will still be  
25 overseeing the contracting process and as Executive

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1 Director Ford mentioned, a lot of the work will be  
2 symbiotic and we'll work together to ensure that  
3 we're providing sort of a holistic response. And  
4 we have staff in our office that are charged with  
5 being ombudsman for this office.  
6

7 So, again, we have direct lines of communication  
8 and that we are going to be working together very  
9 closely on not only the task force recommendations  
10 but our communication and all of the activities  
11 citywide related to the sector.

12 KAREN FORD: And I just don't want to lose the  
13 fact that this office provides the nonprofit lens,  
14 right? And that's the key piece here. That's the  
15 difference right. The whole entire office is  
16 structured around ensuring that the nonprofit voice  
17 is amplified, right? That their perspective is  
18 included in governance and that that's the role of  
19 this office.

20 COUNCIL MEMBER WILLIAMS: I'll ask one more  
21 question because I know I'm out of time and I'll  
22 just follow-up with you guys individually by the  
23 task force noted that the Director of MOCS is also  
24 the Chief Procurement Officer but that you lacked  
25 authority to actually resolve dispute a breakup

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1 payment bottlenecks and one of the things that you  
2 know always boggles my mind with bureaucracy, I  
3 think it's just my own personal passion to like cut  
4 the red tape is like who actually can do the thing.  
5 Like, who can make the decision and so, if you are  
6 unable to resolve disputes or alleviate some of the  
7 bottlenecks, who is that person? And similar to  
8 your office, I feel I'm sure Council Member Louis,  
9 I supposed would agree as it was her bill is like  
10 the intent of this office was to support the  
11 nonprofits but also to be able to internally  
12 provide voice and some type of authority over a lot  
13 of the longstanding issues that are at the crucks  
14 of this hearing. And so, if you could talk about  
15 who actually is the person that can resolve these  
16 issues in real time and you know, what other  
17 protocols and maybe this is a conversation for  
18 other people in the administration, what other  
19 protocols are in place for your office to actually  
20 have more teeth and to be able to alleviate some of  
21 the issues that we're discussing today in real time  
22 because it seems like it's just more of like a  
23 partnership, like we're all working together but if  
24 it's not like that and you do have more teeth to  
25

1 sort of hold MOCS accountable as well as the  
2 agencies right? Because the agencies, people  
3 mostly complain about the agencies. Sorry, uhm,  
4 you know who is really holding them accountable in  
5 a real way and not just, we're all colleagues here  
6 trying to figure it out. Like, who has the real  
7 teeth to sort of address a lot of the issues?  
8

9 KAREN FORD: So, I want to thank you so much for  
10 the reframing of the question and really clearly  
11 explaining it. From what I have experienced and  
12 what we have experienced, the - first of all, this  
13 administration is taking a moment to really, to  
14 acknowledge the fact that there is problems right?  
15 That's the first thing right. Acknowledging that  
16 the system and the structures and a lot of the  
17 processes that we have and I'm saying we, because  
18 I've been on the nonprofit side longer than I have  
19 been in this seat, right?

20 A lot of those issues and areas are complex  
21 right and some of them may be dysfunctional. Some  
22 of them may not even be necessary. So, what we  
23 wanted to do was take a step, a moment right, to  
24 really take a look at, an in-depth look, a thorough  
25 look right and not just do performative work but

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1 let's look at the root causes that Director Flores  
2 mentioned and then put forth the appropriate  
3 recommendations from all aspects right. We have to  
4 look at it from a legal perspective, from the laws  
5 that are governing some of the decisions and the  
6 actions that happen in contracting and a  
7 procurement. You know from an operation  
8 perspective, right? Taking a look at it from  
9 technology and then taking a look at the reforms  
10 from the lens of innovation, right and whether or  
11 not we really have to – this is a process. It's  
12 going to take a collaborative effort and  
13 relationship in order to get this done. This  
14 wasn't something that was created overnight, right?  
15 We all know that we've been living with these  
16 problems forever. I've been again, 25 years right  
17 in the industry and a lot of times I move in and  
18 out of government is for exactly the reason that  
19 you're saying because a lot of stuff unlike Council  
20 Member Stevens, it just doesn't make sense and you  
21 want answers and you want to understand why.

22  
23 So, I ask that you give us time. You allow us  
24 to work together. That's actually the appropriate  
25 way that we should be doing this because it's going



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1 to take everybody. Every area of expertise in  
2 order to first identify what the issues are and  
3 then this office is directly connected to again, I  
4 can't continue to amplify the First Deputy Mayor  
5 Sheena Wright. This is where I sit and this is  
6 what the charges.  
7

8 CHAIRPERSON HUDSON: Thank you.

9 KAREN FORD: That we have been given. She wants  
10 us to get this done on behalf of the Mayor.

11 CHAIRPERSON HUDSON: Thank you. We actually do  
12 need to move on to Council Member Lee who has been  
13 waiting patiently to ask her question. So, thank  
14 you. Thank you Council Member Williams and thank  
15 you Council Member Lee.

16 COUNCIL MEMBER LEE: Thank you and thank you  
17 Chairs for this hearing. As a former nonprofit  
18 executive myself and being in the industry for  
19 about 20 years, I definitely, I love talking about  
20 contracts, which I know is not normal, so yes.

21 But so I was actually part of the former NRC and  
22 I was also part of the subcommittee that dealt with  
23 the indirect rate conversation and as an immigrant  
24 specific led organization that was usually a  
25 subcontractor. That's sort of like the framing of

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1 where I'm going to be asking a bunch of my  
2 questions. And so, I wanted to just put that out  
3 there ahead of time and then just do rapid fire,  
4 because I know I have limited time.  
5

6 But one of the recommendations that has been  
7 coming up repeatedly over and over again for years  
8 is having the streamlining process both on the  
9 backend as well as the frontend right. So, is  
10 there a way to alleviate the burden on nonprofits  
11 when it comes to both the requirements of the  
12 contracts, as well as the RFP processes and the  
13 documents that are required?

14 Because that's something that is a hold up.  
15 Like, as a nonprofit that had multiple city  
16 contracts with different agencies. I have to say  
17 it takes up a lot of time, energy, effort and  
18 money. So, where has that conversation gone in  
19 terms of the streamlining of the documents, which  
20 has gotten better with PASSport but [INAUDIBLE  
21 2:09:47] Accelerator, AKA now PASSport, is supposed  
22 to alleviate with the document involved in all of  
23 those things but it seems like there still is that  
24 administrative multiple step, so.  
25

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1 LISA FLORES: Thank you for the question Council  
2 Member and I'll try to answer that quickly and hand  
3 it over to Deputy Director Ford as well but that is  
4 clearly one of the recommendations of part of our  
5 workstreams and there is active participation from  
6 all parties in that workstream. Which again,  
7 includes stakeholders across the city including our  
8 office, OMB, Law Department, the Comptroller's  
9 Office and really digging into standardizing  
10 documentation. Standardizing the documentation  
11 across all agencies, so that there is a one city  
12 experience.  
13

14 As it relates to the documents, so I can't speak  
15 to why the functionality that exists in accelerator  
16 was not built yet into PASSport. It has released a  
17 document volt but that is one of the priorities  
18 that we are working on pricing out to see if we can  
19 build that functionality. We are going to be in  
20 the future decommissioning accelerator and we  
21 really want to make sure that even without  
22 decommissioning that some of the hard-fought  
23 recommendations that were built into accelerator  
24 like document volt, that we don't lose that  
25 functionality that is really helpful and expand

1 upon that functionality to use documents across the  
2 system.  
3

4 COUNCIL MEMBER LEE: Also, I know that depending  
5 on the sizes of the contracts because ah sorry, can  
6 I go? Okay, often times with the size of the  
7 contracts, for example, \$5,000, \$10,000 contracts  
8 versus \$100,000 plus usually end up being the same  
9 amount of paperwork. And to be honest, I think the  
10 folks that have the hardest time are either new  
11 nonprofits or nonprofits that serve specific  
12 languages and cultural needs.

13 And so, how has the support changed if at all  
14 when it comes to maybe creating different tiers and  
15 requirements of documentation depending on the  
16 funding amount.

17 LISA FLORES: Thank you for that question.  
18 There has been active communication across the  
19 workgroups in particularly also reporting up to the  
20 steering committee, which again has executive  
21 level, City Hall participation for the mayoral side  
22 and the Comptroller's Office about looking at a  
23 risk-based approach to contracting. At this time,  
24 we've been really digging into risk-based approach  
25 for future state around the integrity review

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1 process but that is the framework that the future  
2 state is what our goal is, so in blue sky across  
3 the whole entire procurement process. And to your  
4 point, a \$5,000 contract versus a \$30 million  
5 contract we have to be able to sort of leverage  
6 data and documents to have a risk-based approach.  
7 And we also just want to say that we really are  
8 excited about the partnership and continued  
9 partnership with the Council around discretionary  
10 reform since as you know, in terms of the number of  
11 transactions while it may not represent the highest  
12 dollar value, it also represents a significant  
13 portion of the transactions that agencies move  
14 through and is such a burden, which was in the  
15 Committee report and other reports to the sector.  
16 And so, we really look forward to continuing that  
17 partnership for reforms in that space.

19 COUNCIL MEMBER LEE: Okay and VENDEX for  
20 example, is like almost like a score card I guess  
21 if you will of nonprofit organizations. And so,  
22 can that be used as a way to fast-track certain  
23 contracts, so that it doesn't get delayed or is  
24 that being already implemented or? Because it  
25 seems like you know often times we would get

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1 awarded the contract, start the work in July but  
2 the contract would never get registered until May  
3 or June of the following year. And so, if you  
4 could speak to that a little bit in terms of how  
5 VENDEX could maybe better utilized.  
6

7 LISA FLORES: I love anyone who references  
8 VENDEX. I know how long you've been in this  
9 business Councilwoman. So, in terms of the risk-  
10 based approach, again related to integrity  
11 information, the idea again and there's a lot of  
12 conversation happening. A lot of really hard work  
13 with the Mayor's Office of Risk Management and  
14 Compliance, our office and others around not just  
15 the information that's required for vendors to put  
16 into PASSport, previously VENDEX, but also  
17 leveraging other data that can be part of that  
18 matrix if you would, so that we can have a future  
19 state where there's a risk-based approach and that  
20 the majority of contracts could move through that  
21 process quickly. Sort of you know the fast lane on  
22 the highway and really use that information and  
23 resources across the city to dig in more where  
24 there is a potential risk. But also, provide again  
25 I want to go back to capacity building because it's

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1 not just about addressing risk, it's about having  
2 the tools in place to support the sector to be  
3 successful partners.  
4

5 COUNCIL MEMBER LEE: Okay, and just sorry, a  
6 couple more questions. In terms of the rate  
7 increases and also the indirect and enhancement. I  
8 almost feel like yes, that's good but it's almost  
9 like playing catch up with a lot of the nonprofit  
10 sector industries who haven't gotten rate increases  
11 in a long time. And I just wanted to emphasize the  
12 point about the subcontractors because often times  
13 the subcontractors, that indirect rate increases or  
14 sometimes those rate increases don't get passed  
15 down to the subs and as a sub, former sub, I get it  
16 because there's just not enough funding overall. I  
17 think that's the big issue, right.

18 And so, is there a way though to specifically  
19 codify to I guess to what Chair Hudson was saying.  
20 Is there a way to in a more formal way, put  
21 something in the RFP's that say, Number One, you  
22 have to subcontract with folks that speak in  
23 specific languages or serve people that are from  
24 different cultural backgrounds.  
25

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1  
2 And then also, the second thing which is that,  
3 if you are contracting with a sub, they should get  
4 x amount of rate because honestly, it's the same  
5 work. What we're doing is the same work as the  
6 main contractors, it's just that we're not large  
7 enough to be competitive for the case management  
8 RFP's, and so, I'm just wondering about that.

9 LISA FLORES: Thank you for the question. As it  
10 relates to languages and/or cultural competency and  
11 many other factors such as established  
12 relationships with particular communities. That is  
13 definitely something that is in many RFP's. I  
14 think in some of the examples earlier with New York  
15 City Aging for example. And it continues to be  
16 leveraged across all of the not-for-profit, all of  
17 the human service agencies with the lens of equity  
18 right and really building into the proposal process  
19 and the review process, that we commit and that we  
20 expect our partners to commit to those goals. And  
21 so, you'll continue to see that leveraged in RFP's  
22 in the future. As it relates to rates, so  
23 obviously the standard language in contracts  
24 requires primes to pay their subcontractors.  
25 There's timeframes for that but there's definitely



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1 room for improvement and would love to be able to  
2 jointly speak to you with your experience with some  
3 ideas and talk through where there's an opportunity  
4 for us to leverage either existing procedures or  
5 new procedures.  
6

7 COUNCIL MEMBER LEE: Okay, yeah, because I know  
8 there's a lot of groups that have recommended  
9 changes to the RFP's themselves and how the  
10 language could potentially be built in. So, I  
11 would love to talk about that. And my last big  
12 thing is around the pay equity and this has to do  
13 with Chair Stevens bill because I, for example,  
14 uhm, and I'll just give you a few examples, right.  
15 In the nonprofit sector, I used to pay my  
16 outpatient clinic social worker like 65 right?  
17 Because that's based on the reimbursement rates we  
18 get as an outpatient clinic and the hospitals would  
19 pay, city hospitals would pay through H+H a lot  
20 higher than that, at least \$23,000 more.

21 Daycares right, CBO based daycares, the  
22 directors get paid \$63,000 on average. DOE and  
23 again a different city agency. DOE Directors get  
24 paid \$135,000 on average right? So, I will say  
25 there is a drain on talent that is being taken away

1 from the nonprofit organizations because of this  
2 pay disparity. And often times we will train them  
3 and do all the work and then they get plucked.  
4 Again, all for good cause right because they're  
5 serving our city. I get it but at the same time,  
6 often times it's the nonprofit organizations that  
7 are the gap fillers, especially in an economic  
8 downturn or a crisis like COVID.  
9

10 So, who decides those pay rates for nonprofits  
11 and what would be the main challenges other than  
12 obviously funding right? But what are the barriers  
13 because I know that some of those daycares actually  
14 have contracts in place but they're just not being  
15 honored.

16 LISA FLORES: Thank you for the question Council  
17 Member. So, I would say obviously you know pay  
18 equity and some of the examples you described has  
19 been as you know, sort of ongoing challenge over a  
20 number of years. And the administration you know  
21 is committed to continuing to looking at where  
22 there is appropriate investments and continue to  
23 invest both short term and long term in the sector  
24 of our relationship and our partnership with the  
25 sector.

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1           You know, I think in terms of, I think it was  
2 mentioned earlier, the agency is obviously in their  
3 partnership and work with Office of Management and  
4 Budget determine what's the appropriate contract  
5 maximums including salaries PS costs and OTPS costs  
6 as they're developing their new RFP's. You know  
7 and I think it's something for us to continue to  
8 look at through this advisory board, you know how  
9 that process can be improved.  
10

11           COUNCIL MEMBER LEE: Thank you.

12           COMMITTEE COUNSEL: Thank you so much. That  
13 concludes administration testimony and now we are  
14 going to transition to testimony by the New York  
15 City Comptroller and the Deputy Comptroller, excuse  
16 me. Welcome, thank you for your patience. You may  
17 begin when the Sergeant starts your clock.

18           BRAD LANDER: Good afternoon Chair Stevens and  
19 Hudson and Council Member Riley. It's great to be  
20 with you this afternoon on a subject that I feel  
21 very deeply and passionately about, which you have  
22 already explored extensively in your dialogue with  
23 the administration and I just want to say as they  
24 are leaving that we are working very productively  
25 with MOCS Director Flores and new Nonprofit

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1 Director Ford and look forward to continuing with  
2 them. As you guys know so well, nonprofit  
3 organizations are essential to the functioning of our  
4 city in every neighborhood every day. Our libraries,  
5 our homeless service providers, our hospitals, our  
6 senior centers, our community-based arts groups, our  
7 daycare providers, our afterschool providers,  
8 environmentalists groups, on and on and on. Sadly,  
9 the one thing all those groups have in common as  
10 diverse as the services are that they provide, is  
11 that they all have to wait far too long to get paid  
12 by the city for the work that they do.

14 On average, non-profit service contracts take  
15 over 300 days, that's ten months, from the date they  
16 are awarded the contract to be processed and  
17 registered. So, they spend an enormous amount of  
18 time in retroactivity. Imagine if we said to a  
19 school or to a police precinct or to a firehouse, how  
20 about you start providing the services on July 1st,  
21 and sometime around next May, maybe we'll get to  
22 paying you.

