COMMITTEE ON OVERSIGHT AND INVESTIGATIONS CITY COUNCIL CITY OF NEW YORK ----- Х TRANSCRIPT OF THE MINUTES Of the COMMITTEE ON OVERSIGHT AND INVESTIGATIONS ----- Х March 14, 2025 Start: 10:32 a.m. Recess: 12:16 p.m. HELD AT: COMMITTEE ROOM - CITY HALL B E F O R E: Gale A. Brewer, Chairperson COUNCIL MEMBERS: Chris Banks Rita C. Joseph Shekar Krishnan Lincoln Restler World Wide Dictation 545 Saw Mill River Road - Suite 2C, Ardsley, NY 10502 Phone: 914-964-8500 * 800-442-5993 * Fax: 914-964-8470

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A P P E A R A N C E S

Joceylyn Strauber, Commissioner of New York City Department of Investigations

Christopher Leon Johnson, self

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 3 2 SERGEANT-AT-ARMS: Testing one, two. 3 Today's date is March 14, 2025. Today's Committee is 4 on Oversight and Investigation, being recorded in the 5 Committee Room by Keith Polite. 6 SERGEANT-AT-ARMS: Good morning, and 7 welcome to the New York City Council Committee on 8 Oversight and Investigation. 9 Please place your phone on vibrate or silent mode. 10 11 At any time during this testimony, please 12 do not approach the dais. 13 Thank you for your cooperation. 14 Chair, we are ready to begin. 15 CHAIRPERSON BREWER: Good morning. [GAVEL] Thank you very much. Welcome to the Fiscal 2026 16 17 Preliminary Budget Hearing for the Committee on 18 Oversight and Investigations. I am Gale Brewer. I am 19 the Chair of the Committee, and today we will review 20 the Department of Investigation's Fiscal 2026 needs 21 of the Department of Investigation and, frankly, the 2.2 needs of the public. 23 The Department of Investigation promotes 24 and maintains integrity and efficiency in government 25 operations across our city. DOI's Fiscal 2026

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Preliminary Budget totals 55 million, including 24.6
million for personal services to support 293
positions, I think it should be more, and 30.4
million for other-than-personal services. I thank
Commissioner Strauber and her team at DOI for their
steadfast work over the past year.

8 The Department of Investigation has 9 successfully coordinated with federal partners, performed important investigations, and issued policy 10 11 and procedural recommendations to City agencies, all 12 with a very restrictive budget, and I'm sure we'll 13 hear more about that. I look forward to continuing our conversations regarding oversight hearings. We 14 15 have a lot of work ahead. Holding elected officials and agencies accountable should be a top priority for 16 17 everyone.

18 Today, we are interested in learning 19 about the Commissioner's plans for the Department in 20 the coming year, including DOI's role with the City 21 as an oversight department, its federal funding 2.2 resources, a general topic in today's world, as well 23 as how we can work together to improve and baseline the Department's staffing needs. The plan does 24 include an additional 10 investigative and support 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 5
2	positions, according to the Mayor. However, the
3	Committee is concerned that after years of
4	reductions, the Department is not adequately funded.
5	We would like to discuss the concerns we have
6	regarding its current budget. We would like to
7	discuss budgetary decisions made by the
8	Administration and highlight the important role
9	oversight agencies play in City government.
10	I thank our Committee Staff and the
11	Oversight and Investigations Division for their hard
12	work, Owen Kotowski, Jack Storey, Nicole Catá, Alex
13	Yablon, Erica Cohen, Zachary Mayer, he has another
14	name but I just go with the short one, Kevin Frick,
15	Katie Sinise, and my staff, Sam Goldstein.
16	I'm looking forward to hearing from the
17	Commissioner, and I thank her and her staff. I don't
18	think we have any Colleagues here yet, but now I'm
19	going to call on our Counsel to swear in the
20	Commissioner.
21	COMMITTEE COUNSEL: Thank you, Chair
22	Brewer. We will now hear testimony from the
23	Administration. We'll hear from DOI Commissioner
24	Jocelyn Strauber.
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 6 2 Before we begin, I will administer the 3 affirmation. 4 Please raise your right hand. Do you affirm to tell the truth, the whole truth, and 5 nothing but the truth before this Committee and to 6 7 respond honestly to Council Member questions? COMMISSIONER STRAUBER: I do. 8 COMMITTEE COUNSEL: Thank you. You may 9 begin when ready. 10 11 COMMISSIONER STRAUBER: Thank you. Good morning. My name is Jocelyn Strauber, and I have the 12 honor of serving as the Commissioner of the 13 14 Department of Investigation. Thank you, Chair Brewer 15 and other Members of the Committee on Oversight and Investigations who may be joining us later, for the 16 17 opportunity to speak with you today about DOI's 18 Fiscal 2026 Preliminary Budget. 19 My testimony will discuss highlights of 20 the agency's work over the past year, our preliminary budget and staffing, and the agency's new needs 21 requests that have been submitted to the Office of 2.2 23 Management and Budget. But first, I would like to share some important background on how DOI conducts 24 investigations and the key principles that guide our 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 7
2	work. DOI is the City's Inspector General, a law
3	enforcement agency that conducts independent
4	investigations uncovering corruption, fraud, and
5	waste. Our investigations develop in several
6	different ways, from complaints that come into DOI,
7	intelligence developed by the Inspectors General and
8	their teams, media reports, and through joint
9	investigations with our law enforcement partners.
10	When we see potential for criminal charges, we
11	generally collaborate with prosecutors and sometimes
12	other law enforcement agencies from the early stages
13	of an investigation, working side-by-side to ensure
14	that we develop admissible evidence and otherwise
15	build the strongest case possible. For non-criminal
16	matters, we make referrals of our findings to the
17	Conflicts of Interest Board or to the relevant
18	agencies for disciplinary action where appropriate.
19	DOI's investigations hold City officials
20	and employees accountable, lead to recommendations
21	for reform of City policies and procedures, and
22	protect taxpayer dollars from waste and fraud. Our
23	investigative expertise, deep knowledge of City
24	government, and critically, our commitment to conduct
25	investigations independently and confidentially
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 8
2	instill confidence in complainants, witnesses,
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3	prosecutorial and law enforcement partners, and the
4	public that our findings are based solely on our
5	rigorous and objective fact-finding. DOI's freedom
6	from outside interference from City Hall, the City
7	Council, or any other political body in the conduct
8	of our investigations is foundational to our
9	existence as a truly independent Inspector General.
10	As you know, DOI does not report to this
11	Council, to City Hall, City agencies, or any outside
12	entity about complaints we receive and investigations
13	we open, nor do we provide updates on ongoing
14	matters. We share our factual conclusions only when
15	they are final, whether in the form of the
16	announcement of criminal charges or the issuance of a
17	public report. For public reports, we share final
18	versions with the agencies and City Hall shortly
19	before issuance to obtain their feedback and ensure
20	that recommendations are feasible. Whether we
21	incorporate their feedback is a matter within our
22	sole discretion. I want to underscore that during my
23	tenure, no City Hall official has asked DOI for
24	updates on the status of our investigations and, had
25	they asked, we would have declined to provide them.
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2 As you know, the importance of ethical 3 oversight of City government has been front and 4 center, particularly over the past few weeks. We agree that safeguarding DOI's independence and 5 protecting the agency from retaliation is a worthy 6 7 goal. It will come as no surprise that we have given some thought over the past few years about the best 8 9 ways to do this, and I would like to share some of those thoughts with you today. 10

There are three core proposals, each of which would require a change in the law. First, establishing a tenure of five or six years for the DOI Commissioner so that the Commissioner's term would span administrations, limiting the risk that a DOI Commissioner would be subject to improper influence by any mayoral administration.