23 They couldn't and wouldn't do it. Yet that is  
24 what we do to thousands of nonprofit groups.  
25 Dramatically improving this system has long been a

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1 top priority of mine. So even before I was sworn  
2 into office, I reached out to then Mayor-elect to put  
3 this task force together and I was pleased that  
4 whereas in past administrations there had really been  
5 kind of cross finger pointing. It's their fault. We  
6 decided to roll up our sleeves together and form the  
7 Joint Task Force and then we were fortunate on our  
8 side to hire our Deputy Comptroller for Contracting  
9 and Procurement Charlette Hamamgian, whose been  
10 working so closely with City Hall, with MOCS, with  
11 city agencies to try to make change here. She's  
12 going to talk a little about what we've done so far  
13 and where we're going next.

15 CHARLETTE HAMAMGIAN: Thank you Comptroller and  
16 good afternoon Chairs. So, a little bit about what  
17 we have accomplished so far. Over the past year,  
18 City Hall, MOCS, city agencies and our office working  
19 closely with nonprofit organizations and in regular  
20 conversations with the City Council as well have made  
21 meaningful on several of the recommendations that are  
22 in the nonprofit task force report. Our joint Clear  
23 the Backlog initiative, as discussed earlier, which  
24 was a months-long, all hands effort across agencies  
25 last summer and fall, cleared over 4,000 backlogged

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1 contracts, unlocking over \$5 billion of long-overdue  
2 payments.  
3

4 MOCS brought PASSPort Public online, making it  
5 possible for the first time for organizations and  
6 members of the public to see where contracts are in  
7 the processing and registration process. I know that  
8 frustrations remains, and that there is work to do to  
9 enable PASSPort to fully achieve its goals; but the  
10 difference it makes to have the data in a unified,  
11 more visible system is significant. Agencies have  
12 been empowered to add an allowance of up to 25  
13 percent, to account for potential changes such as  
14 COLAs, which are cost of living adjustments, or  
15 indirect cost rate increases that have been discussed  
16 here today.

17 Previously, these post-contract additions  
18 required contract amendments, which are processed  
19 through the same lengthy process as the original  
20 contract, and which froze payments during that time.

21 Now, these additions can be drawn from the  
22 allowance, without a contracting amendment taking  
23 months. And to date, our office has registered over  
24 one thousand of these allowance amendments. We  
25 sought and received approval to raise the threshold

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1 for contracts requiring what's known as FCB, which is  
2 Financial Control Board approval from the New York  
3 City Office of Management and Budget from \$5 million  
4 to \$50 million.  
5

6 To be honest, I think the Comptroller and I both  
7 wish that we could eliminate this step entirely since  
8 OMB reviews most city agencies contracts anyway, but  
9 this change eliminates the step for 90 percent of the  
10 contracts that were previously covered. Our office,  
11 through my bureau, the Bureau of Contract  
12 Administration, has been registering contracts in  
13 record time once they reach us. While we have a  
14 deadline of 30 calendar days per Charter, which is  
15 the only part of the process that has any timeframe,  
16 our average for human service contracts has been half  
17 of that, while we still preserve our critical work to  
18 ensure that procurement rules have been followed all  
19 along the way.

20 We also identified several hundred grants to  
21 small, community-based arts organizations that were  
22 being submitted to our office for registration, where  
23 this was not required. And last month, as was  
24 discussed earlier, Mayor Adams appointed Karen Ford  
25 as the first Executive Director of the Mayor's Office

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1 of Nonprofit Services, created by Local Law 164 of  
2 2021, which the Comptroller was sponsor of that Local  
3 law when he was a Council Member and we look forward  
4 to working with the Mayor's Office of Nonprofit and  
5 Director Karen Ford on the continued work.  
6

7 But there is of course still a very long way to  
8 go. This is a problem as Director Flores spoke about  
9 earlier, that has built up over many years, and that  
10 results from dozens of separate process steps. There  
11 is no one silver bullet, but instead many steps we  
12 must still take to achieve the goal of a reasonable  
13 timeline for contract processing and registration.  
14 Some of the key next steps include: Contract Stat,  
15 which is a performance management system designed to  
16 hold agencies accountable and is projected to launch  
17 in the coming months. This is a critical next step  
18 for identifying bottlenecks, both for individual  
19 contracts but especially systemic ones. This will  
20 allow us to see how long each contracting and  
21 oversight agency is taking to perform its work, and  
22 then to set and monitor clear goals for improvements.

23 Working with City Hall and members of the Capital  
24 Reform Task Force, we will be seeking legislative  
25 changes in Albany this session, some of which will



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1 benefit nonprofit contracting as well. The most  
2 significant of these is legislation that would  
3 drastically reduce the number of contracts that  
4 require a public hearing, hearings that more than 99  
5 percent of time no one goes to, but that still  
6 require nearly a month to prepare for, schedule, and  
7 hold. In place of these almost-always-empty  
8 hearings, we would be able to share information about  
9 the contracts and post them online. The public would  
10 actually get more timely information about contracts  
11 in the pipeline, and the process could be sped up by  
12 several weeks.

14 BRAD LANDER: In the interest of time, I'll  
15 summarize the rest of our testimony but I really do  
16 want to emphasize this next session because we see  
17 discretionary funding as a huge opportunity for  
18 partnership with the Council, with City Hall and MOCS  
19 and with our office and obviously, I have a lot of  
20 passion for this as a former Council Member and for  
21 the frustration that you all have funding these  
22 wonderful groups for whom this is often such critical  
23 funding and yet, it often is such agony for them to  
24 get the award that they are not even sure whether  
25 they wish they had applied for in the first place.

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1 Discretionary awards are only three percent of the  
2 total dollar amount of human service contracts but  
3 they're 40 percent of the contracts in PASSport  
4 because they're smaller and often agencies don't see  
5 them as necessarily as high a priority. So, we've  
6 got a lot of work to do. We have started  
7 conversations with Speaker Adams, with Chair Won, and  
8 with Council central staff about a few changes that  
9 could make a big difference here and I'll just  
10 mention a couple. One is multi-year contracts. Even  
11 though the awards are year to year, you don't have to  
12 give the dollars for the second or third year to  
13 create a two- or three-year contract, which you could  
14 then fund next year. Then they wouldn't have to go  
15 through the whole contract registration again. You  
16 could simply exercise the renewal without requiring  
17 an additional contract. It wouldn't help in the  
18 first year but would help enormously in years two or  
19 three.

21 Second, we could align the application process so  
22 that what groups are giving you when they're applying  
23 this time would just already be in the same system  
24 that the agency would then have as opposed to now  
25 where you guys make the award in June and then come

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1 fall, the agency reaches out to the group to start  
2 the whole process over and over again. That could  
3 either be by aligning the two systems that you have  
4 or by bringing the Council into PASSport to do it in  
5 the first place and that would save an enormous  
6 amount of time. None of that will be easy. It is  
7 hard work to change systems but it really would make  
8 a big difference and I just hope that we can continue  
9 the good work together that has been done.  
10

11 And then very briefly on the legislation on  
12 today's calendar, I'm really encouraged by Intro.  
13 510, which would bring meaningful people out of  
14 poverty. A workforce that is largely women and  
15 people of color doing essential work. It is  
16 something that we can and should do but I just want  
17 to flag a few critical things to get right about the  
18 bill. First, it is critical to reckon with cost and  
19 put that money in the budget. One challenge of  
20 prevailing wage determinations, which we do is that  
21 you know they take a study and so, we wouldn't be  
22 able to calculate where we would set the prevailing  
23 wage until after the bill would get set. So, there's  
24 work to do to figure out how do we estimate the cost  
25 effectively and then make sure that the Council and

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1 the Mayor put the money in the budget. I believe  
2 that's worth doing. I think even if it requires  
3 perhaps revenue increase, so that the wealthiest New  
4 Yorkers pay just a little bit more so that working  
5 class folks who are providing essential services get  
6 paid what their due. That we have to make sure that  
7 we do it with transparency throughout the budget and  
8 I also urge you to look at including a strong  
9 enforcement mechanism, so that there actually is  
10 enforcement of prevailing wage.  
11

12 And then, I also support - I support Intro. 511  
13 also sponsored by Chair Stevens, which would require  
14 the procurement policy board to set time limits. As  
15 Deputy Comptroller mentioned, we're the only agency  
16 with a time limit and I will tell you, it does great  
17 disciplining to know that you've got to perform on  
18 time. That will be challenging in the broader  
19 process because you're often seeking from a vendor  
20 some additional information. So, there will be work  
21 to do but establishing timeframes for every step of  
22 the process, I agree is one good goal. I think the  
23 new Contract Stat effort that's being discussed will  
24 provide critical information, so we know how long  
25 those timeframes are taking now and can set goals

1 for what they should be. But I think it's an  
2 admirable goal and one that we ought to be able to  
3 get to.  
4

5 As you can tell, this is an area that like you  
6 guys, I feel really passionately about. I'm glad  
7 you're having this hearing and we are eager to  
8 continue working closely together with you and with  
9 the administration to drive change forward. Thank  
10 you.

11 CHAIRPERSON STEVENS: Thank you. We just have a  
12 few questions and I'll start. The first question is,  
13 how is Contract Stat being launched in the next month  
14 if we don't know how much it will cost? So, does  
15 your office have a budget for it?

16 CHARLETTE HAMAMGIAN: Thank you for the question  
17 Chair. The Contract Stat is largely being led by the  
18 Mayor's Office of Contract Services and the Steering  
19 Committee, which I think was referenced when Director  
20 Flores testified.

21 We are part of that, in that it is our goal as an  
22 oversight to both partner with the administration but  
23 also hold accountable that KPI's are being  
24 established. Our hope is, and I think was mentioned  
25 earlier, the PASSport already has a lot of the

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1 information that would be needed for Contract Stat.

2 There's information currently available in PASSport

3 Public with very high-level milestones though. The

4 information with Contract Stat lives within PASSport

5 but not currently in a system that's available

6 publicly or even to our office. And so, our goal

7 would hopefully be that as the administration is

8 working with OTI and other offices, that they are

9 looking to leverage existing systems and the existing

10 information that exists in PASSport, so that we're not

11 unnecessarily spending money and time on resources on

12 creating yet another system, which to our point you

13 know with this whole process, which would not be

14 efficient.

15  
16 BRAD LANDER: This really goes to Chair Won's

17 point in the conversation that she was having with

18 Director Flores. If PASSport has this data, now what

19 Contract Stat is not primarily the dashboards. It's

20 the process of sitting down regularly and looking at

21 the data and saying alright, we set a goal of X. Are

22 we hitting it or not? If not, what do we do about

23 it? And we do believe that that can begin in the

24 next few months even without the procurement that was

25

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1 discussed. Whether it will I think is you know a  
2 fair question but we believe it can.  
3

4 CHAIRPERSON STEVENS: Yeah, and I agree with  
5 Chair Won, where it's just like, why are we spending  
6 money on this? There's other places we can be  
7 definitely putting our money. So, just wanted to get  
8 some clarity. I'm not sure if I'm still clear. But  
9 Intro. 511 codifies some of the critical  
10 recommendations in the Joint Task Force Report,  
11 including setting timeframes for each stages of  
12 procurement. Would you recommend codifying any of  
13 the other recommendations who are rather relying on  
14 the administration policies?

15 BRAD LANDER: Uhm, it's a great question you know  
16 because the bill as drafted refers specifically to  
17 timeframes. I guess that's what we focused on. And  
18 again, that's sort of, we've got a lot of rules and  
19 policies in place but the deadline functions is a  
20 good organizing principle. So, open to thinking  
21 about what others might should be included. I will  
22 note we had the first meeting of the Procurement  
23 Policy Board in about three years it had not met in  
24 quite some time in December. The PPB is five  
25 appointees, two from our office and three from the

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1 administration and you know, there's plenty to work  
2 on there.  
3

4 CHAIRPERSON STEVENS: We know accessibility and  
5 flexibility grants are critical to nurturing their  
6 city small community-based organizations. How can  
7 the City Council work with your office and the  
8 administration to simplify the application and  
9 reporting process for discretionary funding from the  
10 City Council?

11 BRAD LANDER: That's a great question. I mean,  
12 that alignment process where the Council looks at its  
13 application and also then with the agencies at what  
14 they're going to need, will I think be instructive  
15 here. Because there some things that are necessary  
16 in the procurement process and our office is glad to  
17 be part of that. And then I think the Council can  
18 take a look at what are the things that you guys ask  
19 for that go beyond what the agencies will need and  
20 decide, is that necessary? You need information to  
21 make your decision about who you want to give awards  
22 to and what the risks are. But there might be some  
23 opportunities.

24 Anything that's sort of on both folks list, on  
25 the agency list and the Council list, you probably



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1 need but I think it's only on one list or the other.

2 Maybe you can try to figure out whether it's truly  
3 necessary.  
4

5 CHAIRPERSON STEVENS: Thank you. A report issued  
6 this month by the city; by the Center for Urban  
7 Futures, titled Strengthening New York City None For  
8 Profit by Reducing Administrative Burdens, identifies  
9 excessive ordering as a drain on nonprofit staff and  
10 government resources. Additionally, the Joint Task  
11 Force recommended shifting the old site function of  
12 the Controls Office towards auditing a small number  
13 of contracted post award. What progress has the  
14 Comptroller's Office made towards this shift?

15 BRAD LANDER: So, this is one we're still at the  
16 earlier stages of; I'll be honest and I was going to  
17 wait till the end but I will say, we're going to give  
18 you today just the first hot off the presses copy of  
19 the annual report that's required by the  
20 Comptroller's Office. It's online for everyone to  
21 see as of a few minutes ago but the first hard copy.  
22 So, this provides a look into like, what are the  
23 largest contracts? It's got a great primer on every  
24 one of the various methods of procurement that  
25 Charlette have taught and we are trying to use it to

1 say, what we need is a real risk-based approach  
2 rather than subjecting you know kind of everyone to  
3 frontend scrutiny. How can we identify where  
4 problems might exist and then dig into find them?  
5

6 So, that's something you rightly point out, we  
7 said we want to do in the task force and it's  
8 something that we'll spend some time focusing in the  
9 coming months.

10 CHAIRPERSON STEVENS: Thank you. The Mayor's  
11 Office of Nonprofit Services has established as  
12 recommended by the Joint Task Force Report. The  
13 report also states that there is no official  
14 empowerment procurement executive for New York City  
15 to coordinate and plan procurement activities or  
16 resolve systematic issues, including directors of  
17 MOCS. Do you believe this new office will have the  
18 authority and capacity to resolve this bottlenecks  
19 within city agencies?

20 BRAD LANDER: Uh, Charlette I think was in the  
21 ACCO shops at four of them, so I'm going to let her  
22 take that question.

23 CHARLETTE HAMAMGIAN: Thank you for that question  
24 Chair. You know it's a very important one. I think  
25 your earlier questions to the administration about

1 what the separation of functions are going to be  
2 between the two mayor's offices is really critical.  
3 We definitely want the nonprofits supported. We want  
4 them to have a voice and a strong advocate who is  
5 actually going to have authority to effectuate the  
6 change that's needed to support them. But we are  
7 also mindful that creating another Mayor's Office  
8 might end up being confusing to the sector.

9  
10 And so, I think you know the administration has  
11 spent quite a bit of time as they alluded to earlier,  
12 on developing what the roles and the responsibilities  
13 of the new Mayor's Office is going to be. We are  
14 uhm, you know as part of the Steering Committee  
15 continuing to work on the implementation of the  
16 recommendations. Happy to support and offer our  
17 strategic thoughts on how best the office can  
18 position itself so that it actually does have the  
19 authority and isn't just another Mayor's Office that  
20 makes it confusing for the sector who already is  
21 struggling to stay on top of the bureaucratic  
22 process.

23 BRAD LANDER: I'll just add, I think this speaks  
24 to the value of your bill because there's good will  
25 here right. Everyone wants the contracts to move

1 faster. In the agencies in the oversight, definitely  
2 at MOCS and I don't doubt Director Ford as well.  
3 There's a lot of hands needed to work across and you  
4 can't, you know it's not going to work for just one  
5 person to kind of keep an eye on it all but the value  
6 of deciding what the KPI's, the number of days should  
7 be and then publishing what hits and what doesn't hit  
8 so that you know everyone can see a little more  
9 transparently. And then, there's a possibility to  
10 dig in and say, okay, if this agency is having  
11 trouble meeting its targets, what's got to happen.  
12 So, that's just one of the reasons that I support the  
13 decision.  
14

15 CHAIRPERSON STEVENS: No, thank you. I believe  
16 Chair Won has a few questions.

17 CHAIRPERSON WON: Thank you so much Chair  
18 Stevens. I just had one question. It's good to see  
19 you both. For PASSport, will the Comptroller's  
20 Office also be added into PASSport in the coming  
21 years or in the near future?

22 CHARLETTE HAMAMGIAN: Happy to take this one.  
23 So, as part of PASSport Public, what was launched  
24 earlier this year, in fact now actually shows the  
25 Comptroller's Offices activity. So, previously when

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1 a contract was submitted to us by a contracting  
2 agency and then registered, that information was  
3 actually long public even before PASSport Public.  
4 It's available on our website checkbook. But in  
5 working collaboratively with the Mayor's Office of  
6 Contract Services, our two systems now speak to each  
7 other and so, you can see the status of an item once  
8 it is pending with us and then once it's been  
9 registered. And those are two of the drop-down  
10 features that are available in PASSport Public.

11  
12 BRAD LANDER: And I can tell you personally,  
13 that's making a big difference because I know how  
14 people reach out to me. One time I was in a bar and  
15 someone came up to me with like the screen held open.  
16 Previously people came and said, uhm, Comptroller,  
17 our contract is I think it's in your office. It's  
18 somewhere I know. The odds were it wasn't actually  
19 in our office. It was you know in an agency or in an  
20 oversight. But increasingly people come and say, I  
21 checked PASSport Public, the contract was submitted  
22 to your office last Tuesday. I know you've got 30  
23 days but we're desperate. You know, so I know it's  
24 making a difference that people can see both when it

25

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1  
2 was submitted to our office and then when it gets  
3 registered.

4 CHAIRPERSON WON: Great, that's good to know.  
5 Thank you so much.

6 COMMITTEE COUNSEL: That concludes testimony from  
7 the Comptroller's Office. Thank you so much.

8 BRAD LANDER: Thank you for the opportunity.  
9 Really appreciate you guys pushing hard on this  
10 critical issue. The nonprofits and the millions of  
11 New Yorkers who depend on them are grateful and I'll  
12 bring the report.

13 CHAIRPERSON STEVENS: Thank you so much.

14 COMMITTEE COUNSEL: We're now going to turn to  
15 public testimony. Each panelist will be given two  
16 minutes to speak. For panelists testifying in  
17 person, please come to the dais as your name is  
18 called and wait for your turn to speak. For  
19 panelists who are testifying remotely, once your name  
20 is called, a member of our staff will unmute you and  
21 the Sergeant at Arms will give you the go ahead to  
22 begin. Please wait for the Sergeant to announce that  
23 you may begin before delivering your testimony.

24

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1 Now, I'm going to call our first in-person panel.

2 Justine Olderman, Na'ilah Amaru, Catherine Trapani,  
3 Lisa Schrebersdorf. You may begin.

4 JUSTINE OLDERMAN: Thank you so much. I'm  
5 Justine Olderman, I'm the Executive Director of the  
6 Bronx Defenders. For those who are not aware, the  
7 Bronx Defenders is a 400-person non-profit in the  
8 South Bronx representing over 20,000 low-income,  
9 predominantly Black and brown, New Yorkers navigating  
10 criminal, family, civil and immigrations proceedings.  
11 I do have written testimony but I'm not going to read  
12 that. I'm going to submit it and instead I'm going  
13 to respond to some of the things that I heard here  
14 today.

15 First, in reading the Committee's Report in  
16 preparation for this hearing and listening to the  
17 testimony so far this afternoon, one of the things  
18 that struck me is there's been a lot of discussion  
19 about the delay in contracting and the delay in  
20 payments. Of course that's really important right.  
21 Delay is critical. It impedes operations, it  
22 drains resources, the follow-up that's needed to be  
23 done when people are constantly reaching out to the  
24 Comptroller, to the agencies to get things  
25

1 invoiced. But it's missing a key piece of the  
2 puzzle that I can speak for is critical to the  
3 Bronx Defenders and it may be an issue for other  
4 nonprofits that are going to speak this afternoon.  
5 And that is the fact that delay is not just a  
6 question of timing but delay amounts to a covert  
7 cut in spending.  
8

9 Let me explain a little bit what I mean by that.  
10 When the city says to an organization like ours, we  
11 are granting you, we are awarding you \$10 million  
12 to represent low-income people navigating legal  
13 cases, but yet that contract doesn't get registered  
14 for a full 12 months after the year has passed.

15 I had no choice but to find some other source of  
16 cash to fund the \$10 million in services to low-  
17 income New Yorkers but I can speak for myself and  
18 let you know; we don't have a line of credit. We  
19 don't have an endowment. We don't have a reserve  
20 fund and the reason why; Bank of America dropped us  
21 as a client because they got sick and tired of  
22 bailing out this city.

23 They said, "we are not here to be the city's  
24 bank." The delays, the length of time that we had  
25 to draw down that line of credit created risk for



1 the bank that was intolerable to them and they  
2 closed our line.

3  
4 So, what that means is that an organization like  
5 ours has to borrow from the programs that actually  
6 do have registered contracts. We have to get  
7 short-term, incredibly high interest loans from  
8 organizations like FJC and we have to borrow from  
9 the fund for the City of New York but as you  
10 already heard, the fund is not financed in ways  
11 that allow gaps to be covered like the ones that we  
12 are experiencing.

13 So, in that situation where I have a \$10 million  
14 contract, if I can only scrape together \$8 million,  
15 that's all I can spend on low-income New Yorkers  
16 who need our services. And what that means is that  
17 when I go to invoice the city for the contract that  
18 they've awarded me for \$10 million, I can only  
19 invoice for \$8 million. At best, granting the city  
20 the most generous approach that I can, it is an  
21 undelivered promise.

22 At worst, it is a bold-faced lie. The city says  
23 it's spending \$10 million but they effectively set  
24 up a contracting system that makes it impossible  
25 for me to actually spend down those contracts.

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1 Whose keeping that money? The city is. That is  
2 not going to low-income New Yorkers in need.  
3

4 Two other brief points that I want to make  
5 before I turn it over to my colleague.

6 CHAIRPERSON STEVENS: I'm sorry, we have so many  
7 signed up and what you're saying is really  
8 important and very necessary but we do have to move  
9 on. I'm so sorry.

10 JUSTINE OLDERMAN: Can I just highlight a couple  
11 of things about the recommendations that were made?

12 CHAIRPERSON STEVENS: 30 seconds.

13 JUSTINE OLDERMAN: Okay. Number one, the  
14 backlog for obvious reasons as I just said, great  
15 that they cleared it out but that only benefits an  
16 organization if you had the cash to put up front,  
17 otherwise when you invoice against it two years  
18 later, you will recoup nothing.

19 In addition, the question about the office you  
20 asked, about the nonprofit office, I called the  
21 Office for Nonprofits to ask for help with two  
22 unregistered contracts that total \$18 million today  
23 for which I am still owed \$10 million. The answer,  
24 we encourage you to call the Fund for the City of  
25

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1  
2 New York. The fund which does not have enough  
3 money to bridge that gap.

4 The procurement process, the transparency that  
5 you all are focusing on, I think you've already  
6 highlighted this a little bit. You go into that  
7 system; you have no idea where your contract is.  
8 Those timelines that you talked about are going to  
9 be critical in terms of moving that forward.

10 And the last thing I will say is that the  
11 allowance that was talked about, that came from  
12 MOCS. We got an email from MOCS telling us about  
13 the amendment to our contracts with that allowance  
14 clause in August of 2022. To this day, we have  
15 heard nothing from the agencies. In fact, the  
16 Mayor's Office of Criminal Justice, which has only  
17 registered 20 percent of its 2023 contracts to  
18 date, said they have heard nothing about it.

19 So, thank you for having this hearing. Thank  
20 you for the tough questions you asked of the  
21 Administration. Please keep it up. Be relentless.  
22 New Yorkers in need, need you now.

23 CHAIRPERSON STEVENS: Thank you so much and just  
24 to remind everyone we do have a very long list of  
25 public testimony, so if people can try to keep

1 their testimony to two minutes. It's going to be  
2 really crucial. Thank you.

3  
4 LISA SCHREIBERSDORF: I'm going to go next.  
5 Lisa Schreibersdorf. I'm the Executive Director of  
6 Brooklyn Defender Services. And I also am here to  
7 speak directly about people who need legal services  
8 through our organization Bronx Defenders.

9 I don't see too many people who you know Chair  
10 Committees that oversee MOCJ, which is listed as  
11 the worst of all of the agencies in terms of their  
12 fulfillment of contracts. And so, I just want to  
13 talk mostly about loans because I think sometimes  
14 people feel that's a panacea and I was able to keep  
15 my loans. I developed a relationship over the  
16 years with Signature Bank and for whatever reason,  
17 with a lot of tap dancing around, I am able to  
18 maintain a \$7 million loan.

19 And what happens is, so I have colleagues. So,  
20 my agency can only do 20 percent of its work,  
21 right? So, I have colleagues in the agency who  
22 have no lines of credit and what happens is they  
23 end up getting priority, which they should and need  
24 because they know that I have a loan. And what  
25 ends up happening is we're the last ones. Which

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1 you know again, I don't doubt what they're doing  
2 but what happens is by the time they get to me, the  
3 line doesn't even matter anymore because I'm so far  
4 behind that I'm almost in the same position. So, I  
5 just want to make sure that we know that a line of  
6 credit is not at all the panacea that sometimes  
7 it's made out to be.  
8

9 But the other thing I want to speak directly  
10 about lines of credit and loans and particularly no  
11 interest loans from the city, is that it is the  
12 very same people who are neglecting our contracts.  
13 Who have to then help you get this line of credit  
14 and so, you're in this situation where you're  
15 communicating with them in depth about this line of  
16 credit. When you want them to be doing the other  
17 work, they need to move it along.

18 So, I would just - I would just like to say in  
19 the early days of my organization when we were very  
20 small and our payroll was \$100,000 and we could  
21 easily get that from the Fund for the City of New  
22 York, which we cannot anymore, when our payroll is  
23 \$2 million. It is a lot better if the nonprofits  
24 have a direct relationship with that organization,  
25 such that we can make the direct ask. They can

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1 look to see where our contracts are and we don't  
2 have to rely upon the city to move those for us.  
3 That was the main point I wanted to make and I also  
4 did want to thank you for everything that you have  
5 put to this conversation.  
6

7 NA'ILAH AMARU: Good afternoon, Chairs Hudson,  
8 Won, and Stevens, and members of the New York City  
9 Council Committees on Aging, Contracts, and Youth  
10 Services. I am Na'ilah Amaru, Director of Policy and  
11 Campaigns at the Human Services Council, a membership  
12 organization representing nearly 200 human services  
13 providers across New York City. We help our members  
14 better serve their clients by addressing matters such  
15 as government procurement practices, government  
16 funding, and public policies that impact the sector.

17 The Joint Task Force to get nonprofits paid on  
18 time, demonstrated a commitment by the Mayor and  
19 Comptroller to address the procurement challenges  
20 that nonprofits face. Together, they cleared a  
21 significant backlog of contracts. However, much more  
22 needs to be done to advance the Task Force's  
23 recommendations and to codify changes in practice, so  
24 that the good work continues. Providers have seen  
25 changes before but when there is a change in

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1 administration and staffing in agencies, or anything  
2 that pulls the city's focus, all the good practices  
3 fall by the way side. And this is why agency  
4 supports both Intro. 511 and Intro. 514 as they  
5 address key issues to the procurement process. By  
6 setting time limits for contract registration,  
7 reporting on agency compliance and establishing a  
8 procurement database, the financial burden suffered  
9 by nonprofits would be eased and allow the sector to  
10 provide critical resources to better serve our  
11 communities.  
12

13 HSC also supports Intro. 510 establishing  
14 prevailing wage requirements for city contracted  
15 human services workers. Government is the  
16 predominant funder of human services that sets the  
17 poverty wages. The practice of reducing salaries by  
18 30 percent compared to similar government jobs has  
19 created extreme pay disparities and racial and gender  
20 inequities for a workforce that is 55 percent women  
21 of color.

22 Salaries start devastatingly low and remain  
23 stagnant due to inconsistent COLA's that even when  
24 given, do not keep up with the cost of inflation. A  
25 COLA is not a permanent solution to closing the pay

1  
2 gap in compensating poverty wages. This results in  
3 increased staff turnover as underpaid staff leave  
4 nonprofits for better paying jobs in government and  
5 the private sector depriving New Yorkers of services  
6 for the most experienced, well-trained staff and  
7 jeopardizing high quality services.

8 For these reasons, we support prevailing wage and  
9 legislation. However, prevailing wages must be  
10 funded on all city contracts. This needs to be a  
11 mandate on government contracts to pay these wages  
12 and should be limited to city contracted workers. It  
13 is also critical that during the rule making process,  
14 the wage and benefit schedule does not codify poverty  
15 wages but lifts wages comparable to government in the  
16 private sector. This includes extensive research and  
17 documentation on job titles, classification, and  
18 wages. For example, DFTA's older adult centers and  
19 naturally occurring retirement communities RFP  
20 recommended salaries of \$34,000 for a case manager  
21 and \$36,000 for a social worker.

22 These low salaries perpetuate pay disparities,  
23 which have important consequences for race and gender  
24 inequity. In conclusion, city contracted human  
25 services workers were thrown on to the front lines of



1 a global health crisis and are now assisting the  
2 seeking asylum with little to no resources. It is  
3 time to step up for them by ending poverty wages  
4 under city contracts. A fully funded government  
5 mandated prevailing wage is fundamental to supporting  
6 our workforce and procurement legislation tackling  
7 delays in the procurement process is key to ensuring  
8 nonprofits are paid on time.  
9

10 Thank you for providing me with this opportunity  
11 to testify. We greatly value our partnership with  
12 you and the City Council and know you stand with us  
13 in our support in the human services sector. Thank  
14 you.

15 CHAIRPERSON STEVENS: Thank you all for your  
16 testimony today. I don't believe we have any  
17 questions for this panel. Oh, Crystal has a  
18 question. I mean, Council Member Hudson, sorry.

19 CHAIRPERSON HUDSON: Thank you. I just wanted to  
20 ask you a question Ms. Amaru. So, earlier, we had  
21 the Administration; representatives from the  
22 Administration here and uhm, I had asked NYC Aging  
23 about the maximum reimbursement of \$75.31 per hour of  
24 service provided. I guess my first question for you  
25 is, do you think that is a sufficient rate?

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1  
2 My second question is, I had also asked them how  
3 that rate was established and why they didn't  
4 communicate that information to providers. They  
5 claimed that they did provide the information to  
6 providers. Would you agree that that statement is  
7 correct? And - well, I'll start with those two and  
8 then I have a third question.

9 NA'ILAH AMARU: Thank you for that question  
10 Chairwoman. To your first question, what we are  
11 asking for is an equitable wage. And so, at this  
12 point in the process, don't necessarily, not in the  
13 position yet to say yes or no to definitive \$31.00 an  
14 hour. Although we will say anything above what they  
15 are making now, we are at the state level of pushing  
16 for \$21.00 minimum wage. What we want again is  
17 equitable wages comparable to what government is  
18 paying. Again, as I said before in my testimony,  
19 when government outsources a social services job,  
20 unfortunately, those wages are cut by roughly 30  
21 percent. And so, we want those wages to reflect. To  
22 reflect a reduction of that gap of 30 percent.

23 And can you repeat your second question please  
24 Chairwoman?

25

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1  
2 CHAIRPERSON HUDSON: Sure and I just want to  
3 clarify the \$75.31 per hour is the maximum  
4 reimbursement for hour of service provided but that  
5 would include not just wages but also, you know for  
6 the case management RFP. So, I just want to be  
7 clear.

8 The second part of the question was, would you  
9 agree or do you know if the information from your  
10 member organizations was actually provided to them as  
11 far as what that rate is and how the rate was  
12 established?

13 NA'ILAH AMARU: At this moment and time, I'm  
14 unsure as we are in that process. That information  
15 is not being shared with our members but I can  
16 certainly follow-up with more clarity with that  
17 information.