18 Second, expanding and strengthening the 19 controls around removal of the DOI Commissioner. 20 Under current law, the Mayor may remove the Commissioner after making a statement of reasons for 21 the termination to be provided to the Department of 2.2 23 Citywide Administrative Services and to the Commissioner, who has an opportunity to respond. To 24 reduce the risk of removal for an improper purpose, 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 10
2	the law should be amended to add a requirement that
3	removal be for cause only and with approval of the
4	City Council, which can hold a public hearing to
5	further explore the Mayor's statement of reasons and
6	the Commissioner's response. That process would
7	provide a check on the Mayor's removal power and
8	allow for a public exploration of the basis for the
9	proposed removal. This process also is consistent
10	with the appointment process for the Commissioner,
11	who must be confirmed by the City Council.
12	Third, providing DOI budget independence,
13	which would reduce the risk of City Hall control of
14	or retaliation against DOI through control of the
15	agency's budget and staffing. To be clear, while DOI
16	has not been the target of retaliation during my
17	tenure, at the same time, our budgetary needs do not
18	seem to be a key priority for this Administration. As
19	you are well aware, the City's budgetary challenges
20	have significantly impacted DOI's ability to hire and
21	to retain employees. Budget cuts that have applied
22	equally to all City agencies have been particularly
23	difficult for DOI due to our small size, and the
24	constant shifts in the City's approach to hiring have
25	made long-term planning with respect to staffing
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 11 2 difficult, if not impossible. The OMB approval 3 process for hiring, as well as capital funding, also 4 is extremely time-consuming. Budgetary independence for oversight agencies is a feature of many City 5 institutions, such as the City Campaign Finance 6 7 Board, which sets its own budget, the Independent Budget Office, whose funding is a set percentage of 8 9 the budget of OMB, and the Civilian Complaint Review Board, whose staffing is based on a percentage of the 10 11 budgeted headcount of the New York City Police Department, which it oversees. Funding DOI at an 12 13 appropriate percentage of the City budget and giving 14 DOI full control over its hiring, for example, would 15 safeguard DOI's independence and reinforce the City's 16 commitment to prevent fraud, waste, and abuse. The 17 Inspector General for the City of Chicago's budget is 18 set in this way. I believe these protections would 19 further strengthen DOI's independence and that now is 20 the time to consider them. 21 Let me turn to our work in 2024, which 2.2 was an extremely productive year for DOI. The work

23 that we have done, ranging from large-scale criminal 24 cases that have yielded numerous convictions, to 25 complex criminal investigations of senior City

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 12 2 officials, to public reports and recommendations 3 about a range of issues, from the City's oversight of non-profit contracts to combating contraband 4 smuggling into Rikers, is a credit to our skilled and 5 dedicated team of DOI investigators, auditors, and 6 data analysts, and the support of our entire 7 operational staff and our executive team. Together, 8 9 they make DOI's accomplishments possible. Again and again, over the last three years, we have asked them 10 11 to take on more work and more responsibility, often for no additional compensation, and every time they 12 13 have stepped up and served the City admirably under 14 very challenging conditions. I am very grateful to 15 them. To give you a sense of our accomplishments over 16 the past year, I will share the statistics on certain 17 major indicators and highlight particular 18 investigations and prosecutions. I encourage you to 19 review our 2024 Calendar Year-End Report, which has 20 been distributed with my testimony and provides a full picture of the results of DOI's hard work. 21 2.2 A unique feature of DOI is that when we 23 find misconduct, whether or not our findings result in criminal charges, we consider whether changes to 24 City policies and procedures might close corruption 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 13
2	vulnerabilities, limiting the risk of future
3	misconduct and, if so, we make recommendations for
4	policy and procedural reform. These recommendations,
5	while not mandatory, are public, providing
6	transparency about areas where City practices, in our
7	view, can improve. This past year, we have focused on
8	older pending recommendations, engaging with the
9	agencies to advance them to accepted and implemented
10	status. In 2024, DOI made 370 arrests, a nearly 59
11	percent increase from 2022, when I began my tenure at
12	DOI. Since 2022, the complaints we received rose
13	considerably, to approximately 14,800 in 2024, as did
14	the number of cases we referred for prosecution, to
15	approximately 498 in 2024. These figures are
16	extraordinary, given the number of resource-driven,
17	complex investigations underway at DOI and the
18	approximately 10 percent decrease in our overall
19	staffing since the beginning of 2022. Last year, DOI
20	and our law enforcement partners announced notable
21	complex investigations, leading to significant
22	criminal prosecutions, targeting official pay-to-play
23	schemes and other misconduct, including the arrest of
24	two former high-ranking Fire Department officials on
25	bribery and related charges for soliciting and
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 14 accepting tens of thousands of dollars in payments in 2 3 exchange for providing preferential treatment to certain individuals and companies with matters 4 pending before the Bureau of Fire Prevention. Both 5 defendants have pled guilty and no longer work for 6 7 New York City. The indictment of Mayor Adams on 8 bribery and campaign finance charges for allegedly 9 obtaining illegal campaign contributions and luxury travel through the City government positions he has 10 11 held for nearly a decade. As you know, the federal 12 district judge assigned to the case is currently 13 considering the Department of Justice's motion to 14 dismiss the charges on grounds unrelated to the 15 strength of the case or the conduct of the 16 investigation. The arrest of a former City Hall 17 official on witness tampering and destruction of 18 evidence charges in connection with the investigation 19 of alleged illegal campaign contributions to the 20 Mayor. That case remains pending. The indictment of the Mayor's former Chief Advisor for monetizing her 21 government position and influence to benefit herself 2.2 23 and her family. The arrest of 70 current and former employees of the New York City Housing Authority for 24 accepting cash payments from vendors in exchange for 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 1 15 2 awarding NYCHA contracts, driving up the cost of 3 services, and depriving NYCHA residents of valuable resources. To date, 64 of the 70 defendants have been 4 convicted. Cases against six defendants remain 5 pending. DOI made 14 recommendations to NYCHA as a 6 7 result of this investigation, all of which have been implemented. The indictment of a company and six of 8 9 its executives and employees for operating a sham safety training school that issued safety 10 11 certificates and cards to approximately 20,000 students. Nineteen individuals also were charged with 12 13 acting as brokers by connecting individuals seeking 14 safety certification to the school. Fourteen of the 15 defendants have pled guilty, and an additional defendant was convicted after trial. In light of the 16 17 findings in this investigation, DOI issued a number 18 of recommendations to the City Department of 19 Buildings to improve its oversight of the 20 construction site safety training requirements 21 mandated by local law. DOI's investigations over the last year 2.2 23 also focused on theft of City funds, as well as misconduct impacting some of the city's most 24 vulnerable residents, resulting in, for example, the 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 16						
2	guilty plea of a former fiscal officer who stole						
3	nearly 2.3 million from the City-funded non-profit						
4	where she worked and spent the funds on home						
5	remodeling, landscaping, and luxury goods. A 42-month						
6	prison sentence for a Florida woman who defrauded at						
7	least 120 low-income city residents out of nearly						
8	50,000 in benefits from the Supplemental Nutrition						
9	Assistance Program. The indictment of a landlord and						
10	corporate entities he controlled for maintaining						
11	uninhabitable conditions in his rent-regulated						
12	properties to induce tenants to vacate so that he						
13	could sell the properties for profit and for filing						
14	false documents with City agencies to conceal						
15	ownership of those buildings and evade responsibility						
16	for treatment of his tenants. DOI issued four						
17	recommendations to the City Department of Housing,						
18	Preservation and Development to strengthen the City's						
19	response to landlords who persistently neglect their						
20	properties.						
21	Another key aspect of our mission is to						
22	provide public transparency with respect to the						
23	operations, practices, and conduct of City						

government. We do this in part through our public

reports. In 2024, DOI published 15 reports that

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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 17
2	explored important issues, including the misuse of
3	City-issued parking placards, compliance and
4	governance risks at 51 City-funded non-profits that
5	operate City homeless shelters, safety, disciplinary,
6	and staffing challenges at ACS's juvenile detention
7	facilities, and a review of the NYPD's Community
8	Response Team that found insufficient public
9	information about the unit and an absence of written
10	policies and procedures governing its operations.
11	These reports shed light on issues of significance to
12	City government by detailing our factual findings and
13	our recommendations for critical policy and
13 14	our recommendations for critical policy and procedural change.
14	procedural change.
14 15	procedural change. Turning now to our Fiscal Year 2025 and
14 15 16	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget
14 15 16 17	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget is 54.9 million, 30.3 million for personal services,
14 15 16 17 18	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget is 54.9 million, 30.3 million for personal services, and 24.6 million for other-than-personal services. At
14 15 16 17 18 19	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget is 54.9 million, 30.3 million for personal services, and 24.6 million for other-than-personal services. At the start of Fiscal Year 2026, as it has in previous
14 15 16 17 18 19 20	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget is 54.9 million, 30.3 million for personal services, and 24.6 million for other-than-personal services. At the start of Fiscal Year 2026, as it has in previous years, DOI anticipates receiving an additional 1.6
14 15 16 17 18 19 20 21	procedural change. Turning now to our Fiscal Year 2025 and 2026 budget. Our Fiscal Year 2026 Preliminary Budget is 54.9 million, 30.3 million for personal services, and 24.6 million for other-than-personal services. At the start of Fiscal Year 2026, as it has in previous years, DOI anticipates receiving an additional 1.6 million in intracity funds from other agencies that

25 memoranda of understanding arrangements with other

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 1 18 2 City agencies and public authorities, including NYCHA and NYC Health and Hospitals, and 140 who are on-loan 3 4 employees directly funded by other agencies.