18 CHAIRPERSON HUDSON: Okay, great. Thank you.  
19 And then I just wanted to ask another question about  
20 the length, the application window for RFP's. Do you  
21 have a sense or have you heard from member  
22 organizations about how long that application window  
23 should be? 20 days is currently the standard. Do  
24 you think that 20 days is long enough for people to  
25 submit an accurate and you know, complete RFP?

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NA'ILAH AMARU: So, I do know from member conversations is that no matter what the window is, the most concern is what happens if that window is missed. Is there going to be accountability, right. Whether that's 10 days, 15 days, 20 days or 30 days. That is what our members are most concerned about, more so than a specific timeframe. More so, what is the accountability on the agency behalf if that timeframe is missed?

CHAIRPERSON HUDSON: Thank you and did either of you want to add?

LISA SCHREIBERSDORF: I just want to say they give us six weeks for our contracts and that isn't even enough. I can't imagine direct case management services being able to - you know, with all the other things that the offices are doing to sit down and you know just to give you one little example on that. We had a contract to represent parents who are at risk of losing their children but due to ACS involvement and uhm, we were told for a year that they were going to issue an RFP and then they did not issue the RFP, so we tried to plan ahead for what services we wanted to be able to provide and using state standards kind of

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1 estimated it and then all of a sudden they said,  
2 oh, actually we're not issuing it after they told  
3 us, it will be next week. It will be next month  
4 and we all took our summer vacations and put them  
5 into the fall. And I just want to say, I don't  
6 think we should minimize the people like us that  
7 have put our lives into this work. And we have no  
8 value at all and I can't even imagine getting an  
9 RFP sort of out of the blue that I have to fill out  
10 in 20 days or lose my program.

12 So I just want to say, I don't think it's close  
13 to enough time. Just from I've been doing it 26  
14 years, so.

15 CHAIRPERSON HUDSON: Yeah, no, that's valuable  
16 thank you.

17 COMMITTEE COUNSEL: Thank you to this panel.  
18 We're going to transition to our next in-person  
19 panel. Nicole McVinua, Paula Magnus, Elizabeth  
20 Bird and Liz Roberts if you could please come up.  
21 You may begin when you're ready.

22 NICOLE MCVINUA: Good afternoon Chairs Hudson,  
23 Won, and Stevens and members of the Committee. My  
24 name is Nicole McVinua and I am the Director of  
25 Policy at Urban Pathways. Thank you for the

1 opportunity to testify at today's hearing. Urban  
2 Pathways is a nonprofit homeless services and  
3 supportive housing provider. We serve  
4 approximately 3,900 single adults annually through  
5 a full continuum of services and we hold city  
6 contracts with DHS, DOHMH and HRA. We appreciate  
7 the work of the Joint Task Force to get nonprofits  
8 paid on time and clearing the over \$4 billion  
9 backlog. We are seeing ICR funds finally released  
10 as a result of this but unfortunately, we are still  
11 seeing some issues with payments on an HRA  
12 contract. That's actually causing the organization  
13 to lose money, even if the contract hasn't been  
14 fully expended.

15  
16 Urban Pathways strongly supports Intro. 510 to  
17 establish prevailing wage requirements for city  
18 contracted human services workers. The  
19 underpayment of our workforce is the biggest  
20 challenge that we are facing as an organization.  
21 Low wages cause a ripple effect throughout our  
22 organization that impacts both staff and clients by  
23 making it difficult to hire qualified staff, leads  
24 to burnout of our current staff, overwhelm of our  
25 HR and Administrative staff. And it also really

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1 impacts our clients, which I think it really  
2 important to note. We have seen our staff vacancy  
3 rate climb to as high as 32 percent last fall,  
4 which you know impacts the ability of our clients  
5 to build relationships with their case manager when  
6 there is constant turnover.  
7

8 These low wages are driven by government as the  
9 predominate funder of human services. And thereby  
10 also the main driver of human services salaries.  
11 So, we support the creation of a prevailing wage.  
12 We think it's important to note that this must be  
13 funded by the city and by adding additional funding  
14 to our contracts. This cannot fall on nonprofit  
15 providers as another unfunded mandate that pulls  
16 from other parts of the contract. We also believe  
17 it will be critical to do a study that creates  
18 comparable government and private sector wages for  
19 the similar work done by the Human Services sector  
20 and does not codify the low wages that we currently  
21 see.

22 And you can see comments on the other two pieces  
23 of legislation in my written testimony. Thanks for  
24 the opportunity.  
25

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1  
2 PAULA MAGNUS: Good afternoon, I'm Paula Magnus,  
3 Deputy Director and CFO of Northside Center for  
4 Child Development. A family mental health and  
5 educational center serving at risk children in  
6 Harlem and throughout the city. Again, thank you  
7 for this opportunity to speak before you,  
8 especially about the late payments and hearing the  
9 discussion. Again, keep them on task because some  
10 of the responses are not accurate information.  
11 You've heard that from others.

12 I do want to make the statement that Northside  
13 and other agencies are floating cash for the city.  
14 And I can speak to Northside alone, one agency, we  
15 have \$1.6 million from 2017 that is still  
16 outstanding.

17 So, very, very important to understand how it's  
18 effecting the agencies and to be able to do the  
19 service and we know you don't want the services not  
20 offered to the community and for us not to be  
21 financially supported. So, again, we thank you. I  
22 do want to say that the slow contracting process,  
23 which we heard about and I heard some suggestions  
24 on how they're going to standardize or centralize  
25 those forms. There's like, I don't know, 12 or 13



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1 different documents every year, same document. We  
2 have nine contracts we have to submit it nine times  
3 to nine different contracting agencies, which  
4 actually makes no sense.  
5

6 So, I'm hoping that they will centralize so it's  
7 not being pulled from everyone else. Also, the  
8 liability insurance certificate is also being  
9 required. Many times submitted to the city for  
10 various departments. So, it's again a waste of  
11 time. The financial budget modifications, when we  
12 have to admit or submit a request for budget  
13 modification right away. We're back and forth as  
14 though we're having an argument with the city  
15 versus supporting the community of the city. So, I  
16 just want to say that some of the positive things  
17 to keep up the electronic pieces of signing  
18 documentation is helpful. So, we don't have all  
19 that paper going back and forth. That's really  
20 helpful but again, I stress, one organization owed  
21 \$1.6 million from 2017. We can't afford to  
22 continue to do that. And we also support the  
23 prevailing wage. I took away from my notes because  
24 just in hearing the conversation, there's so many  
25 more things I wanted to say, so we'll submit this

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1 in writing in terms of our process this afternoon.

2 But again, wanted to make those comments. Thank  
3 you again so very much for this time.

4  
5 LIZ ROBERTS: Good afternoon and thank you for  
6 the opportunity to provide testimony before the  
7 Committees on Contracts, Youth Services and Aging.  
8 My name is Liz Roberts, I'm the CEO of Safe  
9 Horizon, the nation's largest nonprofit victim  
10 service organization. Safe Horizon as you probably  
11 know to some extent offers client centered, trauma  
12 informed help to 250,000 New Yorkers every single  
13 year. So, we're so grateful that this hearing is  
14 happening today. And to be frank, as others have  
15 shared, the nonprofit human service sector really  
16 is in crisis. So, I hope this hearing will be a  
17 meaningful step towards righting the historic  
18 wrongs that have impacted our staff and our clients  
19 over so many years.

20 We are grateful to the Council including Chairs  
21 Stevens, Hudson and Won for presenting the  
22 prevailing wage bill and we fully support it. It  
23 is long since time that we reject this idea which  
24 the city you know continues to reinforce through  
25 contracts that do not cover the full cost of

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1 service delivery. That the efforts of those who  
2 feed, shelter and protect the safety of vulnerable  
3 New Yorkers can be purchased at a discount. It has  
4 to stop.  
5

6 The fact that the lowest wages in our sector are  
7 paid for positions that are overwhelmingly filled  
8 by people of color and specifically Black and Brown  
9 women is a stark example of systemic racism. And  
10 it's built into our government contracts.

11 I know you know this and it feels important to  
12 say it again. At Safe Horizon, we've made a real  
13 commitment to pay equity and we are prioritizing  
14 staff salaries and doing everything we can within  
15 our resources to invest in our frontline staff.  
16 But we can't do that without the support of our  
17 partners in government. So, there must be adequate  
18 funding attached to this bill, so that it doesn't  
19 lead to another unfunded mandate for human service  
20 organizations.

21 You know that government is the predominant  
22 funder of our services and also the main driver of  
23 human services salaries. We simply cannot lift  
24 workers' wages without the necessary funding from  
25 government.

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1 I also want to quickly speak to the issue of  
2 time limits. We do think it would be very helpful  
3 to impose time limits and to hold the city  
4 accountable for following them. It's not unusual  
5 for us to wait a year, two years, or even much  
6 longer to receive payment for work that we have  
7 already done. We have seen movement in the past  
8 year thanks to the efforts of the Adams  
9 Administration. I need to give them credit for  
10 that and we're grateful but it's not enough. We  
11 need systemic changes that will be lasting and will  
12 you know greatly improve and greatly speed the  
13 process of establishing contracts and paying their  
14 bills.

15  
16 And I have to say these delays are especially  
17 harmful to the small grassroots community-based  
18 organizations that we partner with across New York  
19 City. Safe Horizon is proud to administer the  
20 Domestic Violence and Empowerment Initiative, the  
21 DOVE Initiative of the New York City Council and we  
22 hear directly from DOVE organizations of all sizes.  
23 Every year, every month, every week, just how  
24 harmful delays in contracting and delays in payment  
25 are for their work. And so, on behalf of all of

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1 those providers, we are hopeful that there will be  
2 real and systemic change to come. So, I thank you  
3 for your time and would love to hear any questions.  
4

5 ELIZABETH BIRD: Thank you Chairs Hudson,  
6 Stevens and Won and members of the Committee for  
7 the opportunity to testify today. My name is  
8 Elizabeth Bird, I'm Director of Public Policy at  
9 Educational Alliance. We are a settlement house  
10 with community centers located throughout the lower  
11 Eastside and China Town and have been providing  
12 services continually to our community for over 130  
13 years.

14 We currently hold contracts with DFTA, DOE,  
15 DOHMH, DYCD and DCLA for services we provide for  
16 New Yorkers throughout their lifespan. From our  
17 early childhood programs to our older adult centers  
18 and NORC, we have a long and strong track record of  
19 excellent service delivery.

20 Last year, Educational Alliance was a  
21 participant in some of the conversations around the  
22 joint task force to get nonprofits paid on time and  
23 many of the challenges we experience with city  
24 contracting are reflected in the task forces  
25 report.

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1 Today, we urge the city to recommit to achieving  
2 the goals established by the task force.

3 Particularly those related to establishing  
4 timeframes for each stage of the contracting  
5 process, holding city agencies accountable for  
6 their own performance and streamlining procurement  
7 and contract registration processes. Many of these  
8 priorities would be addressed in the legislation.  
9

10 In the last few years, excessive contract delays  
11 have required us at Educational Alliance to float  
12 as much as \$4.5 million over the course of a single  
13 year to cover payroll and expenses while waiting  
14 for payment from the city.

15 This strain is extraordinary and unsustainable  
16 for any organization and impacts our ability to  
17 provide services. These delays force us to  
18 consider whether we can afford to pursue new  
19 contracts with the city. I do have some additional  
20 comments in my written testimony on procurement  
21 reform and budget modification but I'd like to  
22 quickly talk about Intro. 510. Educational  
23 Alliance is very grateful to the Council for its  
24 commitment to establishing prevailing wage  
25

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1 requirements for city contracted human services  
2 workers.  
3

4 To clarify that commitment, we would only urge  
5 the Council to make clear that this legislation  
6 represents a mandated contracting agencies to pay a  
7 prevailing wage on all existing and new contracts.  
8 Thank you so much for the opportunity to testify  
9 today.

10 CHAIRPERSON STEVENS: Thank you so much. I just  
11 have a question because I know you guys talked  
12 about the timeframe. Are you guys required to be  
13 on timeframes when you're doing paperwork with the  
14 city? So, why do you think they're giving pushback  
15 on being on a timeframe when it comes to them in  
16 the contracting process? I would love to hear some  
17 feedback from some providers around that.

18 NICOLE MCVINUA: We're certainly held  
19 accountable to timelines by all of our city funders  
20 and you know I think the issue of RFP timeframes  
21 that you were speaking about earlier is a good  
22 example that the city takes as long as it takes to  
23 issue an RFP but always gives us a short turnaround  
24 time to respond. And that's exactly the kind of  
25

1  
2 unevenness that really makes it very difficult to  
3 do our work.

4 PAULA MAGNUS: I would also comment that you  
5 feel like they have you over a barrel at some level  
6 and when you have that feeling and you still want  
7 to serve the community, you do what you have to do  
8 and I know for us, when it comes to timeframes,  
9 they're always, we'll you can't make a budget  
10 modification now because you passed the timeframe.  
11 And so, those kinds of unfair restrictions or  
12 timeframes that they give but yet do not impose  
13 upon themselves, that should be delt with and  
14 again, I can speak to budget modification  
15 timeframes, and you're not asking for any more  
16 money. You're just asking to move the money  
17 around. Well justify that. Well you justify it  
18 ten different ways and it's still not satisfactory  
19 because I believe, again, my personal opinion is,  
20 you know City Council and that money to move it  
21 somewhere else because as the question was asked  
22 earlier, where is that money? Where is it sitting?

23 So, I don't know what's going on but from a  
24 financial perspective, the longer you hold the  
25 money somewhere else and cause those other folks to



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1 have to figure out how to float it, it becomes a  
2 financial burden on that agency. And again, we  
3 feel our hands are tied when you're trying to do  
4 the work for the city.  
5

6 ELIZABETH BIRD: Yeah, and I could just add very  
7 quickly, you know if it's a contract renewal,  
8 you're going to close the program because your  
9 contract isn't registered? So, you know we had an  
10 HRA contract for permanent supportive housing.  
11 This is the place where folks are living that  
12 wasn't registered for 18 months.

13 So, we were fronting that funding but to close  
14 that program would have meant having to relocate  
15 vulnerable folks. So, that's certainly not the  
16 business that we're in but you're sort of you know  
17 tied between a rock and a hard place because you  
18 don't have that contract registration and it  
19 creates a lot of risk for the organization as well.

20 CHAIRPERSON STEVENS: I will say even when I was  
21 working in nonprofit, I used to always say this  
22 feels like an abusive relationship because I am  
23 abused and I know I am but I can't walk away  
24 because I love the work that I do. So, I asked the  
25 question like knowing the answer but really wanting

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1 to make sure there's some record of the hardship  
2 that you do face and the reason why a lot of  
3 nonprofits continue the work because it does affect  
4 people's lives, families and communities. So,  
5 thank you so much for your testimony today.  
6

7 COMMITTEE COUNSEL: Thank you. We're going to  
8 transition to our next in-person panel, Joseph  
9 Rosenberg, Amiee Abusca, and Gregory Brender.

10 GREGORY BENDER: Thank you so much for the  
11 opportunity to testify and for convening this  
12 important hearing. My name is Gregory Brender, I  
13 am here from the Daycare Council of New York.

14 So, you know this is - we are disappointed to  
15 sort of be delivering this testimony that we are  
16 offering today and I'll sort of preface by saying  
17 we made very similar testimony to the Education  
18 Committee back in October. Telling them that early  
19 childhood, there was a crisis in early childhood  
20 education where childcare providers were not being  
21 paid on time.

22 And the Council took a really strong position on  
23 this and pushed the city to make public commitments  
24 to improve its process but nonetheless, the system  
25 really remains in crisis. The administration

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1 committed to paying providers what was  
2 contractually guaranteed in their RFP, which was 75  
3 percent of contract value and to setting up a rapid  
4 response team to help providers access their FY22  
5 payments. However, to this day, many providers  
6 still have not received all of their payments for  
7 FY22 but even more concerning, the systems have not  
8 been improved and we're seven months as of  
9 Wednesday into FY2023 and we're hearing from many  
10 of our member agencies and if not most of our  
11 member agencies that they're not receiving their  
12 funds for their FY2023 contracts. And what was  
13 happening to providers back in October is still  
14 happening, which means hardworking staff, people  
15 who are working jobs that are already low paid, are  
16 missing payroll.  
17

18 Vendors are not being paid. Centers are missing  
19 rent and many providers are actually taking out  
20 personal lines of credit in order to continue  
21 surviving. We have a bunch of data around this  
22 that we shared in our written testimony but I  
23 wanted to reiterate the recommendations that we  
24 believe the city must take immediately to reform  
25

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1 the system. I'm sorry, I know that sound. Can I  
2 just do the recommendations?  
3

4 CHAIRPERSON STEVENS: Very quickly.

5 GREGORY BRENDER: Yup, pay all providers their  
6 full contract value for FY2022 immediately.

7 Migrate invoice and payment processes from DOE's  
8 pre-kit system to the MOCS PASSport system in line  
9 with other human services contracts. Pay FY23  
10 invoices promptly assuming the ability for  
11 providers to bill for more than one month at a  
12 time. And hold providers harmless from enrollment  
13 penalties as long as the DOE continues to control  
14 enrollment. Thank you so much for the opportunity  
15 to testify.

16 AMIEE ABUSCA: Good afternoon. Thank you for  
17 allowing me the opportunity to testify on behalf of  
18 JCCA. My name is Amiee Abusch and I'm the Senior  
19 Vice President of Prevention and Foster Care,  
20 Community and Partnership programs.

21 JCCA works with 17,000 of New York State's  
22 children and families each year, providing foster  
23 care, residential, prevention, behavioral health and  
24 educational services that operate through contracts  
25 and various city agencies including the

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1 Administration for Children's Services, Department of  
2 Youth and Community Development, and Department of  
3 Youth and Mental Hygiene. Our frontline staff spend  
4 most of their time in our clients' homes and in the  
5 community. However, our frontline staff are vastly  
6 underpaid for the hard, emotionally draining work  
7 that they do. Working long hours, traveling into  
8 clients homes, regardless of whether and completing a  
9 tremendous amount of required paperwork and  
10 documentation.  
11

12 I want to share with you the story of a case  
13 manager who I work with. Her name is Jaleesa. She  
14 recently told me that she knew a social worker. She  
15 knew social work didn't offer a lot of pay but she  
16 should be able to support herself and her child.  
17 Jaleesa is one of many who described relying on the  
18 same public benefits as her clients. The low pay,  
19 especially current inflation, is demoralizing for  
20 professionals and as a result, they often leave for  
21 higher paying jobs in city agencies, schools,  
22 hospitals and private sector companies.

23 In the past year, 31 percent of JCCA employees  
24 have left the agency. 48 percent of those from our  
25 foster care services. 36 percent from our preventive

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1 programs. This high-level staff turnover adversely  
2 impacts services to vulnerable families. Every time  
3 a position becomes vacant, it delays a child or  
4 family from achieving their desired goals.  
5

6 Okay, JCCA salaries are comparable to others in  
7 the field but bachelor level psychotherapists and  
8 case planning salary start around \$45,000. Master's  
9 level is about 56. These salaries cannot keep pace  
10 with inflation which is currently at 6.3 percent.

11 Many of our workers live in subsidized housing,  
12 receive public benefits, a key indicator of poverty.

13 As a result, highly trained human service workers  
14 are leaving the field. We appreciate the City  
15 Council for introducing supporting prevailing wage  
16 bill. It is also imperative that there is funding  
17 for this bill, so it does not become an unfunded  
18 mandate for human service organizations. Thank you  
19 for taking the time to hear from community providers  
20 about the importance of prevailing wage bill for  
21 frontline human services and mental health workers  
22 across New York City. Thank you.

23 JOSEPH ROSENBERG: Good afternoon Chairs Stevens,  
24 Won, Hudson and Council Member Williams. I am Joseph  
25 Rosenberg, Executive Director of the Catholic

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1 Community Relations Council representing Catholic  
2 charities at the Arch Diocese of New York and the  
3 Diocese of Brooklyn and Queens.  
4

5 New York's contract procurement process needs to  
6 be reformed and we strongly support the passage of  
7 Intro. 511. The lengthy approval process and the  
8 inability for awarded funds to be delivered to the  
9 nonprofit agencies hurts both the nonprofit providers  
10 and the New York City residents who desperately  
11 require the support services. This bill would go far  
12 in allowing monies awarded by city agencies to float  
13 service providers and their clients. Like you, we  
14 were disappointed to hear today of the mayoral  
15 administrations reluctance to support Intro. 511.

16 For over a century, Catholic Charities of both  
17 diocese has been at the forefront of providing  
18 services and relief to the residence of the city,  
19 whether it involves acting as first responders to  
20 help communities cripple by national disasters,  
21 providing supportive housing for formally homeless  
22 individuals and families, ensuring that homebound  
23 elderly receive meals and assistance during the  
24 pandemic. And assisting immigrants and refugees  
25 fleeing violence and oppression. We appreciate the

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1  
2 mayoral administration; the City Council and the New  
3 York Comptrollers focus on trying to help reform the  
4 contract procurement system. Despite these efforts,  
5 too often city funds awarded to providers fail to  
6 cover the full cost needed to assist these targeted  
7 populations. And many instances as you know, the  
8 nonprofits do not receive the awarded monies until  
9 many months after the contract services term is  
10 started. As a result, the nonprofit sector must  
11 often reach into their reserves, retain bridge loans  
12 to finance services required under the contract.

13 Intro. 511 would fix this. It would require the  
14 policy board to establish the time limits where  
15 contracting agencies must complete each step of the  
16 process. This would speed the contract award process  
17 and go far to ensuring that providers actually  
18 receive the money they were awarded to to perform  
19 essential services for New Yorkers and that these  
20 monies do not languish in a bureaucratic limbo for  
21 many months and sometimes years.

22 There's additional language that I have included  
23 in my testimony that I would like to recommend that  
24 you consider perhaps be included in Intro. 511.  
25 Again, it would hold the procurement policy boards



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1 feet to the fire. Basically, it would require them  
2 if they saved efficiency in a providers contract  
3 submission that they notify the provider of this  
4 problem within 20 days. Again, this is a step that  
5 would allow the contract to proceed and the money  
6 hopefully to flow to our most vulnerable residence.  
7 Thank you.

9 COMMITTEE COUNSEL: Thank you very much to this  
10 panel. We're going to transition to our final in-  
11 person panel Marlon Williams, Brianna Paden-Williams  
12 and John T. Falcone, if you could please come up to  
13 testify. You may begin when you're ready.

14 MARLON WILLIAMS: There we go, thank you. My  
15 name is Marlon Williams, the Vice President of Public  
16 Policy and Collaboration at Philanthropy New York.  
17 We are submitting a testimony to demonstrate our  
18 support for recommendations that strengthen New York  
19 City's non-profit eco-system by reducing or  
20 eliminating several unnecessary administrative  
21 burdens that city agencies impose on nonprofits in  
22 the contracting process and also around advancing  
23 wage equity through the proposed legislation.

24 Philanthropy New York is a membership  
25 organization consisting of nearly 300 grantmaking

1 institutions within the region. Collectively, our  
2 members make about \$7 billion in grants each year.  
3 We believe that supporting our members' philanthropic  
4 efforts must also include supporting a vibrant  
5 ecosystem within which the non-profits that we give  
6 grants to are able to work and thrive.  
7

8 In addition to the critical funding that our  
9 members provide to New York non-profits, we know that  
10 government funding is in many ways – is often the  
11 larger and critical part of the contracting process,  
12 so it is essential that this resource stream that  
13 goes to nonprofits is done in a way that is efficient  
14 and effective.

15 Through our public policy work we are supporting  
16 efforts such as those cited in the Strengthening New  
17 York City Nonprofits by Reducing Administrative  
18 Burden, a report that was authored by the Center for  
19 the Urban Future. Efforts like those outlined here  
20 will drastically improve the broken contracting  
21 system and ensure that critical government and  
22 philanthropic dollars are used effectively.

23 In June of 2022, Philanthropy New York partnered  
24 with the Administration in figuring out ways in which  
25 we can do some of the reductions and it became a

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1 platform for them to have conversations with  
2 nonprofits and other organizations around this work.

3  
4 In addition we want to express our support for  
5 Intro. 510 because we believe that making sure that  
6 the prevailing wages are adopted by in the  
7 contracting process is critical for equity within the  
8 system, making sure that a system that's largely  
9 staffed by women of color, is able to uhm make sure  
10 that they provide services while not also needing to  
11 receive the same services that they are providing.

12 So, we provided full testimony that gives you  
13 some more data around what we see here but a critical  
14 piece of why we are testifying today is believed that  
15 a strong nonprofit ecosystem is essential for a  
16 vibrant New York. As funders within the space, we  
17 want to make sure our dollars are used not for  
18 carrying loans but actually that those dollars are  
19 used to providing services that make New York City  
20 stronger. And as we advise our philanthropic  
21 partners to streamline their contracting system, we  
22 would like to see that also happening on the  
23 government side to make sure that the nonprofits have  
24 to focus on providing their critical services and not  
25 just getting paid. Thank you.

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CHAIRPERSON STEVENS: Thank you.

BRIANNA PADEN-WILLIAMS: Hello, I'm Brianna  
Paden-Williams, the Communications and Policy  
Associate at LiveOn New York. Thank you for the  
opportunity to testify today. LiveOn New York's  
members include more than 110 community-based  
nonprofits that provide core services which allow all  
New Yorkers to thrive in our communities as we all  
age. In New York City, the majority of human service  
programing is run through contracts of hundreds of  
nonprofit organizations across the city that employ  
tens of thousands of New Yorkers. However for  
decades, city contracts have fallen short of  
reimbursing nonprofits for the full cost of  
delivering services. With providers receiving about  
80 percent of what it actually costs to run programs  
on average, forcing organizations to borrow money or  
spend administrative efforts seeking alternative  
sources of funding. And these delays have really put  
a financial strain on community-based organizations  
due to low wages, payment delays and other factors  
making it difficult for nonprofit organizations  
including human service providers to plan for the  
future and commit to meaningful partnerships.

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1  
2 And so, to address some of these chronic issues,  
3 we recommend the following: First, the city should  
4 boost salaries of human service workers on city  
5 contracts to make them competitive and equitable  
6 across human services sector. Poverty level wages  
7 from government underfunding have chronically left  
8 city contracted providers including human service  
9 workers underpaid, making it difficult for  
10 organizations to attract top talent and resulting in  
11 frequent staff turnover. We also encourage the city  
12 to empower nonprofits to make purchases that they  
13 feel best will serve their communities by building  
14 more flexibility within their contract.

15 And as providers emerge from this pandemic, many  
16 community-based organizations with contracts are now  
17 facing new challenges in comparison to a few years  
18 ago, especially for the needs of older adults. And  
19 so, we encourage the city to assess how flexibility  
20 can be built into city contracts to allow providers  
21 to adapt to the evolving needs of older adults.

22 Also, the city must continue to improve the  
23 timeliness of payments to nonprofits, including  
24 discretionary funding. We also encourage the city to  
25 within the request for proposal, the RFP process, the

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1 city should ensure that providers have 30 days to  
2 respond following the final addendum released, really  
3 to ensure that providers have the adequate  
4 information to complete the RFP process.  
5

6 And last point, I want to thank Contract Chair  
7 Won and Youth Services Chair Stevens for introducing  
8 the following legislation and just for one last  
9 point, we support the intent of Intro. 510 that would  
10 ensure human services workers are paid a prevailing  
11 wage, however, we encourage the city to access the  
12 necessary funding for this bill but more information  
13 can be found in my written testimony. And thank you  
14 for the opportunity to testify today.

15 JOHN T FALCONE: Hi, I'm JT, I work for United  
16 Neighborhood Houses, a membership organization for  
17 settlement houses in New York City and New York  
18 State. One of the better things about going later on  
19 the panels is that I can say what everyone else has  
20 said is true for us as well. We support 510.  
21 Funding is important but the reality that we are  
22 facing on the ground right now is that wages are so  
23 low, vacancies so high that there is probably not a  
24 whole lot of providers out there who are fully  
25 fulfilling their contracts anyways because they're

1 having so much trouble recruiting and staffing. We  
2 fundamentally need to address salaries for human  
3 service workers, not just because it's right but  
4 because it will help the system continue to function.  
5 We're on the precipice of crisis, we're really  
6 barreling off that cliff already.

7  
8 The other big thing that I wanted to talk about,  
9 I appreciate, we appreciate the city's investment  
10 through the contract enhancement. And I also just, I  
11 want to add some percentages to this dialogue,  
12 because I think \$64 million can sound like a lot and  
13 it is but in the context of a budget that we're  
14 talking about and in the context of workers who are  
15 in many instances starting out at minimum wage or  
16 \$30,000 a year or \$40,000 a year in New York City,  
17 one of the most expensive cities, we're talking about  
18 one, one and a half, two percent of a contract  
19 enhancement per contract for human services and yes,  
20 all of that money is going to go to salaries but  
21 that's fundamentally insufficient.

22 Even year over year over year over year for  
23 increasing by five percent. If you start at \$15 an  
24 hour for five years, a five percent COLA, you're  
25 still sitting under \$20 an hour. We need an infusion

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1 of cash to address wages. Get things right after  
2 years of neglect and then from there, COLA's are  
3 great and that can help us to sustain but COLA's  
4 can't fix where we're at right now. Thank you.

5 CHAIRPERSON STEVENS: Thank you. Thank you for  
6 that testimony. I think it is important for us to  
7 talk about percentages and I think when we talk about  
8 data, that's why I always say we have to be careful  
9 because people can use the numbers that sound bigger  
10 and what they need. And so, I think putting on  
11 record that it's literally only two percent of the  
12 bigger overall budget is super problematic. So,  
13 thank you for bringing that up.

14 I just had a really - a quick question around  
15 Intro.'s 866, around the community engagement bill  
16 and I know that the administration said that this  
17 would be over burdensome for providers and it would  
18 be too much for them to do but one, I think that they  
19 should be evaluating things that they're asking  
20 providers to submit for reporting because a lot of it  
21 is out dated and isn't relevant sometimes. But could  
22 you talk a little bit about or have you heard from  
23 your organization providers U&H around this being so  
24

25



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1 burdensome that they wouldn't be able to do this and  
2 the reporting part please. Thank you.

3  
4 JOHN T FALCONE: Thanks for asking the question  
5 Chair Stevens. If you are having community  
6 conversations, community collaboration, community  
7 engagement, you should be taking notes, you should  
8 have sign in sheets. I think one of the challenges  
9 that we have when we introduce new things that we're  
10 tracking and paying attention to is that New York  
11 City agencies don't often step back and ask their  
12 contractors what would be the easiest way for you to  
13 report to us on this. If there is a portal where  
14 we're uploading basic documentation, you have it or  
15 you don't. Do you have a sign in sheet from a  
16 meeting. Do you have minutes or notes that you  
17 already took for a meeting? I think if folks are  
18 going to be writing into proposals how they're going  
19 to work real hard with the community and they're  
20 going to be really involved with the community and  
21 they're going to go out there. Okay, yeah, they  
22 should be evaluated on that. I think that's right  
23 and I think that if it's a matter of having a minute  
24 taker in a meeting when you didn't before, that's  
25 probably good organizational practice.

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1 I do think that a bigger point that you've  
2 brought to this hearing and brought up a number of  
3 times, I think of reporting requirements for city  
4 contracts sometimes like a zip tie. We keep  
5 tightening it and tightening it and tightening,  
6 asking for more and asking for more. Sometimes it's  
7 because a Council Member asked a Commissioner a  
8 question at a hearing 14 years ago and ever since  
9 then, nonprofits have been asked to fill out that box  
10 every single year and no one really remembers why.

11 Let's have honest assessments about what's  
12 valuable to track and what's not. What information  
13 are we using and what are we not? This 866, we  
14 support it. I think that I added some suggestions in  
15 my testimony for a definition of collaboration. I  
16 think people play that word a little fast and loose,  
17 so we might want to say exactly what we're trying to  
18 get at. But it would be important; it would be  
19 really - we need to move in the direction of asking  
20 ourselves more often why we're asking the questions  
21 that we're asking of nonprofits. And I think this is  
22 a good one to ask and to kick it off the curb because  
23 folks are already overburdened but not go back and  
24

25

1 ask why their overburdened in the first place. I  
2 think is a missed opportunity.  
3

4 CHAIRPERSON STEVENS: No, I really appreciate  
5 that because I think that that's what I was trying to  
6 allude to and I also want to give some clarity around  
7 the bill itself because I think people think we're  
8 asking for community engagement in the sense of how  
9 are you working with the community? But we're  
10 actually asking about community engagement with your  
11 community partners. When folks write RFP's, a lot of  
12 times they are asked to get letters of community  
13 support and they get these letters and they say  
14 they're going to work with them and this is how the  
15 partnership is going to be and then no one ever - a  
16 contract is awarded and that conversation is now null  
17 and void. And so, for me, I believe if we're asking  
18 for this information on the frontend, we should be  
19 tracking it because obviously this is important.