We recognize the enormous budget 5 challenges that the City, and therefore all City 6 7 agencies, continue to grapple with. I want to 8 highlight today those aspects of the budget process 9 that have been most difficult for DOI and that can impede our ability to fully fulfill our mission. The 10 11 City's two-for-one hiring process significantly 12 reduces our ability to hire qualified staff to fill 13 critical vacancies. In light of past headcount cuts, 14 all of our open positions, in our view, are critical, 15 and two-for-one hiring materially delays and sometimes prevents the hiring of candidates that we 16 17 have spent time and resources recruiting. For 18 example, DOI made offers to three candidates to fill 19 investigative analyst positions between September and 20 October of 2023. We did not receive OMB approval for these positions until July 2024, November 2024, and 21 2.2 January 2025, respectively. Understandably, given 23 that almost 18 months had passed since the initial offer, one of the three candidates opted not to join 24 DOI. Not only do we have to begin recruitment for 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 19 2 that position anew, these delays in hiring require 3 current staff to absorb the additional workload, 4 leading to burnout and ultimately greater attrition. DOI has lost staff at all levels to private, state, 5 and federal entities due to the disproportionately 6 7 low salaries we offer and the lack of growth opportunities permitted by the City's current hiring 8 9 and promotion practices, which put us at further risk of losing critical staff. For example, DOI's Deputy 10 11 Agency Chief Contracting Officer, or DACCO, left the 12 agency in September of 2023, and despite several rounds of recruitment and offers to candidates, we 13 14 have been unable to fill the position because the 15 current OMB hiring policies require us to offer a salary that is materially lower than DACCO salaries 16 17 offered by similarly-sized City agencies. DOI's 18 current OTPS budget primarily pays the rent for our 19 office space and the expenses of our monitorships, 20 which, as you know, are paid to outside monitoring 21 firms, not to DOI staff. DOI's baseline OTPS funding 2.2 was cut by approximately 4 million due to PEGs in 23 Fiscal Year 2024. DOI's OTS budget does not cover standard law enforcement agency expenses, such as 24 cars, technology, and training. We have used 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 20 2 forfeiture funding to cover those expenses, and while 3 that is a permissible use of forfeiture funds, the 4 funds are limited and the City should be prepared to 5 fund our operating expenses in the future.

DOI rarely seeks capital funding from 6 7 OMB, but delays in that funding also have required us to use forfeiture funds for critical agency needs. 8 9 For example, we decided in 2023 to obtain a new case management system to replace an aging system that 10 11 lacked key functionalities, including readily accessible records and case files, streamlined export 12 13 capability for production of discovery, and the 14 ability to easily generate statistical information. 15 We submitted a request to OMB in 2023 for capital 16 funding for this basic operational law enforcement 17 need, a request that met all the capital funding 18 requirements. However, after well over a year of back 19 and forth with OMB, when DOI still did not have a 20 clear path or timeline to approval, the urgency of 21 our need required us to abandon the capital request and leverage forfeiture funding to procure Caseware, 2.2 23 our new electronic management system, which will cost approximately 2.8 million that will be paid over the 24 next five years. I am pleased to say that Caseware 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 21 2 launched just last month, and DOI staff are learning 3 to navigate the new system, one that vastly improves 4 our ability to maintain and access information.

I want to return for the moment to the 5 topic of forfeiture funds and the role that they play 6 7 in supporting our operations. Both federal and state law provide for forfeiture by defendants of the 8 9 profits of criminal activity to the government and for sharing of those funds with the investigative 10 11 agencies that worked on the case. Forfeiture funds 12 must be used to support legitimate law enforcement 13 activities. The majority of our forfeiture funds come 14 from federal prosecutions. There are very strict DOJ 15 guidelines on how forfeiture funds can be used and 16 for what purposes, and the guidelines require that forfeiture funds supplement, not supplant, DOI's 17 18 budget. This means that the City cannot reduce DOI's 19 budget due to the availability of forfeiture funds. 20 We have used forfeiture funds to support our basic 21 operational needs, as I have just explained, but those funds are limited. The majority of our 2.2 23 forfeiture funds came from the 2011 CityTime case, in which the defendants were ordered to forfeit very 24 significant funds, a portion of which were shared 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 22
2	with DOI. DOI has continued to receive forfeiture
3	funds from the CityTime case as recently as 2023
4	through the identification and sale of properties
5	subject to forfeiture, but DOI will not be able to
6	fund our basic law enforcement needs with forfeiture
7	indefinitely because we cannot expect to receive
8	forfeiture in that amount again. Our use of
9	forfeiture funds between Fiscal Years 2022 and 2025
10	to fund our operational needs has saved the City 16.2
11	million, but in the future, the City must be prepared
12	to fund those needs when our forfeiture funding runs
13	out. From 2014 through 2024, DOI spent an average of
14	2.5 million forfeiture funds per year. However, in
15	Fiscal Year '25 alone, that amount increased to 10.2
16	million, taking into account the use of forfeiture
17	funds to support our operational needs in light of
18	the City's budget cuts.
19	Let me turn now to our new needs. We
20	submitted a new needs request for the Fiscal Year
21	2026 January plan that included an exemption from the
22	two-for-one hiring restriction since our agency is
23	relatively small and staff-driven, as I've explained.

25 productivity. Critical positions, such as e-discovery

Curtailing our ability to hire directly limits our

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 23
2	management, have remained open for far too long
3	because, while we have funding available to fill
4	those roles, the two-for-one policy prevents us from
5	hiring for them. The restriction also has contributed
6	to our current 17 percent vacancy rate. And while OMB
7	has agreed that DOI may make requests for exemptions
8	from the two-for-one policy for critical vacancies,
9	we must do so on a case-by-case basis with no
10	guarantee of approval. While we have had some limited
11	success, the process remains cumbersome and time-
12	consuming.

DOI also requested 1.7 million to fund 23 13 headcounts that would support investigative staff, 14 15 which included investigators with specialized skills 16 such as data analytics, digital forensics, and investigative auditing, and operational staff in 17 information technology, finance, and procurement. DOI 18 19 received 10 of these lines and 745,000 in baselined funding to staff both investigative and operational 20 units. Four of the approved investigative lines will 21 go toward hiring confidential investigators, and we 2.2 23 plan to separately hire for additional confidential investigators using existing vacancies to create a 24 25 group of sufficient size to run our investigative

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 24
2	officer training academy this year. We are thankful
3	for this headcount in a budget-constrained
4	environment, but must continue to ask for the
5	remaining 13 positions, which are required to fully
6	meet our needs. It is worth noting that over the past
7	three years, these 10 positions are the first
8	additional headcount that we have received, putting
9	aside the 18 un-baselined headcounts granted to us in
10	the FY23 adopted plan that we could not fill because
11	they provided funding for only one Fiscal Year. We
12	have made additional requests for the Fiscal Year
13	2026 executive plan, including 75,000 to achieve
14	salary parity for five supervisory investigative
15	staff who were not included in the recent agency-wide
16	salary adjustment effort that was approved by OMB,
17	one that has improved our retention and hiring,
18	308,000 for modest salary increases to support the
19	successful tiered title and salary structure, that we
20	created in Fiscal Year 2023 to attract and keep
21	investigators by providing a path to promotion at
22	DOI, and 830,000 for the 13 headcount DOI did not
23	receive in its last request, which includes
24	specialized investigative staff. These requests are
25	

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essential operational needs for DOI to continue
effectively carrying out its mission.

4 In conclusion, the New York City Department of Investigation is unique among municipal 5 oversight agencies. The investigations we have 6 7 conducted this year make clear that we serve a 8 critical City need. As an independent factfinder, DOI 9 supports good government and provides public accountability, transparency, and confidence that 10 11 corruption, fraud, and waste allegations involving 12 New York City will be independently and rigorously 13 investigated. I thank you for your consistent support for our mission, and I am happy to take any questions 14 15 you may have.

16 CHAIRPERSON BREWER: Thank you very much. 17 I've been joined by Council Member Joseph, who ran a 18 phenomenal hearing yesterday on Education, Council 19 Member Krishnan, who will do so on Parks, and Council 20 Member Banks, who did the same thing on Public 21 Housing so, if you have questions, immediately let me 2.2 know, because I know some of us have B and T, and 23 we're missing it so, if you want to go ahead, do you want to go ahead with questions? No, no, go ahead, 24 25 because I'm going to be here, so I'm happy because I

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 26
2	know the feeling of not being at the Budget. Go
3	ahead, Council Member.
4	COUNCIL MEMBER KRISHNAN: Thank you, Chair
5	Brewer. Thank you, Commissioner, for your testimony
6	today and your perspective here on the budget and
7	DOI's work, too.
8	I just have a few questions.
9	Unfortunately, I've got to return to budget meetings
10	we have, too. But a couple of them were, I saw the
11	core proposals here that you had put in your
12	testimony to further strengthen the independence of
13	DOI from the executive branch, which will allow it to
14	do its, in my opinion, responsibilities more
15	effectively as well. One of the things that I saw was
16	when it came to the budget itself and budgetary
17	independence, and I was just trying to get a better
18	sense, and I saw in here about perhaps it being a
19	percentage of the City budget, and I was just curious
20	to hear a bit more about what, in your view, would
21	that budgetary independence look like? What other
22	cities, I saw Chicago in here, too, but what other
23	cities with their OIG-type offices, how have they
24	structured budgetary independence and what does that
25	look like?

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2 COMMISSIONER STRAUBER: So, I think there are a number of different ways that it could be done, 3 4 and we outlined some of the models here. One would be a percentage of the City's budget, and frankly, I 5 haven't studied all of the different models and I 6 don't have a percentage to ask for today. I think 7 8 this is a good time to start exploring these issues, 9 but I think that is one way to do it. Some of the other models, the agency makes a proposal to the 10 Council that then votes on that as part of its 11 12 budget. In certain circumstances, there can be a back 13 and forth and questions and recommendations made by 14 other bodies who support the budget. I think the key 15 point is there are clearly advantages to having an independent agency that is truly independent, and I 16 17 think budgetary independence is a part of that given 18 that our size and our staffing are so critical to the 19 amount of work and the scope of the work that we're 20 able to do, and also to our own financial planning. 21 So, the current environment where there have been 2.2 cuts and then freezes and then unfreezes for limited 23 periods of time make it very hard to sort of look at our structure as a whole and think about how we want 24 25 to do things going into the future, and rather leave

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 28
2	us in a position where we have to try to address our
3	greatest need and our greatest urgency in that
4	moment, and I think some measure of control over our
5	own budget within appropriate and fair parameters
6	would give us the ability to do that kind of
7	planning, and a percentage of the City's budget
8	obviously would ensure that we're not necessarily
9	immune from the City's budget challenges, and we
10	wouldn't expect to be, but that we would have a
11	measure of separation from them.
12	COUNCIL MEMBER KRISHNAN: That's very
13	helpful. And another question I had on that note is
14	with the recommendations you provided, I mean, in my
15	opinion, having enforcement investigative powers
16	walled off independent from the executive branch is
17	very important. Frankly, we're seeing at the federal
18	level right now what is happening in the erosion of
19	public integrity because of the ways in which the
20	Department of Justice and the White House are
21	structured now and what's going on there. So to me, I
22	think this is a very timely issue. I'm just curious
23	of how other cities and their offices, inspector
24	general type offices or DOI type offices, do they
25	follow the same model, too, of independence in terms

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS292of the appointment of the Commissioner, how it3overlaps with other Mayors as well? Is that4independence generally seen in other cities? And if5so, would you be able to provide the Committee with6more examples of more independent models along these7lines?

8 COMMISSIONER STRAUBER: We would be happy 9 to provide examples. I have to say, I can't sit here today and tell you exactly how other models work. 10 11 Certainly, a for-cause requirement is embedded in a 12 number of inspector general hiring and firing 13 protections, including, as you note, at the federal 14 level. Obviously, the law has to be followed for the 15 law to be effective. But certainly, we could find some additional models and examples and come back to 16 17 you with those. We'd be very happy to do that.

18 COUNCIL MEMBER KRISHNAN: That would be 19 very helpful. Thank you. My final question is just on 20 your testimony about forfeiture. Are you telling me that a lot of the DOI budget is funded from 21 forfeiture proceeds from a case going back to 2011? 2.2 23 COMMISSIONER STRAUBER: We were very lucky in, I believe, 2023 or 2024 to unexpectedly receive 24 an infusion of forfeiture funds that I think came 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 30
2	from a more recent identification of properties
3	subject to forfeiture, yes, from a case that is
4	decades old at this point.
5	COUNCIL MEMBER KRISHNAN: Sorry. You said
6	it before, but I missed it. When do those forfeiture-
7	funded parts of the agency, when does that expire,
8	those forfeiture funds?
9	COMMISSIONER STRAUBER: There's no
10	expiration, but there's a limited amount of money. We
11	have been essentially running our operational needs
12	on forfeiture for the past year or so, if not going
13	back a little bit further. Eventually, that money is
14	going to run out, which will depend on what our
15	technology needs are. Obviously, we've had some
16	technology upgrades. We've had this new case
17	management system. The 10.5 million in spending
18	recently may be a little high, but eventually we're
19	going to be out of money.
20	COUNCIL MEMBER KRISHNAN: Right. I
21	understand. I don't mean expired. What I meant more
22	is it sounds like a lot of it comes from a very old
23	case. When will those funds run out? Do you have some
24	sort of sense of when that would be?
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 31
2	COMMISSIONER STRAUBER: Well, if we
3	continue to spend at this rate, I think we'd have,
4	like at a 10 million per year rate, I think we'd have
5	no more than two or so years left.
6	COUNCIL MEMBER KRISHNAN: That's shocking.
7	COMMISSIONER STRAUBER: I'm getting nods
8	from the people who know.
9	COUNCIL MEMBER KRISHNAN: Right. Well,
10	that's shocking. I would just say my point is I
11	appreciate your testimony about recommendations to
12	make DOI more independent. I think it's very
13	unacceptable and shocking, and we're seeing with this
14	Administration, to not only have no sort of checks
15	and bounds and independence from DOI, but on top of
16	that, to provide such little funding for DOI that
17	they're relying on forfeiture proceeds from a case
18	that's more than a decade old to fund core
19	operations, and to state that for the record. Thank
20	you so much, Chair. Thank you for the time.
21	CHAIRPERSON BREWER: First of all, I want
22	to tell my Colleagues that I spoke at the recent, I
23	call it the Speaker's Charter, and now we have the
24	Mayor's Charter coming up. I indicated, without
25	knowing what you were going to say, some of the
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 32 2 suggestions to the Charter Revision Commission. I think I was the only elected official to testify, but 3 4 there are more hearings coming up. So, what I'm saying to you is testify the same. Take this list 5 when you testify at the Mayor's Charter and the 6 7 Speaker's Charter, and please include this on your 8 Charter Revision Commission testimony, as I have 9 done, and I hope you'll do the same. Excellent testimony. 10

11 So, I just don't understand about your 12 budget, because, I don't know, it was some, like, 13 huge, larger number in the past, so can you just 14 reiterate what it is now? Because I have, there's a 15 number for what you have of staff, and then there's a 16 number for the additional from intra-agency, right? 17 And then there's sort of the need that you have for 18 the future, because I know you want to do some more 19 proactive investigations. I think you've said that in 20 the past. So, both staff-wise and budget-wise, can 21 you just give us some indication as to what you have 2.2 now and what you would like in the future? 23 COMMISSIONER STRAUBER: Sure. So just to sort of set this in context, our budgeted headcount, 24

which is currently 310. That's for Fiscal Year 2025.