20 And so, I just want to make sure that we clarify  
21 some of that because it's not just around community  
22 engagement, it is about a question we are literally  
23 asking in all of our RFP's and actually making people  
24 do the leg work to do because these support letters  
25 is not easy. Literally was part of my job before.

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1 And so, it's important that we are tracking that and  
2 how does that look? Because I think sometimes even  
3 when some of the bigger agencies say that they're  
4 going to work with a smaller agency, the smaller  
5 agency might be excited and like this is a good  
6 partnership and it could really help them but then  
7 they don't hear from them again.  
8

9 And so, hearing from some of the smaller  
10 agencies, I wanted to make sure we had some feedback  
11 from that. But thank you so much. I really  
12 appreciate it.

13 COMMITTEE COUNSEL: Thank you to this panel.  
14 We're going to transition to our next panel, which  
15 will be a hybrid panel. The first in-person panelist  
16 will be Patricia Marthone followed by two virtual  
17 panelists Cynthia Silva and William Perez.

18 PATRICIA MARTHONE: Good afternoon Chairs  
19 Stevens, Hudson, and Committee Member Williams. My  
20 name is Patricia Marthone and I am Executive Vice  
21 President for 1199 SCIU and the division director for  
22 the CBO pharmacy division where health care workers  
23 strive to keep New York City well in clinics.  
24 FQHC's, dialysis centers, elder services, and  
25 children in adult behavioral health services and

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1 workers that positively effectuate lifechanging  
2 issues for society such as Planned Parenthood, Calon  
3 Lorde and the Legal Aid Society.  
4

5 1199 fully supports Intro. 510 and urges the City  
6 Council to enact prevailing wages, a law that will  
7 raise the floor for all human service workers. There  
8 is an enormous disparity in wages and benefits for  
9 workers in similar titles working in hospitals  
10 compared to the community-based health and behavioral  
11 health clinics we represent.

12 A master's degree Social Worker at a clinic can  
13 earn \$35,000 to \$45,000 per year. When the same  
14 title and credentials will earn about \$65,000 to  
15 \$90,000 in the hospital. This makes it impossible  
16 for community-based providers to compete and impede  
17 their ability to recruit and retain, experience long  
18 term staff. More importantly decent worker wages and  
19 benefits are at risk, regardless of the fact that the  
20 community-based clinics positively impact health care  
21 outcomes.

22 In addition to prevailing wage laws, we want you  
23 to know we represent more than 400,000 health care  
24 workers in five states and in DC. The COVID-19  
25 pandemic took its toll on us and the globe and in New

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1 York City, it exacerbated our staffing shortages that  
2 requires intentional resources to resolve. May I  
3 continue?  
4

5 Okay, as a New Yorker, we urge the city to work  
6 with us to secure funding to increase funding for  
7 staff and fully staff up, implement incentive  
8 programs, explore loan forgiveness programs and  
9 longevity bonuses. Increase stagnate Medicaid  
10 reimbursements rates. That, at least ten percent  
11 across the board should increase and support Raise Up  
12 New York to increase the minimum wage to over \$20 per  
13 hour by indexing before another crisis hits.

14 With regard to 511, we also recommend that the  
15 city contract funding calendar commences on October  
16 1, rather than July 1, allowing time for agencies to  
17 vet contracts and the Comptroller to certify  
18 contracts. Smaller agencies awarded funds, may wait  
19 months to certify and may require high interest  
20 bridge loans. This would also give agencies time to  
21 wind down operations and make appropriate referrals  
22 in the event the funding is denied.

23 Finally, in regard to Intro. 514, we fully  
24 support a publicly accessible database for city  
25 contracts. Thank you for this opportunity to testify

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1 on behalf of our members and I'm happy to answer any  
2 questions.  
3

4 COMMITTEE COUNSEL: Now, we're going to  
5 transition to Zoom. Cynthia Silva, you may begin  
6 when the Sergeant starts your clock.

7 SERGEANT AT ARMS: Starting time.

8 CYNTHIA SILVA: Good afternoon. My name is  
9 Cynthia Silva. I have worked at the Callen Lorde  
10 Community Health Center since 2020 as a Licensed  
11 Clinical Social Worker. Callen Lorde provides  
12 comprehensive health care to the LGBTQ community,  
13 regardless of their ability to pay.

14 Established in 1983 at the height of the AIDS  
15 epidemic, services have expanded to include a full  
16 range of culturally sensitive services to adults of  
17 all ages, teenagers, and young adults, geared toward  
18 prevention, wellness, and gender affirming care. Our  
19 staff is committed to serving our clients.

20 Oftentimes, co-workers find themselves having to  
21 choose between serving the LGBTQ community at our  
22 organization or seeking employment at institutions  
23 that offer higher wages. Intro. 510 will assure that  
24 the community-based clinics can recruit and retain  
25

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1 long-term staff. I urge you to support and enact  
2 Intro 510.  
3

4 We, like many other health care clinics, are  
5 short-staffed. Callen Lorde has added challenges to  
6 serving clients that are often stigmatized and are  
7 most comfortable getting care in a judgment free  
8 setting. For many of us, working there is a  
9 commitment to serve the LGBTQ community. Intro. 510  
10 will make it easier for programs such as ours to  
11 recruit and retain staff by making salaries much more  
12 competitive.

13 As an LCSW, I rely on a team approach to care for  
14 each client and meet their individual needs. Having  
15 a fully staffed team improves client experience and  
16 outcomes. Therefore, staffing shortages are of great  
17 concern to us all. Callen Lorde has facilities in  
18 Manhattan, Brooklyn, and the Bronx. We stress  
19 wellness, gender affirming care, and focus on each  
20 client's needs with Care Coordinators that deliver a  
21 more holistic approach to care and counseling. The  
22 care for our transgendered clients is unique. In  
23 addition to primary care, we offer mental health  
24 services, case management, gender affirming care, HIV  
25 care and prevention.



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1 SERGEANT AT ARMS: Time expired.

2  
3 CYNTHIA SILVA: We also have a dental clinic and  
4 a pharmacy. Yeah.

5 COMMITTEE COUNSEL: Thank you and our final  
6 panelist will be William Perez. You may begin when  
7 the Sergeant starts your clock.

8 SERGEANT AT ARMS: Starting time.

9 WILLIAM PEREZ: Good afternoon. I am William  
10 Pérez. I'm a Social Worker. I work as a clinician  
11 for Callen Lorde. I have worked with Callen Lorde  
12 Community Health Center for just over a year, but for  
13 the past 17 years I have worked for several human  
14 services organizations in different capacities.

15 As a result, I can attest to the great funding  
16 disparity affecting wages and benefits at those  
17 organizations. Intro. 510 has the potential to  
18 correct such disparities. It establishes prevailing  
19 wages that will benefit workers and clients alike. I  
20 had to overcome many hardships up until I joined  
21 Callen Lorde, a community-based organization clinic  
22 offering primary care, mental health behavioral  
23 services, and overall wraparound services to the  
24 LGBTQI community in a safe and culturally competent  
25 environment.

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1 Our clients are diverse in race and ethnicity,  
2 ranging in age from about 13 to 90, and come from all  
3 walks of life. We focus on wellness, health, and  
4 offer a holistic approach to meet the individual  
5 needs of our clients. Callen Lorde offers better pay  
6 than many organizations I previously worked at. This  
7 has allowed me to finally make ends. Going to where  
8 I am today has been a struggle, and for that reason I  
9 come before you today to urge you to pass prevailing  
10 wage legislation.  
11

12 Social workers rely on a people approach to  
13 address the care needs of each individual client.  
14 Everyone at the facility from the security guards to  
15 the doctors must work together to ensure the best  
16 experience and outcomes for every client. Therefore,  
17 adequate staffing is essential. Most health care  
18 facilities today, be they hospitals, nursing homes,  
19 clinics or the home care industry, are severely  
20 understaffed and I believe that community-based  
21 clinics are the most cost effective and culturally  
22 sensitive, engendering greater client trust. Intro.  
23 510 will ensure that these community-based human  
24 service agencies are able to connect and serve the  
25 needs to their communities. I urge you to enact

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1 Intro. 510. Thank you for this opportunity to  
2 testify before you.  
3

4 COMMITTEE COUNSEL: Thank you very much for your  
5 testimony. Thank you to this panel. We're going to  
6 transition to our next Zoom panel, Jeff Chang, Malini  
7 Khorana, Lily Shapiro and Paul J. Lee. Jeff Chang  
8 you may begin when the Sergeant starts your clock.

9 SERGEANT AT ARMS: Starting time.

10 JEFF CHANG: Hello, good afternoon and thank you  
11 to the City Council, the Committee on Youth Services,  
12 Aging and Contracts for this opportunity to testify.  
13 My name is Jeff Chang and I'm the Youth Organizer at  
14 the Korean American Family Service Center. KFSC  
15 provides social services to immigrant survivors and  
16 the children who are affected by domestic violence,  
17 sexual assault and child abuse.

18 All our programs and services are offered in a  
19 culturally and linguistically appropriate setting.  
20 The model minority myth is in direct contradict the  
21 fact that many APA students with immigrant families  
22 display serious emotional and social and behavioral  
23 difficulties. Our APA children require addition  
24 support from school counselors to mitigate and work  
25 to reduce stressors in the school environment that

1 hinder not only their academic performance but also  
2 their cultural emotional development, self esteem and  
3 development of healthy communication skills.  
4

5 Our counselors and teachers at KFAC work with the  
6 families in our afterschool program to specifically  
7 address the gaps in our education system that  
8 overlooks our APA immigrants due to population and  
9 the failings of students, educators and  
10 administrators to fund and resource proper protocols  
11 for families with their child's needs and talents.

12 Often times we find ourself left outside of city  
13 funding as an organization located in Queens.  
14 Flushing Queens is home to one of the biggest APA's  
15 immigrant populations in New York and it is important  
16 to provide the support for the nonprofit  
17 organizations that are on the frontline of serving  
18 these underserved communities. With the increasing  
19 number of unfunded mandates appearing on the RFP and  
20 lack of funding to pay appropriate wages to staff, we  
21 are put under growingly unrealistic demands with the  
22 lack of support. Thank you for your time.

23 COMMITTEE COUNSEL: Thank you. Malini Khorana,  
24 you may begin when the Sergeant starts your clock.

25 SERGEANT AT ARMS: Starting time.

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1 MALINI KHORANA: Good afternoon. Thank you. My  
2 name is Malini Khorana and I am the Director of  
3 Finance and Operations at Sakhi for South Asian  
4 Women. We exist to represent the South Asian  
5 diaspora in a survivor-centered movement for gender  
6 justice. For 34 years, we have been the only  
7 organization explicitly addressing gender-based  
8 violence in New York City's South Asian community.  
9

10 And over the past year, we have seen a  
11 significant increase in our case load, like 35  
12 percent increase in cases. 25 percent increase in  
13 our help line and just you know as a result of the  
14 COVID-19 pandemic, there has been an increase demand  
15 in addressing housing, food and economic insecurity.

16 So, really there has been such a significant  
17 increase in the work that we're doing and we have had  
18 to maintain all of our operations through the periods  
19 of grave uncertainty. So, just you know looking at  
20 New York City Council, we are you know very  
21 appreciative of the support that we get from City  
22 Council. The grants comprised about ten percent of  
23 our annual operating budget but we spend anywhere  
24 from 15 to 20 percent of our time just processing  
25 these grants. So, you know just as my colleagues -

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1 I'm not going to go through the entire testimony that  
2 I had. It has been submitted, so I don't want to be  
3 repetitive but very similar to what my colleagues at  
4 Bronx Defenders and the Center for Child Development  
5 indicated you know every part of the contract  
6 process, whether it's the contract requirement,  
7 contract registration, invoice submission, payments,  
8 every part is burdensome and riddled with delays.  
9 And so, I'm just here to really offer support. I  
10 know the Comptroller talked about a cross functional  
11 team. You know working on trying to figure how to  
12 make the process better.

14 SERGEANT AT ARMS: Time expired.

15 MALINI KHORANA: Sorry, there would be any  
16 representation and users like us to participate on -

17 COMMITTEE COUNSEL: Thank you. Next, we're going  
18 to move to Lily Shapiro. You may begin when the  
19 Sergeant starts your clock.

20 SERGEANT AT ARMS: Starting time.

21 LILY SHAPIRO: Thank you. Good afternoon Chairs  
22 Hudson, Stevens, and Won, and members of the  
23 Committees on Aging, Contracts, and Youth Services.  
24 Thank you for holding this important hearing. My  
25 name is Lily Shapiro, and I am Policy Counsel at the

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1 David Rothenberg Center for Public Policy at the  
2 Fortune Society. All of the bills at issue are  
3 important to fair and effective partnerships between  
4 the City and non-profit providers that I am speaking  
5 directly, specifically about Intro. 510. We hope  
6 that the final version of this bill, however, will  
7 address the responsibility of city agencies to ensure  
8 that staff can be paid a prevailing wage because  
9 providers like the Fortune Society, are hampered from  
10 doing so by under-resourced city contracts.  
11

12 As many of you know for 55 years, The Fortune  
13 Society has been providing a wide range of  
14 alternative to incarceration and reentry services to  
15 some of our most vulnerable fellow New Yorkers.  
16 People detained in our city jails returning home from  
17 jail and prison, or court-mandated to participate in  
18 our services in lieu of pre-trial detention. We  
19 provide a wide range of services but like so many  
20 human services nonprofits have struggled to retain  
21 staff and fill positions in this new world of work in  
22 the COVID-19 pandemic era. People are reluctant to  
23 work in person, which is critical for the kinds of  
24 services we provide. But our biggest challenge that  
25 we face in retention and hiring is our inability to

1 pay qualified, motivated people a decent, living  
2 wage.  
3

4 This is particularly critical because we are very  
5 proud to say that we hire our mission at Fortune.  
6 Meaning we seek whenever possible to hire people with  
7 conviction histories, particularly our own program  
8 participants. Many of our staff are also people of  
9 color, given that people of color are  
10 disproportionately impacted by the criminal justice  
11 system.

12 And this also means given that intersectionality,  
13 they are less likely to have significant financial  
14 resources outside of their paychecks and some of them  
15 are forced to rely on public assistance to make ends  
16 meet. I've gone into greater detail in my written  
17 testimony but one of my colleagues who started with  
18 us as a voluntary participate trying to be the best  
19 father he could -

20 SERGEANT AT ARMS: Time expired.

21 LILY SHAPIRO: To his young child, uhm, had to  
22 make a choice between losing income in the form of  
23 public assistance and taking on a full time position,  
24 which we were grateful that he did but nobody should  
25 have to make that choice. My frontline colleagues



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1 are human service workers who work tirelessly to help  
2 people in crisis, people in desperate need of housing  
3 and employment and people struggling with addiction  
4 and their hard work keeps all of us safer. We should  
5 honor their commitment and contribution by paying  
6 them a prevailing wage. Thank you so much for your  
7 consideration.  
8

9 COMMITTEE COUNSEL: Thank you. Next, we're going  
10 to move to the last participant on this panel, Paul  
11 J. Lee. You may begin when the Sergeant starts your  
12 clock.

13 SERGEANT AT ARMS: Starting time.

14 PAUL J. LEE: Thank you, members of the  
15 Committees here for allowing me to testify today. My  
16 name is Paul Lee, I am the Sr. Grants and Advocacy  
17 Officer of Korean Community Services of Metropolitan  
18 New York.

19 Since 1973, KCS has been serving underrepresented  
20 populations with an emphasis on the Korean immigrant  
21 and broader AAPI communities. There have been so many  
22 prevalent issues with the contracting system that  
23 have already been discussed and highlighted here  
24 today, so instead I'm coming to speak to you about  
25 our observation as working with the system and share

1 the experiences of my colleagues, my co-workers in  
2 the community that have been just directly impacted  
3 by the current system.  
4

5 As someone who has worked at both the program and  
6 organization I have now seen the direct chain of  
7 consequences that emerge as a result of not paying  
8 nonprofits on time. From writing the proposals to  
9 the program management up to the service level for  
10 employees on the ground, speaking and serving clients  
11 directly, each and every step of this crucial process  
12 is negatively impacted by the current system. We  
13 simply cannot stop serving our community without  
14 creating greater harm. Simply put, we are operating  
15 these critical services on many promises of payment  
16 with no clear timeline and no timely reimbursement.  
17 This does not even take into consideration the impact  
18 of rising cost and inflation.