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 33
2	And just for context, it's been steadily going down
3	since Fiscal Year '20, when it was 408. Now, that
4	budgeted headcount does not include what we refer to
5	as on-loan employees. Those are employees whose
6	salaries are paid by their home agencies, but who
7	work at DOI, support our investigations, report up,
8	you know, through our chain. For those figures, I
9	want to give you current active headcount. So our
10	DOI-only active headcount is 257. It was 368 in
11	Fiscal Year '20. And our on-loan headcount, which
12	provides significant support for our operations, is
13	137. It was 180 in Fiscal Year '20. So that gives us
14	a total active headcount of 394 for Fiscal '25. And
15	our ask has been in addition to, you know, other
16	funding issues, but headcount specifically, our ask
17	has been for 23 additional personnel. We received 10
18	of those. We continue to ask for the other 13.
19	CHAIRPERSON BREWER: And of the 10, have
20	you been able to hire? Are you still dealing with the
21	two-for-one and the salary issues, etc.?
22	COMMISSIONER STRAUBER: So for those, we
23	are not dealing with the two-for-one. So those are
24	all posted, and we are actively recruiting for them.
25	But we have not filled those positions yet.

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 34
2	CHAIRPERSON BREWER: Okay. All right.
3	That's helpful. In terms of budget, so I think,
4	obviously, the budget would mirror what the
5	challenges are in terms of staffing.
6	COMMISSIONER STRAUBER: Yes. And I also
7	want to be clear that one of our asks is for
8	additional funding for vacant positions that are not
9	fully funded, and I can get you that number, but I
10	just want to be clear that we have positions that,
11	where we have the headcount but, because the salaries
12	are so low, we have sometimes had to borrow from
13	certain vacant positions in order to provide
14	competitive salaries for positions we're hiring for,
15	and so that means there is additional funding that we
16	need to be able to hire our vacant positions in
17	addition to these additional 10 headcounts.
18	CHAIRPERSON BREWER: Thank you. And, of
19	course, just for the record, for the last two years,
20	as Chair of this Committee, I've advocated for
21	funding for your Department, and the Office of
22	Management and Budget has refused. I just want to
23	make clear.
24	COMMISSIONER STRAUBER: And we appreciate
25	that support very much.

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 35
2	CHAIRPERSON BREWER: Very, very
3	frustrating. Hope this changes this year.
4	So, in terms of the 10 that you have,
5	needing 13 more, but how will those positions help
6	your investigations when they're fully funded and
7	fully in place?
8	COMMISSIONER STRAUBER: So for those 10,
9	we've picked the areas of greatest need. So, for
10	example, we manage through search warrants and
11	seizures of electronic devices in criminal cases. We
12	have an enormous amount of material to go through
13	that has to be processed. We have had one e-discovery
14	manager managing sort of the vast bulk of this. So
15	that's a position that we've posted for. We also do
16	other forensic analysis of electronic devices, and so
17	we're seeking two headcount for that. Auditing,
18	obviously, is critical to the financial fraud
19	investigations that we do. We're seeking to hire an
20	additional auditor, four additional investigators, as
21	I mentioned. Obviously, we could use many more. But
22	that's how we allocated a portion of the 10 new
23	headcount. And then we also need more technology
24	support, and so we allocated two headcount to that
25	position. So that is how we will use those 10. That's

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 36
2	what we've posted for so it's fair to say right now
3	those are our areas of greatest need.
4	CHAIRPERSON BREWER: Okay. And I know you
5	also have the Protest Settlement Unit. If you could
6	talk a little bit about what the unit is doing. I
7	believe those folks have been filled, those
8	positions. Ironically, there's a protest every day.
9	So, I will be interested to see what recommendations
10	come out of it, but can you just talk a little bit
11	about that unit?
12	COMMISSIONER STRAUBER: Yeah. So, the unit
13	is now fully staffed with five people, all of whom
14	not only have been hired but are working as of this
15	week at DOI. Their role is actually unique in the
16	work that we do. That unit was created to manage
17	oversight of the NYPD's compliance with a particular
18	settlement of litigation arising out of the George
19	Floyd protests. And as part of the settlement of that
20	litigation, the Department agreed to implement policy
21	and procedural changes to how they police protests.
22	And the plaintiffs were interested in having a body
23	that could monitor the NYPD's compliance. Now, as
24	you're aware, and I know we've talked about this
25	before, outside monitors can be very expensive for
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 37 2 the City. The City saw using DOI as the monitor as a 3 way to save some money. We're very comfortable with 4 playing that role. But to do so, we needed additional headcount, because given all of our other 5 responsibilities and obligations, it was not 6 7 something we could take on without designated additional staff. And so we asked for and received 8 9 five additional staff and have created essentially a small unit with an inspector general, two attorneys 10 11 who will serve as special counsels, and two investigators to do that work. And once the 12 Department finalizes policies and training, which 13 14 they're in the process of doing, that work will 15 actually begin and it will involve, every six months 16 for a three-year period, a selection by a collaborative committee of two protests that the unit 17 18 will be responsible for reviewing and looking at the 19 Department's response to the protests and evaluating 20 whether the response complies with the new policies 21 and procedures. CHAIRPERSON BREWER: Okay. Just out of 2.2 23 curiosity, have there been investigations that you haven't been able to, you've mentioned several now, 24 but that you've not been able to conduct because of a 25

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS
low staffing? In other words, again, back to this
proactive situation.

COMMISSIONER STRAUBER: Look. There are no 4 complaints that we've received that we thought were 5 significant and warranted investigation where we sort 6 7 of put them aside because we couldn't do them. At the same time, there is proactive work that we would be 8 9 interested in pursuing that we've not had an opportunity to pursue given our other obligations and 10 11 responsibilities and the staffing that we have. You 12 know, it is also the case that you don't know what 13 you don't know. I think there are steps that we would 14 be taking, resources we might be devoting to doing 15 things like proactive audits involving large capital projects that aren't subject to a monitor. We're not 16 17 in a position right now to do that because we don't have the staff. 18

19 CHAIRPERSON BREWER: Okay. I'm sorry, to 20 go back to those that are looking at the protests. 21 Something about two every six months. Every six 22 months there's a report, but how do you determine 23 that the monitors look at X, Y, and Z? Is it every 24 protest? Is it whether it's a complaint? Is it 25 complaint-based, etc.?

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 39
2	COMMISSIONER STRAUBER: It's not every
3	protest, and it's not complaint-based. The settlement
4	provides for a collaborative committee that has
5	representation from the plaintiffs in the litigation,
6	from the NYPD. It's a committee that DOI chairs, and
7	the committee selects two protests to be reviewed
8	every six months. Now, DOI obviously can always do
9	any protest review that we choose to do, but for
10	purposes of this particular settlement, the
11	settlement describes how the protests will be
12	selected.
13	CHAIRPERSON BREWER: You're going to have
14	plenty to select from.
15	COMMISSIONER STRAUBER: It appears that we
16	will.
17	CHAIRPERSON BREWER: Yes. So what is the
18	current salary range for attorneys and investigators?
19	You talked about this a little bit, but because
20	they're so noncompetitive with other City agencies,
21	we just want to hear that again. That seems to me
22	such a fixable, we never can compete with the
23	outside, but it seems to me we should be able to be
24	on parity with those in our own government.
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 40
2	COMMISSIONER STRAUBER: Yes. So the
3	confidential investigator titles, and there are three
4	levels of confidential investigators. That's the
5	tiered system we put in place. If you take the sort
6	of highest end of the range for each of those
7	positions, which I would describe as including two
8	years of service and the COLA adjustment, which
9	obviously not everyone gets, the lowest tier
10	Confidential Investigator One is 63,900. I'm rounding
11	slightly, Tier Two is 76,700, and Tier Three is
12	89,500. And then we have, you know, another
13	investigator title called special investigator that
14	is, you know, another related title, which is around
15	76,700. So those titles are not competitive with
16	other City agencies, and we have a specific request
17	to increase each of those tiers so that that
18	promotional path continues to be attractive and, you
19	know, we can motivate very hardworking investigators
20	to stay in their positions. So those are the CI
21	salaries.
22	Our attorney salaries are competitive
23	with other City agencies. There are challenges
24	really, you know, the federal government, to some
25	extent the state government, and the private sector.
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 41
2	CHAIRPERSON BREWER: Something to make us
3	aware of so that we can advocate in the budget
4	process, and I appreciate that.
5	And then just in terms of overtime, is
6	that something that investigators and attorneys are
7	able to access? I didn't know if that's relevant to
8	you.
9	COMMISSIONER STRAUBER: You know, I think
10	certain titles are overtime eligible, certain titles
11	are not. So certain investigator titles are overtime
12	eligible. As investigators promote into more senior
13	supervisory positions like assistant inspector
14	general, they are not overtime eligible. For the most
15	part, I don't think this is sort of a determinant
16	issue for us in terms of our staffing. People are
17	motivated to be promoted despite the fact that in
18	certain titles they're not eligible for overtime.
19	Other people who are in overtime eligible titles have
20	a cap, but we can seek waivers where necessary. I
21	would say we do seek waivers regularly, but not for
22	significant numbers of employees.
23	CHAIRPERSON BREWER: Okay, thank you.
24	So, we've been joined by Council Member
25	Restler.
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 42
2	Council Member, she has excellent
3	testimony. I hope you read it. It is the kind of
4	testimony that you would like. And I have said to all
5	of our Colleagues that when we testify before the one
6	Charter for the Speaker, one Charter for the Mayor,
7	as I have done already for the Charter for the
8	Speaker, we should include her suggestions because
9	that's where they have to lie in order to make some
10	of the changes. We all have B and Ts, so if you want
11	to go ahead with questions, you'll let me know
12	because I let certainly others do the same so you'll
13	let me know if you want to go ahead.
14	Commissioner Banks, I mean, Council
15	Member Banks, if you have questions, go ahead.
16	COUNCIL MEMBER BANKS: Not a commissioner,
17	but thank you. Thank you, Madam Chair, and to the
18	Commissioner, thank you for your earlier statement
19	and testimony.
20	Particularly when it comes to NYCHA, when
21	I first took office, a major scandal regarding NYCHA
22	employees that involved bribery and extortion, which
23	brought significant attention to the issues of
24	corruption and misconduct within the City agencies
25	and authorities. I wanted to know, given the ongoing
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 43 2 need to address fraud and other criminal practices 3 within various City agencies, how does the Department 4 of Investigation prioritize its budget to effectively 5 investigate cases of fraud, bribery, corruption, and 6 particularly in agencies like NYCHA?

7 COMMISSIONER STRAUBER: So, we actually have a squad that is solely devoted to NYCHA. It's a 8 9 large squad, it's a very strong squad. They are the squad that was responsible for the large-scale 10 11 bribery case that we announced last February. So that 12 is a squad that I would describe as on-loan, where 13 the employees are funded through NYCHA. They are 14 actually paid higher salaries. As it happens, that's 15 just through an agreement with NYCHA, with whom we 16 have a strong relationship. They are committed to 17 strengthening and funding that group of 18 investigators, and so that is why we've been able to 19 focus on and develop those kinds of cases. 20 COUNCIL MEMBER BANKS: Is there a 21 particular unit, is there a special unit that deals 2.2 just with public housing, with NYCHA? 23 COMMISSIONER STRAUBER: So we have a squad in the agency. We manage our squads by numbers. 24 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 44 2 They're squad 7. They're the squad that oversees 3 NYCHA. 4 COUNCIL MEMBER BANKS: You said the headcount is seven. 5 COMMISSIONER STRAUBER: No, no, no. Sorry. 6 7 The number of the squad, the way we label it is 7. Let me see if I have the exact headcount by squad. I 8 9 do. Why am I missing Squad 7? Let me see. Give us a minute. I think we're going to be able to get it for 10 11 you. 35. 12 COUNCIL MEMBER BANKS: 35. 13 COMMISSIONER STRAUBER: That is a particularly large and well-staffed squad. 14 15 COUNCIL MEMBER BANKS: Okay. Excellent. 16 What resources and strategies are in place to ensure 17 that DOI can adequately respond to these types of 18 high-priority investigations and prevent similar 19 issues from happening in the future? 20 COMMISSIONER STRAUBER: I think we rely on 21 our investigators to vet the complaints that we received and to have an awareness of what the 2.2 concerns are at their particular agencies. That's 23 certainly true with NYCHA. We have a very experienced 24 inspector general and team supporting that entire 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 45 2 operation. So, we receive complaints, and we know what we're looking for. Like I said, we have strong 3 4 relationships with NYCHA, so it's not only anonymous complaints from which we learn things. It's from 5 concerns shared at times by leadership. That squad 6 7 has strong relationships with prosecutor's offices, 8 and so they have the relationships they could use to 9 build a case like the case that we announced back in February. So those are some of the features that make 10 11 for a squad that can do challenging, difficult, 12 important investigative work and do it successfully. 13 And then we make recommendations for policy and procedural reform, and we sort of stay on and follow 14 15 up on those recommendations. So, as it happens, we 16 had made recommendations to NYCHA years before the 17 big bribery takedown last February. Some of those 18 recommendations, unfortunately, NYCHA had chosen not 19 to implement. They were operationally challenging, or 20 they were expensive. Once we were able to bring a 21 criminal case of that size, that can be a very 2.2 motivating set of circumstances for an agency, and 23 they did implement all of those changes. So, it's sort of a combination of understanding how the agency 24 works, knowing how to vet complaints properly, having 25

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS462the staff to devote to them, having the prosecutorial3relationships. You know, that squad is a good model4for all of those things.

5 COUNCIL MEMBER BANKS: Thank you. Pointly 6 towards the budget, given the complexity and the 7 scope of investigating misconduct or fraud within 8 large City agencies, what portion of DOI's budget is 9 allocated to support in-depth investigations?

COMMISSIONER STRAUBER: Well, the majority 10 11 of our budget is really our staffing, and our staffing is all ... you know, obviously we have an 12 13 operational side that any, you know, that of course we need to support the running of the agency, but all 14 15 of the personnel in the agency are really devoted to 16 our investigations, right? We have a General Counsel 17 Squad that advises the agency on legal issues, both 18 related and unrelated to the actual investigations, 19 but really our entire headcount, other than our 20 operations staff, that obviously are critical to 21 running the agency, are devoted to our 2.2 investigations. That's why headcount cuts are so 23 difficult for us, because we don't have programs of the sorts that other agencies have that we can cut. 24

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS

2 COUNCIL MEMBER BANKS: Okay. And in terms 3 of budget priorities, are there specific budget items 4 dedicated to expanding DOI's capabilities in areas 5 such as investigative technology, specialized staff, 6 and interagency collaboration to better tackle some 7 of the challenges we're facing?

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8 COMMISSIONER STRAUBER: Yeah. I mean, I 9 would say that the critical asks are for additional headcount, right, which would be the 13 additional 10 11 personnel that we've requested for. We have some 12 other really headcount-related asks, so we have 13 certain staff who, for various reasons, didn't 14 benefit from the salary increases that other staff 15 members have had. They're paid less than their peers, 16 so we want funding to increase that. I mentioned we 17 have certain vacant headcount that we don't have full 18 funding for so we'd like funding for that. So really, 19 all of our asks, at least on the personnel side, are 20 focused on increasing our staffing, because that's 21 what powers the work that we do, our investigative 2.2 work.

23 COUNCIL MEMBER BANKS: Thank you. Thank24 you, Madam Chair.

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 48
2	CHAIRPERSON BREWER: Council Member
3	Restler, he's always complaining, but he's not
4	complaining today. Council Member Restler.
5	COUNCIL MEMBER RESTLER: I like that Chair
6	Brewer knows what I'm going to say before I say it.
7	She's right. I'm not complaining today.
8	I firstly just want to concur with the
9	Chair's assessment that I think your testimony is
10	very impressive, which is only fitting for your
11	tenure at DOI, which has been equally, even more
12	impressive. I think the highlights that you point out
13	in your testimony of the rigorous and impressive
14	oversight and investigations that have been
15	undertaken during your tenure are, I think,
16	confidence-inspiring for New Yorkers. And at a time
17	when we have seen more corruption in City government,
18	certainly since the end of the Koch Administration,
19	perhaps even longer, I firmly believe that a strong,
20	well-resourced DOI is the single best check that we
21	can provide on this Mayor and this Administration.
22	The indictment of the Mayor himself, the indictment
23	of the Chief Advisor, the arrests at NYCHA, the
24	arrests of other FDNY officials, you have
25	demonstrated just impressive clarity of purpose and