19 As a result, the overall quality of services not  
20 only impacted but their very availabilities put at  
21 stake. Furthermore, the current contracting process  
22 is delay in payments, simply put are an existential  
23 threat for small nonprofits. As a member of a  
24 several nonprofit coalitions such the Viral Hepatitis  
25 Initiative, which are all dedicated, serving the

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1 community, KCS can see the direct impact this delay  
2 has. Namely, small organizations cannot navigate or  
3 survive without timely reimbursements in the systems  
4 navigating the process.  
5

6 This current situation is unsustainable in an  
7 inequitable model that undermines the principles of  
8 fairness and ethics the city is seeking to uphold.

9 This testimony is [INAUDIBLE 3:56:16] of the  
10 representatives here but a call to action. With your  
11 continued support and our collaboration to reform the  
12 system, sorry, we will be able to continue to deliver  
13 meals to hundreds of home non-seniors, provide  
14 critical case management and holistic social  
15 services, offer culturally competent and  
16 linguistically relevant support, combat hatred,  
17 provide pathways to economic stability and healthy  
18 lives and to nurture a system where we as community  
19 organizers, government agencies and service providers  
20 are capable of providing the highest, -

21 SERGEANT AT ARMS: Time expired.

22 PAUL J. LEE: Quality services to those who need  
23 it most. Thank you.

24 COMMITTEE COUNSEL: Thank you for your testimony.

25 We'll now call the third Zoom panel. It will consist

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1 of Jackie Del Valle, Keriann Pauls, Lew Bader and  
2  
3 Crystal Farmer. Jackie Del Valle, you may begin when  
4 the Sergeant announce the time.

5 SERGEANT AT ARMS: Starting time.

6 JACKIE DEL VALLE: Good afternoon and Hello! My  
7 name is Jackie Del Valle from TakeRoot Justice and  
8 the Stabilizing NYC Coalition. I've been working  
9 with procuring awards for discretionary funding for  
10 over 15 years and it's always been long and painful  
11 but [INAUDIBLE 3:57:20], despite online digitized  
12 portals and processes and a more committed  
13 administration.

14 As the Council and my colleagues have testified  
15 today, nonprofits receiving discretionary funding are  
16 asked to perform vital services, meet deliverables,  
17 run programs, payment of staff yet we do not see the  
18 money until long after the fiscal year has ended.  
19 This has been happening year after year and these  
20 multiyear funding delays have compounded.

21 For this current fiscal year, my organization,  
22 Take Root Justice was awarded a little over \$2  
23 million in discretionary funding. We have not  
24 received any of that money. At our HPD awards, which  
25 include the stabilizing NYC Initiative, have not even

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1  
2 begun the contract registration process. We've also  
3 not registered our FY 22 HPD contracts. The 19 other  
4 stabilizing nonprofits that I work with are in the  
5 same, sad, frustrating boat. For the backlog, we ask  
6 first and foremost groups to immediately receive a  
7 significant portion of the money owed through  
8 advances and bridge loans. And then starting in  
9 FY24, groups to receive advances at the start of the  
10 fiscal year, contracts need to be registered in six  
11 months after the fiscal year starts. Not one or two  
12 years after and that community group should be  
13 certified to receive city funding on an annual basis.  
14 The vendor responsibility determination, which takes  
15 up so much of the time and it's long and confusing,  
16 it could be a separate process, instead of being  
17 repeated with every distinct contract an organization  
18 holds in the fiscal years. And these years have  
19 egregiously late payments on HPD discretionary  
20 contracts and other city money have compounded and  
21 are jeopardizing the impact of my organization and a  
22 stabilizing coalition.

23 Organizations lose resources, fighting for their  
24 mission but cast post solutions. These multiyear

25

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1 funding delays hurt the low-income communities of  
2 color -

3  
4 SERGEANT AT ARMS: Time expired.

5 JACKIE DEL VALLE: And Council intended power.

6 COMMITTEE COUNSEL: Thank you Ms. Del Valle.

7 Next, we'll hear from Keriann Pauls followed by Lew  
8 Bader and then Crystal Farmer. Keriann Pauls, you  
9 may begin when the Sergeants announce the time.

10 SERGEANT AT ARMS: Starting time.

11 KERIANN PAULS: Good afternoon. My name is  
12 Keriann Pauls, and I am a member of the LEAP  
13 Coalition's steering committee and the Director of  
14 Coalitions and Resource Management at TakeRoot  
15 Justice. LEAP is a legal advocacy partnership  
16 comprised of community based direct civil legal  
17 services providers. We work collaboratively to  
18 increase the availability, breadth and depth of  
19 quality civil legal services for marginalized  
20 individuals and communities across New York City.

21 Thank you so much to Chair Stevens, Hudson, and  
22 Won for shining a spotlight on the issue of how the  
23 city's delays in paying in paying non-profits for  
24 their crucial work has devastating impacts on our  
25 organizations and the communities we serve. LEAP

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1 calls for and supports efforts that increase  
2 transparency in how the city engages in contracting  
3 processes, reduces unnecessary administrative burdens  
4 on our organizations and streamlines advances in  
5 funding so that we have the resources in hand to pay  
6 our incredible staff and keep our doors open.  
7

8 Now, we've been informed that several of the  
9 baselined legal services contracts will be RFP'd soon  
10 and that keeps changing. And that the contracting  
11 agencies intend to time these RFPs all at once.  
12 Examples of these are for our housing contracts, such  
13 as the Anti-Harassment and Right to Counsel  
14 contracts, and on the immigration line, such as  
15 Immigration Opportunities contract.

16 For LEAP, this timing would negatively impact our  
17 organizations and cause greater disruption to our  
18 work. For our coalition, better contracting means  
19 greater transparency and collaboration and staggering  
20 the RFPs across baselined legal services contracts.  
21 We ask this taskforce and the city to increase  
22 transparency in the RFP process and provide real  
23 opportunities for the organizations working on the  
24 ground to give feedback on how these programs have  
25 been working and in what ways they can be improved.

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1 We also ask for increased transparency and  
2 communication regarding important citywide  
3 initiatives such as the Wage Enhancement Initiative.  
4 We're currently completely in the dark as to the  
5 details about how this will work and we're waiting to  
6 be engaged by the contracting agencies.

8 SERGEANT AT ARMS: Time expired.

9 KERIANN PAULS: We also ask the — so, thank you  
10 so much. We appreciate your time and want to uplift  
11 our call for more transparency advances in real  
12 bridge loans on these contracts so that we can ensure  
13 that those doing the work on the ground are paid  
14 properly and on time. Thank you.

15 COMMITTEE COUNSEL: Thank you Ms. Pauls. Next,  
16 we will hear from Lew Bader followed by Crystal  
17 Farmer. Lew Bader, you may begin when the Sergeants  
18 call time.

19 SERGEANT AT ARMS: Starting time.

20 LEW BADER: Good afternoon. My name is Lew  
21 Bader, I'm the Finance Director of Counseling In  
22 Schools. We're a community-based organization  
23 providing mental health services directly to New York  
24 City School Students in 70 schools and community  
25 centers throughout the five boroughs.



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1 We currently hold contracts with the Department  
2 of Education and the Department of Youth and  
3 Community Development as well as with several other  
4 nonprofit agencies. Our services have impacted the  
5 lives of more than 250,000 students since 1986.  
6 Counseling In Schools has an approved indirect rate  
7 but we have been told by the Office of Community  
8 Schools, a division of the Department of Education  
9 that this higher rate will not be funded. Rather, it  
10 will be paid to us out of existing contract funds,  
11 meaning that we will have to reduce the delivery of  
12 goods and services to the students we work with.

14 So, I ask you, does that make sense? Thank you  
15 for your commitment towards establishing prevailing  
16 wage requirements for city-contracted human services  
17 workers. It is imperative that this bill be fully  
18 funded. If unfunded, this mandate will place undue  
19 hardship on human services organizations. Human  
20 services workers' wages must be comparable to wages  
21 in the government and the private sector.

22 Unfortunately, the human services sector has the  
23 fifth-lowest average pay among large employing  
24 industries in New York City. Let me say that again -  
25 FIFTH LOWEST AVERAGE PAY.

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1  
2 Late contracting issues is another matter I would  
3 like to discuss. The city's delays cost us real  
4 money and jeopardize the quality of services by  
5 diverting funds away from the programs to pay those  
6 high interest costs. As of today, Counseling In  
7 Schools is owed more than \$1.3 million from delays  
8 attributable to contract registrations or budget  
9 approvals. \$1.3 MILLION DOLLARS! To expect us to  
10 fund the city's debt is unacceptable.

11 SERGEANT AT ARMS: Time expired.

12 LEW BADER: I urge you to adopt these measures  
13 and ensure that they are fully funded immediately.  
14 Thank you.

15 COMMITTEE COUNSEL: Thank you Mr. Bader. Next,  
16 we will hear from the last person on this panel,  
17 Crystal Farmer and then the next panel will consist  
18 of Judith Castio, Nickesha Francis, Wesley Vasquez  
19 and Shani Adess. Crystal Farmer, you may begin when  
20 the Sergeants call the time.

21 SERGEANT AT ARMS: Starting time.

22 CRYSTAL FARMER: My name is Crystal Farmer and I  
23 am the Associate Program Director at New Home. A  
24 residence with survivors of domestic violence  
25 operated by Volunteers of America, Greater New York.

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1 I would like to thank the Chairs of this  
2 Committee as well as the other members of the Council  
3 for the opportunity to offer the following testimony.  
4 I would like to center my comments today among the  
5 biggest challenge organization like BOAGNY and  
6 programs like New Hope. This is the very low wages  
7 paid to our staff by the city contract that fund us.  
8 Our programs have high rates of staff turnovers,  
9 vacancies, low moral among remaining staff. The low  
10 salaries built into our contracts play a significant  
11 role.  
12

13 Last year, the NYC Council and Mayor Adams  
14 [INAUDIBLE 4:05:28] and approved \$60 million in  
15 additional funding, which we are very grateful for.  
16 However, when you consider that funding was spread  
17 across so many human service workers throughout the  
18 city, it wasn't nearly enough to keep up with the  
19 pace of inflation, which means the purchasing power  
20 of our fellows have eroded further since the funding  
21 was announced. BOA Greater New York staff members  
22 thank Council Member Althea Stevens and all of the  
23 co-sponsors of this bill for thinking bigger and  
24 sending a signal that we are essential and our job  
25 matters.

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1 A prevailing wage schedule for human service  
2 workers would represent an important step towards  
3 reaching living wages and achieving pay parity with  
4 our counterpart employed by the city. Of course it  
5 will not be easy. This mandate must be advanced with  
6 a budget fully funded and with clear parameters on  
7 eligible contracts. Prevailing wage mandates without  
8 sufficient funding added to our budget to cover them  
9 will have a disastrous impact on our programs and  
10 clients. But with full funding and by providing  
11 nonprofit providers a seat at the table with the  
12 Comptroller's Office and establishing the prevailing  
13 rate to ensure considerations of equity and salary  
14 compression –

15  
16 SERGEANT AT ARMS: Time expired.

17 CRYSTAL FARMER: Okay, well, thank you for your  
18 time.

19 COMMITTEE COUNSEL: Next, we'll move to Judith  
20 Castio. You may begin when the Sergeant starts your  
21 clock.

22 SERGEANT AT ARMS: Starting time.

23 JUDITH CASTIO: Good afternoon Council Members.  
24 My name is Judith Castio, I'm the Chief Operating  
25 Officer at Encore Community Services. A nonprofit

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1 organization serving older adults on Manhattan's  
2 westside. We run older adult centers and supportive  
3 and affordable housing in Midtown as well as serve  
4 half a million meals to local residents every year.  
5 Our staff is a literal lifeline for aging New Yorkers  
6 who are in critical need of food resources and  
7 community. We, like our entire sector are struggling  
8 because the wages supported by our city contracts are  
9 not competitive. We have extreme difficulty hiring  
10 and filling crucial positions, like delivery drivers  
11 and case workers and have had to turn to using temp  
12 agencies as a solution.

14 Retention is a challenge, which is a problem  
15 because we're asking people to trust us and turn to  
16 us for help, yet we can't offer consistency. Pay for  
17 human service workers is an equity issue. Why does  
18 our workforce primarily made up of women and people  
19 of color make 25 to 30 percent less than our  
20 counterparts in the government and private sectors.  
21 Our teams carry out central functions for the city,  
22 which was celebrated when COVID sent so many  
23 workforces home. Our people showed up and kept  
24 services available to everyone who needed us during  
25 the incredibly difficult time.

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1 Now, instead of relief we find inflation has made  
2 our already stagnant wages even more dismal. Poverty  
3 wages mean that a significant portion of employes of  
4 human service organizations rely on other benefits,  
5 including rental assistance and Medicaid. They are  
6 often not able to work beyond half time without  
7 risking those benefits, impacting the organization as  
8 well as their capacity and improve their position.  
9 This should not be the case for government contracted  
10 jobs. We were glad to see the city commit a pay bump  
11 in the Workforce Enhancement Initiative, even though  
12 it's just a starting place. It does not even match  
13 inflation.  
14

15 But we were disappointed that we are here to talk  
16 about next years budget while our staff has yet to  
17 see a cent of that money. It's just one of the many  
18 examples of how the city's so pace when it comes to  
19 nonprofit versus all. We appreciate the effort to  
20 create prevailing wage for crimes for city contract  
21 to human services worker but we ask that there was  
22 funding attached to the proposed bill, so that it  
23 does not come as an unfunded mandated for human  
24 services organization.

25 SERGEANT AT ARMS: Time expired.

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1  
2 JUDITH FARMER: Thank you. Thank you for your  
3 time today.

4 COMMITTEE COUNSEL: Thank you for your testimony.  
5 Next, we'll move to Nickesha Francis. You may begin  
6 when the Sergeant starts your clock.

7 SERGEANT AT ARMS: Starting time.

8 NICKESHA FRANCIS: Thank you for the opportunity  
9 to testify. My name is Nickesha Francis, and I am  
10 the Policy and Advocacy Manager at Good Shepherd  
11 Services. I want to thank the Council for the role  
12 you have played in securing investments to support  
13 the human services workforce including the two-  
14 workforce enhancement we have received in the last  
15 two fiscal years.

16 As a former member of the Non-Profit Resiliency  
17 Committee, under the De Blasio Administration, GSS  
18 has been a steadfast advocate for the indirect cost  
19 rate initiative, workforce enhancements and the Cost-  
20 of-Living Adjustments that support the lowest paid  
21 front-line positions. GSS has also worked tirelessly  
22 to improve the human services contracting process and  
23 is looking forward to working with the newly  
24 established Office of Nonprofit Services.

25

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1 My testimony today will focus on the need to  
2 improve the procurement relationship between  
3 nonprofits and government. Nonprofits continue to  
4 experience delays in registering contracts and  
5 receiving payments. This is particularly an issue  
6 with some of our contracts that take up to one year  
7 to register. While some progress has been made with  
8 PASSport and the Indirect Cost Rate Manual, there is  
9 still a need to streamline the process for non-profit  
10 providers to avoid the additional administrative  
11 burden that comes from uploading the same documents  
12 for each contract over and over again. Fixing this  
13 system, will allow contracts to be registered in a  
14 more timely manner and allow the city to pay  
15 nonprofits on time.  
16

17 Lastly, the city needs to address gaps the  
18 American Rescue Plan stimulus dollars will have in  
19 key programs areas that will end in 2024 especially,  
20 in the Learning to Work, Community Schools and  
21 Student Success Centers work streams and ensure that  
22 youth, families, and communities across New York City  
23 are consulted before cuts are made to ensure  
24 essential programs, especially those in communities  
25



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1 most impacted by COVID-19, are held harmless. Thank  
2 you for the opportunity to testify.

3  
4 COMMITTEE COUNSEL: Thank you. Next, we'll turn  
5 to Wesley Vasquez. You may begin when the Sergeant  
6 starts your clock.

7 SERGEANT AT ARMS: Starting time.

8 WESLEY VASQUEZ: Good evening everyone. My name  
9 is Wesley Vasquez and I am a Community Organizer at  
10 RiseBoro Community Partnerships. We are a 501c3 Non-  
11 Profit that's based in Bushwick, currently serving  
12 thousands of New Yorkers across health, Youth, senior  
13 and housing services.