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 49
2	courage, because I think it's an awkward dynamic when
3	you're appointed by someone and then responsible for
4	investigating them, and you've just followed the law
5	and made sure that everyone follows the rules, no
6	matter how powerful they may be. And when we see
7	what's happening in Washington right now at the DOJ,
8	it's a reminder that there are good investigative
9	leaders, prosecutorial leaders, who are committed to
10	uncovering injustice and holding bad actors
11	accountable. So really, from the bottom of my heart,
12	I want to say thank you for your service to the City.
13	And with that, I'd like to ask a few
14	questions. Actually, I'll make one more comment, and
15	then I'll start asking questions. I strongly concur
16	with your recommendation that the removal of the DOI
17	Commissioner should involve a vote of the City
18	Council. I worked in the de Blasio Administration
19	when Commissioner Peters was let go, and writing a
20	letter to the DCAS Commissioner is not an impediment
21	of any kind in letting a DOI Commissioner go, and it
22	is critically important that, at minimum, for the
23	next ten months, that you are sitting in exactly this
24	seat, providing tough oversight of this
25	administration, and I very, very, very much hope that

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 50 2 Governor Hochul and our counterparts in Albany get this message that your removal should be contingent 3 4 upon a vote of the City Council. 5 So, with that, I do have a few... I'll let you say something if you ... 6 7 COMMISSIONER STRAUBER: Just thank you. COUNCIL MEMBER RESTLER: It's well-8 9 deserved. So, I am, as I know you are from your testimony and from our previous conversations, deeply 10 11 concerned about the reductions in your headcount. 12 Based on our analysis, going back to April 2020, the 13 beginning of the pandemic, we've lost fully 100 14 headcount, over 25 percent of the DOI headcount in 15 that five-year period. That is, you know, incredibly 16 challenging, considering the impressive increase in 17 arrests, investigations, cases that have been 18 referred to DOI during this period. And we're, I 19 guess, to no one's surprise, in the Adams 20 Administration, experiencing record numbers of arrests, cases being investigated and investigations 21 by DOI. I'm particularly concerned about how OMB 2.2 23 impedes your ability to do your job. Can you elaborate, as is indicated in your testimony, the 24 two-for-one hiring restrictions remain in place, so 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 51
2	only when two people leave, one person's able to
3	replace them? And you give some examples here about
4	when you identify candidates, how slow it is for OMB
5	to approve new hires when you identify candidates.
6	COMMISSIONER STRAUBER: Yeah, those are
7	really the same issues, right? So two-for-one means
8	we have to lose two people in order to hire one
9	person, and so it can take a very long time for us to
10	receive the allotment that we need to hire, you know,
11	staff when other staff have left. There is also a
12	review process when we're seeking exceptions to the
13	two-for-one, which we are allowed to ask. I mean, I
14	suppose anyone is allowed to ask, but that can also
15	take time for that exception to move through the
16	process. There's a fairly extensive back-and-forth so
17	that has been a challenge to us in filling positions.
18	COUNCIL MEMBER RESTLER: You know, the CFB
19	is allowed to submit a budget to the City Council
20	that's essentially adopted, and the same should be
21	true for DOI. You should be able to be resourced to
22	meet your needs, and it should be funded. The idea
23	that the Mayor's Office, which is the recipient of
24	some of your investigations, is starving you of
25	resources and not allowing you to fill your headcount

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 52
2	is totally counterproductive to you being able to do
3	your job, and I think the incentives are deeply
4	misaligned so I strongly support your calls for
5	greater budget independence, and I think that Chair
6	Brewer is right that this is where we need the
7	Charter Revision Commissions to listen. You know, if
8	we all want to take steps to try and ensure that the
9	cronyism and corruption that we've seen in this
10	administration do not continue in the future, a more
11	independent and well-resourced DOI is an effective
12	way to do so.
13	I also wanted to ask you about, in your
14	testimony, you mentioned 140 individuals who are on
15	loan from other agencies through MOUs. I believe you
16	said it was 140 lines. Are those lines all filled,
17	and do I have that right, and can you give us some
18	insight of, are there agencies that are not loaning
19	you as many employees as they are supposed to?
20	COMMISSIONER STRAUBER: So, our current
21	active on-loan headcount is 137, so around 140, as
22	you said. And look, part of the issue is, this is
23	through memoranda of understanding, right, so there
24	are agreements that either party can cancel with, you
25	know, some period of notice. And it certainly is the
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 53
2	case that for some of the MOUs that we have, we're
3	not receiving headcount, you know, that is fully
4	compliant with the agreement. On the other hand, we
5	understand that all agencies have been subject to
6	these budget reductions, and so all agencies are
7	facing these challenges and, obviously, these are not
8	enforceable agreements in the sense that they can be
9	terminated by either party within a six-month period
10	so I think, you know, this is an overall budget
11	issue. It's certainly not the case that there's any,
12	you know, one agency that's saying, we don't want to
13	be helpful to you. I think the message that we're
14	getting is, like, yes, we'd like to, we can barely
15	fill our own staffing needs.
16	COUNCIL MEMBER RESTLER: Right.
17	COMMISSIONER STRAUBER: So that's the
18	situation with the MOUs. So that, you know, in Fiscal
19	Year '20, we had 180 through these agreements, 180
20	headcount. We now have 137.
21	COUNCIL MEMBER RESTLER: And understanding
22	that other agencies are facing challenges around
23	headcount as well, can you help identify for us which
24	agencies have seen the greatest reduction during that
25	five-year period?

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 54
2	COMMISSIONER STRAUBER: You know, I'd have
3	to know more about their budgets in order to do it.
4	And frankly, I'd have to go back and look at each
5	MOU. But for the most part, we're either getting
6	fewer positions than agreed to, or there's such low
7	funding available for each position that they
8	wouldn't really fund a current full salary.
9	COUNCIL MEMBER RESTLER: Okay. I think it
10	would be helpful for us to understand if there are
11	agencies that should be stepping up, because in our
12	oversight capacity, if we should be pushing NYCHA or
13	DOB or whoever the case may be to being better
14	partners to DOI and lending more staff as they had
15	previously in their MOU agreements, then we should be
16	doing so because you all having your own headcount is
17	one way for you to have capacity, but this is another
18	critical way, and we can put pressure on those agency
19	heads as well if there are folks that aren't stepping
20	up in the ways that they should.
21	COMMISSIONER STRAUBER: This is actually a
22	good moment for me to correct something just quickly
23	on NYCHA, which is not an example of an agency that

24 is not stepping up. We have budgeted headcount

25 through our agreement with NYCHA for 53 positions,

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 55
2	and we've got 49 active positions so they are
3	staffing that squad quite fully.
4	COUNCIL MEMBER RESTLER: I just wanted to
5	ask one more question about e-mail access. My
6	understanding is that DOI has direct access to most
7	agency servers to be able to review e-mail
8	correspondence from City agencies. Could you let us
9	know which City agencies DOI does not have direct
10	access to?
11	COMMISSIONER STRAUBER: We have direct
12	access to all agencies whose e-mail accounts are
13	hosted by OTI. So that excludes, for example, City
14	Hall. Their e-mails are not hosted there. There are
15	some other agencies as well. I'd have to get you
16	there are not very many, but there are some other
17	agencies that are not OTI-hosted who we also don't
18	have direct access to. For those, we have to go to
19	those agencies with the request
20	COUNCIL MEMBER RESTLER: Is that a
21	cumbersome process?
22	COMMISSIONER STRAUBER: You know, I mean,
23	it's a different process. I would say that when we
24	make these asks, we are getting the cooperation that
25	

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 56
2	we need. In an ideal world, would we have direct
3	access without having to make the ask? Yes, we would.
4	COUNCIL MEMBER RESTLER: And I guess two
5	more questions, if that's okay, Chair Brewer. I
6	really appreciate it. Could you explain to us how the
7	KMPG… do I have my acronym right? KMPG?
8	COMMISSIONER STRAUBER: KPMG.
9	COUNCIL MEMBER RESTLER: KPMG. I'm sorry.
10	KPMG contract to oversee the asylum seekers has been
11	working. Do you think that, considering how OMB has
12	starved DOI of resources, the 25 percent staffing
13	reduction we've seen over the last year, which
14	doesn't include the 25 percent additional reduction
15	in loaned headcount, is that a model that we should
16	be looking to replicate so as to help expand DOI
17	capacity, bringing in partners like KPMG or law firms
18	or other entities to provide kind of monitor-like
19	oversight of areas of City government that need
20	additional review at this time?
21	COMMISSIONER STRAUBER: It is certainly a
22	model that I think works well. So typically, as you
23	know, there are two types of monitorships. One type
24	involves City vendors who have their own integrity
25	issues where the City needs to contract with that