14 Firstly, I would like to thank the Chairs and the  
15 members of the Contract, Aging, and Youth Services  
16 Committee for the opportunity to testify before you  
17 today and for your leadership on issues that deeply  
18 impact human services workers and organizations  
19 across New York City. I would also like to take a  
20 second to thank each Council member for their  
21 commitment to ensuring that a prevailing wage  
22 requirement is established for all city-contracted  
23 human services workers.

24 But I would like to make one thing clear, we must  
25 ensure that this Intro. 510 receives the proper

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1 funding it needs and deserves. We must not let this  
2 bill become another unfunded city mandate that gets  
3 left on the sidelines. Human service workers, such  
4 as healthcare workers, child care providers, and case  
5 workers, provide essential services to our  
6 communities. These workers deserve to be paid fairly  
7 and not have to struggle to make ends meet.  
8

9 By establishing prevailing wage requirements, the  
10 City Council can help ensure that these workers are  
11 not only treated fairly, but that they can provide  
12 quality services to those who depend on them.  
13 Additionally, research shows that fair wages lead to  
14 greater job satisfaction, employment retention, and  
15 improved services for those who rely on said  
16 services.

17 This would also send a clear message not just to  
18 city-contracted human-service workers but to other  
19 big cities alike that New York City values the work  
20 of these human service workers and that they are  
21 essential to our community and our city as a whole.  
22 The establishment of a prevailing wage requirement  
23 for city-contracted human service workers is  
24 essential to ensuring that these workers receive fair  
25 pay for their work and this would not only benefit

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1 both the workers and communities they serve, but  
2 everyone as a whole which is why I say let's work  
3 together to make this a reality in our great city. I  
4 thank you for your time.  
5

6 COMMITTEE COUNSEL: Thank you so much. Now,  
7 we're going to turn to Shani Adess. You may begin  
8 when the Sergeant starts your clock.

9 SERGEANT AT ARMS: Starting time.

10 SHANI ADESS: Thank you for the opportunity to  
11 testimony today. My name is Shani Adess; I am Vice  
12 President of New York Legal Assistance Group. NYLAG  
13 uses the power of the law to help New Yorkers  
14 experiencing poverty or in crisis combat economic,  
15 racial, and social injustice. We address emerging  
16 and urgent needs with comprehensive, free civil legal  
17 services, financial empowerment, impact litigation,  
18 policy advocacy, and community partnerships.

19 Nonprofit human service providers, like NYLAG,  
20 are on the ground engaging with communities. City  
21 government relies on providers like all of us to  
22 implement the critical public services designed to  
23 support and uplift New Yorkers. We bridge the gap of  
24 bringing services to those most in need in our  
25 communities, together.

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1  
2 NYLAG urges City Council to establish fair and  
3 equitable prevailing wage requirements for city-  
4 contracted human service workers and to align the  
5 rate of pay with the true and full cost related to  
6 staffing structures, including wages, benefits such  
7 as health insurance, office space, technology,  
8 supervision and training, and the administrative and  
9 operational support necessary to keep the  
10 organization running, as well as to ensure that the  
11 prevailing wage minimums set remain relevant through  
12 the implementation through automatic COLA's.

13 Our support for this Bill is informed by  
14 ourselves, seeing and experiencing the impact of  
15 underinvestment in nonprofit work. And the  
16 importance of this bill is multifaceted for many of  
17 the reasons spoken by the prior panelists.

18 Currently, NYLAG has to use unrestricted funds to  
19 support basic wages for staff who are funded under  
20 city contracts despite them being assigned 100  
21 percent to these contracts per requirement. This is  
22 unsustainable. Newly issued RFA's from the city  
23 continue to inadequately reflect what is considered  
24 even now standardized wages, let alone just wages.

25

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1 Or the full and true expense is necessary to support  
2 staff.  
3

4 For example, NYLAG, like many, faces exorbitant  
5 increases in health insurance costs during this time,  
6 costs that are rarely if ever meaningfully covered by  
7 contracts despite being an absolutely imperative part  
8 of the compensation package we rightfully offer  
9 employees. For similar reasons, NYLAG supports  
10 setting time limits for the procurement process and  
11 the establishment of a public procurement database.

12 SERGEANT AT ARMS: Time expired.

13 SHANI ADESS: As of January 2020— thank you.

14 COMMITTEE COUNSEL: Thank you. Now we're going  
15 to transition to our last panel. We're going to hear  
16 from Henry Garrido followed by Joyce McClamey(SP?)  
17 followed by Lorenzo Brooks followed by John  
18 MacIntosh. Henry Garrido, you may begin when the  
19 Sergeant starts your clock.

20 SERGEANT AT ARMS: Starting time.

21 HENRY GARRIDO: Good evening and thank you  
22 everyone. Last and certainly I hope not least, I'm  
23 Henry Garrido, I'm the Executive Director of DC 37  
24 and I want to echo what everybody has said about the  
25 encouraging and nature of this conversation but also,

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1 I want to thank the leadership of the Chairwoman  
2 Stevens, Won and Hudson for the great work that  
3 they've done in not only promoting fair wages for  
4 workers but also bringing the issue of equity in  
5 payment to the forefront.  
6

7 I want belabor my testimony. I will submit my  
8 entire testimony in writing but I want to concentrate  
9 my comments into three components. I would believe  
10 Intro. 510 is a great start. It's a good beginning  
11 of that conversation but we're concerned around the  
12 issues of three areas. One, is the issue of the  
13 wages itself, how they're determined. Generally on  
14 the prevailing wage legislation, the wages are  
15 determined through a survey established by the  
16 Comptroller's office. That's survey is usually from  
17 other employers. In this case, we want to make sure  
18 that this bill doesn't bring down wages for the  
19 collectively bargained wages that have already been  
20 established. I don't believe that is the intention  
21 but in the past, when legislations that aim to  
22 promote and increase living wages, and provisional  
23 wages in other areas, have led to actually  
24 depressional wages, which is the opposite for those  
25 who have collectively bargained agreements.

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1  
2 The second is the issue of supplemental benefits,  
3 which in many cases, many of the workers that we're  
4 talking about and we represent over 20,000 in the  
5 nonprofit sector, the wages are so little than they  
6 don't avail themselves of employer sponsor health  
7 insurance. They actually use Medicaid and other or  
8 many of them go without because copay for insurance  
9 is so high.

10 SERGEANT AT ARMS: Time expired.

11 HENRY GARRIDO: So, when you set up a wage for  
12 supplemental benefit to the surveys, that means zero,  
13 which means it depresses the preliminary wage. And  
14 lastly, is the issue of enforcement. I believe, we  
15 believe that the workers have to have a right to  
16 appeal to the Comptroller's Office under the  
17 provision of the wages and not have employers  
18 certified or compliance. I remain available for  
19 questions. Looking forward to having discussions on  
20 amendments to future language if it is possible.  
21 Thank you.

22 COMMITTEE COUNSEL: Thank you. Now we are going  
23 to turn to Joyce McClamey, you may begin when the  
24 Sergeant starts your clock.

25 SERGEANT AT ARMS: Starting time.

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1  
2 COMMITTEE COUNSEL: It looks like we're having  
3 some technical difficulties. We're going to move  
4 onto the next panelist, Lorenzo Brooks. You may  
5 begin when the Sergeant starts your clock.

6 SERGEANT AT ARMS: Starting time.

7 LORENZO BROOKS: Good afternoon Chairs Hudson,  
8 Won and Stevens and members of the Committees. My  
9 name is Lorenzo Brooks and I am a Case Manager at  
10 Urban Pathways. A nonprofit that helps New Yorkers  
11 experiencing homelessness get the services and the  
12 housing they need.

13 I'm here today to speak in favor of Intro. 510.  
14 I have worked in the human services sector for over  
15 six years. As human workers like me earn one of the  
16 lowest wages in New York's economy due to chronic  
17 underfunding from New York City government contracts.  
18 As a predominate funder of human service contracts,  
19 government is the main driver of our wages.

20 Mayor Adams has highlighted Safe Havens, like the  
21 one I work at, as an effective model for addressing  
22 street homelessness and I can't agree more but  
23 without funding for our workforce, these programs  
24 cannot be effectively staffed. The high turnover  
25 rate is the primary complaint of our clients who are



1 negatively impacted when they build a relationship  
2 with a staff member only to see them leave.  
3

4 At the beginning of this past fall, every case  
5 manager in my site besides myself left for different  
6 jobs with better pay. We were only able to rehire a  
7 second case manager this past week. So, I was the  
8 only case manager at my site for nearly five months.  
9 This impacted my work as my case load increased  
10 multifold and this included the asylum seekers that  
11 you read about and hear about in the news every day.  
12 It also impacted the quality of services we could  
13 provide and it impacted the ability of our clients  
14 taking the steps they needed to get their lives back  
15 on track.

16 Human service workers don't even make about  
17 \$20,000 a year less than a public service worker with  
18 a compatible education. Why aren't we thriving like  
19 them?

20 SERGEANT AT ARMS: Time expired.

21 LORENZO BROOKS: Why are contracted employees so  
22 undervalued? Despite the towns desire and passing  
23 about this work, a four time job, I recently  
24 completed my masters degree in social work, so that I  
25 could work more in depth with my clients. While I

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1 further my education, I am concerned that this field  
2 will not sustain without a wage increase as I  
3 accumulated over \$35,000 in student loan debt. I  
4 implore the committee do pass and fund Intro. 510.  
5 Thank you.  
6

7 COMMITTEE COUNSEL: Next, we're going to turn to  
8 John MacIntosh. You may begin when the Sergeant  
9 starts your clock.

10 SERGEANT AT ARMS: Starting time.

11 JOHN MACINTOSH: Thanks very much. My name is  
12 John MacIntosh, I am the Managing Partner of  
13 SeaChange Capital Partners a nonprofit which has been  
14 active since 2008 helping other not for profits work  
15 through complex challenges. We offer grants, loans,  
16 analysis and advice. Thank you for letting me speak  
17 today.

18 We all know that nonprofits are vital partner to  
19 New York city government but we also know that the  
20 partnership has traditionally been far from fair and  
21 we've seen first-hand that the city often treats it's  
22 nonprofit partners shamefully with respect to late  
23 payments and overwhelming, mind-numbing paperwork.  
24 There's a lot of people who are cynical that things  
25

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1 will ever change. Who talk about the history of  
2 Donald Manes in the 70's and 80's and the power  
3 imbalance between the city and its small nonprofits,  
4 but I'm optimistic. I think the administration has  
5 got some great people and has done some good things  
6 already and I'm supportive of the bills being  
7 discussed today provided you get the details right.  
8

9 First, the procurement database. It's a great  
10 idea. We use PassPort Public a lot but there's a  
11 catchall category called, In Progress, which really  
12 means, who the hell knows. And giving nonprofits  
13 themselves and people like us more information about  
14 where things stand is a great idea. I also think  
15 it's terrific to put some time limits in for  
16 procurement but these limits won't apply to  
17 discretionary contracts because most of them are  
18 under \$100,000 and something else has got to be done  
19 there. I would suggest a very, very simple fill in  
20 the blank type contract because for working up a line  
21 item budget for a \$30,000 grant is demoralizing,  
22 insane and everybody knows it.

23 Finally, prevailing wages. This is just what I  
24 want to say. It's a great idea but the only way  
25 nonprofits will ever be able to pay prevailing wages

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1 is if the city pays the more. It's simply impossible  
2 otherwise. There's not enough philanthropy and so, I  
3 really think you need stronger language than  
4 commencing to amend contracts to the extend possible.  
5

6 SERGEANT AT ARMS: Time expired.

7 JOHN MACINTOSH: You need a binding commitment  
8 that the city will not enter into contracts unless it  
9 can testify that the contract has in it the ability  
10 to pay higher wages, which is what nonprofits want to  
11 do anyway. They don't want to keep the money; they  
12 want to pay their staff. Thank you very much.

13 COMMITTEE COUNSEL: Thank you. Next, we're going  
14 to turn to Ravi Reddi. You may begin when the  
15 Sergeant starts your clock.

16 SERGEANT AT ARMS: Starting time.

17 RAVI REDDI: Great, thank you so much. So, I had  
18 testimony written up. I know a lot has already been  
19 said but just to keep myself from ranting, I'm just  
20 going to go right through what I already wrote. So,  
21 first off, thank you Chair Stevens, Hudson, Won and  
22 members of the Committees on Youth Services, Aging  
23 and Contracts for holding this hearing and giving us  
24 an opportunity to testify. I'm Ravi Reddi, the  
25

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1 Associate Director of Advocacy and Policy here at the  
2 Asian American Federation.  
3

4 We're here alongside member organizations of our  
5 Seniors Working Group, the first Asian-senior service  
6 coalition in our State. Alongside our members, we're  
7 here to discuss the critical issue of how our city  
8 supports the work they do with our most vulnerable  
9 populations. Now, the 12 Asian-led, Asian serving  
10 older adult-serving AAF member organizations  
11 comprising our working group, served more than  
12 100,000 low-income seniors in 2022. Asian older  
13 adults comprise 13.9 percent of the city's older  
14 adult population, and the number of Asian older  
15 adults in poverty increased by 60 percent between  
16 2010 and 2019,. Now, these service organizations  
17 provide a broad spectrum of services, from food  
18 pantries to meal deliveries, and ESL classes and  
19 congregate meals, and even though there is a  
20 sustained effort to move more funding towards in-  
21 person senior services, SWG members regularly  
22 acknowledge that demand for remote services,  
23 including basic needs deliveries and wellness calls,  
24 remains high, requiring already stretched-thin  
25 capacity to be stretched even further.

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1 But you know, as these organizations are rooted  
2 in our Asian community, these are also the  
3 organizations that our community members go to first  
4 and especially in service areas of increased  
5 complexity and nuance, like mental health services,  
6 this is even more critical. But as we continue to  
7 highlight, being culturally competent and language  
8 accessible in the services provided by these CBOs  
9 simply costs more, and it's a cost rarely  
10 incorporated into city contracts. Paying competitive  
11 wages for in-demand bilingual and licensed mental  
12 health staff, for example, or helping to support the  
13 accessory needs of staff moving through the  
14 immigration process, are the kinds of costs the city  
15 has yet to account for -

17 SERGEANT AT ARMS: Time expired.

18 RAVI REDDI: While discussing how to better serve  
19 out immigrant communities. I just have a little bit  
20 more.

21 Moreover, when it comes to city contracts, our  
22 SWG working group members highlight a well-known  
23 issue, delays in getting funding after completing  
24 already-onerous contracting and approval processes.  
25 Not only are critical service staff at these

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1 organizations spending limited capacity navigating  
2 labyrinthine contracting processes, but even upon  
3 completion, many continue to wait years for the  
4 funding to even arrive. If an organization providing  
5 services in our community gets approved for city  
6 funding, they shouldn't have to apply for loans to  
7 keep the lights on in the meantime.  
8

9 So, now I had recommendations but I think you get  
10 the gest of what we're really focused on here.

11 Incorporating culturally competent language  
12 accessibility into city contracting and making sure  
13 that the smaller organizations who need the support  
14 who are doing the critical work are getting it  
15 promptly. We look forward to continuing these  
16 conversations. We're thankful for you to holding  
17 these hearings and we're ready to get going. Thank  
18 you so much.

19 COMMITTEE COUNSEL: Thank you for your testimony.  
20 We're now going to turn back to Joyce McClamey to see  
21 if you've been able to address your audio issues.

22 JOYCE MCCLAMEY: I think you know; we don't have  
23 any -

24 SERGEANT AT ARMS: Starting time.

25 JOYCE MCCLAMEY: Thank you so much.

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1  
2 COMMITTEE COUNSEL: Joyce, just to be clear, we  
3 can hear you, so if you're prepared to give your  
4 testimony, you may proceed. Okay, that wraps up this  
5 panel. We are going to do a last call to see if  
6 we've missed anyone on Zoom or in-person. If you  
7 registered to testify and we've missed you, please  
8 raise your hand on Zoom. Seeing no hands raised, I'm  
9 going to turn it over to Chair Stevens for closing  
10 remarks.

11 CHAIRPERSON STEVENS: I would like to thank Chair  
12 Won and Chair Hudson for Co-Chairing this hearing  
13 with me today. Thank you to all of the providers who  
14 showed up and talked about their testimony and  
15 support of all the bills that were Intro. today. We  
16 look forward to having all these bills passed into  
17 law in the very near future. Thank you. [GAVEL]  
18 This meeting is adjourned.

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date February 15, 2023