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 57
2	vendor for some purpose and therefore the vendor
3	funds the monitorship and DOI oversees it. The KPMG
4	model that you're describing, like the monitorship of
5	the borough-based jails, are basically designed to
6	assist us in monitoring large capital projects.
7	That's how monitorships have been used. And the
8	investment of funds that the City is willing to make
9	makes sense because the project is so large that a
10	risk of fraud and abuse is therefore much more
11	significant.
12	COUNCIL MEMBER RESTLER: Absolutely.
13	COMMISSIONER STRAUBER: And that was the
14	basis for our proposal to use KPMG. And the City had
15	COUNCIL MEMBER RESTLER: Is that strictly
16	a fiscal oversight? Or are you in kind of waste,
17	fraud, and abuse? Is that the real focus of
18	COMMISSIONER STRAUBER: Well, the focus is
19	really to make sure that the City is getting the
20	benefit of what it's bargained for, right? So if the
21	City has signed up vendors to provide meals and to
22	provide residences for asylum seekers or to provide
23	translation services, we want to make sure that
24	they're getting those services, that they're not
25	getting cheated, that people aren't charging more
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 58
2	than they should be, for example, for, you know, work
3	that they're not doing. In the construction context,
4	it's more complicated. You're also making sure that
5	the materials being provided, in fact, line up with
6	the specifications, which is not something that you
7	would necessarily know just by reviewing invoices. So
8	principally, that has been the purpose of those types
9	of monitorships. But certainly, the model of hiring
10	an outside firm with expertise to kind of force,
11	multiply, DOI's staffing could be directed, I think,
12	to, you know, almost any type of project, right? I
13	mean, those firms have investigative expertise. We
14	could, you know, staff a group that includes outside
15	personnel. We could, you know, direct them to do
16	really whatever kind of investigation we wanted. They
17	could be acting as our agents.
18	COUNCIL MEMBER RESTLER: And considering
19	how challenging OMB has made the hiring process, that
20	may also be a faster way to bring on capacity and
21	provide oversight.
22	COMMISSIONER STRAUBER: It can be. It
23	tends to be more expensive, right? Because you're
24	getting private sector, and you're not giving those

25 opportunities to employees who might work for the

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS592City. That's kind of the downside. But certainly, you3can hire and staff up more quickly. Obviously, you4can use those sorts of things for short-term projects5that we really would have difficulty hiring for,6because you can't hire someone for a case that, you7know, might be over in a year.

8 COUNCIL MEMBER RESTLER: Yeah. And then, 9 last question, open-ended. Are there any additional tools or resources or areas of authority that we can 10 11 help provide to DOI or the State Legislature could help provide to DOI that could provide tougher 12 oversight of the Adams Administration and City Hall 13 14 for the remainder of this term to try and inspire 15 confidence in New Yorkers that this Administration is 16 kind of operating with a modicum of integrity?

17 COMMISSIONER STRAUBER: You know, I think 18 the longer-term proposals that we've laid out sort of 19 overall are the best way, you know, to strengthen the 20 agency. I would say, you know, and I think you can 21 see from the work that we're doing, that we've 2.2 actually, you know, been able to accomplish quite a 23 lot, even with our limited staffing. I think the additional staffing that we're asking for, you know, 24 although we wouldn't have it immediately, we're 25

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 60
2	already posting for the 10 positions we got, I think
3	that is the combination of those long-term
4	independence measures and giving us more people now
5	to do the work that we do is the most efficient way,
6	you know, that, you know, I can envision. Certainly,
7	if there were particular areas where we needed
8	prompt, immediate oversight, you know, funding for
9	some sort of an outside, you know, firm that would
10	assist with that would be another option.
11	COUNCIL MEMBER RESTLER: Well, I just want
12	to conclude with where I started. Your tenure has
13	been exceptionally impressive, and we're fortunate to
14	have you in this role, and I really appreciate
15	everything you've been doing.
16	COMMISSIONER STRAUBER: Thank you.
17	COUNCIL MEMBER RESTLER: Thank you.
18	CHAIRPERSON BREWER: Thank you very much.
19	I appreciate it.
20	Just in terms of overtime, obviously, in
21	your situation, I think people are always complaining
22	about overtime, but people could use it because of
23	the salary situation, but there's 107,000, I guess,
24	allocated, but I believe, according to the materials
25	we have, it's over 200. So how do you repurpose

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 61
2	funding for that? How does that compute? In other
3	words, you've got 107 that's supposed to be allocated
4	for overtime, according to our notes.
5	COMMISSIONER STRAUBER: So, I can tell you
6	what our overtime earned Fiscal Year '25 to date is.
7	It's 250,000 and change. And that number actually has
8	gone, if you look at our overtime spend in Fiscal
9	Year 2024, total, it was 426,000, up from 370,000 in
10	Fiscal Year '23, so we're projecting for this year a
11	total spend of around 400,000, roughly similar to
12	what we were last Fiscal Year.
13	CHAIRPERSON BREWER: All right. Thank you.
14	Just in terms of Squad 5, which sort of was brought
15	up by Mr. Restler, which is the one that's
16	responsible for elected officials in terms of
17	investigations. So, do the squad's investigations
18	from your experience increase when an administration
19	changes over? Do you look at retroactively at some of
20	the previous administration's actions? And then
21	again, do you have the capacity to perform for this
22	particular squad in your current staffing levels? You
23	could argue that you don't have enough staffing for
24	any levels, but particularly in this one.
25	

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2 COMMISSIONER STRAUBER: Right. So, the 3 current active headcount in that squad is 18, which 4 is sizable. NYCHA, which we spoke about, is kind of 5 an outlier in terms of size, which is great, but that's not really consistent with most of our squads. 6 7 So, they have 18. They have one vacancy. We have over 8 the last few years done everything we can to give 9 them the headcount that they need. They also have inhouse auditors who are very talented, who do the 10 11 complex fraud cases. They have attorneys. They have 12 wonderfully experienced staff in various kind of 13 categories. It is also the case that for large scale 14 investigations of the kind that they've been working 15 on, we will occasionally, and we certainly had to do 16 this over the past year, bring in staff to support 17 them from other parts of the agency, and not just 18 from our dedicated digital forensics unit or e-19 discovery folks, but people from other investigative 20 squads who otherwise would be focused on their 21 agencies. That model has worked for us in terms of 2.2 facilitating their ability to do the work that they 23 do. Would we have more people in that squad if we could? We might, like all across our squads, but I 24 25 think and I hope they would agree that they have

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS632gotten what they have needed to do their work, albeit3in the overburdened way that I feel like all of our4staff is working.5CHAIRPERSON BREWER: I tried to say that

6 when I was introducing the topic, so that's very7 helpful.

In terms of asset forfeiture, I was 8 9 around during CityTime. I have to give now Attorney General and then Council Member with me credit. She 10 11 never stopped talking about it to the point we wanted to shut her up, but she was right. I understand that 12 13 hopefully there will not be another CityTime or 14 something of that ilk because it was quite 15 challenging. My question is, we heard earlier a 16 couple of years in terms of the length of that 17 particular asset forfeiture. My question is, are you 18 concerned about the Trump Administration announcing 19 freezes on this is federal funding? If so, how would 20 that impact? I don't know that they will. I don't even know what they know about it, but I was 21 2.2 wondering if you could comment.

COMMISSIONER STRAUBER: Sure. It's funding that has now for quite some time been in the City's accounts. It's in our accounts here so it's not like

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 64
2	a recent transfer of funds. We don't have any reason
3	to think from the conversations we've had that
4	funding that came in a couple of years ago now or so
5	is going to be clawed back.
6	In terms of future federal forfeiture, we
7	certainly hope the program will continue, but exactly
8	how it will be organized or the types of cases that
9	might generate those sorts of returns, even if we
10	don't get anywhere close to the CityTime case, it's
11	hard to say.
12	CHAIRPERSON BREWER: Okay. Is there any
13	average without CityTime included that you move into
14	your asset forfeiture budget? It depends on the
15	cases.
16	COMMISSIONER STRAUBER: We also have about
17	5 million, again, built up over time from State
18	forfeiture, and then there's another Treasury
19	Department category that we have that I think is
20	roughly… the Treasury is 1 million. We have far
21	smaller amounts than our current DOJ forfeiture that
22	really comes from the CityTime case. I would say a
23	few million a year would be
24	CHAIRPERSON BREWER: Okay. Would be
25	average.

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 65 2 COMMISSIONER STRAUBER: Oh, okay. Thank you. The current forfeiture balance outside of 3 CityTime is 100,000, so you can see it's much lower. 4 CHAIRPERSON BREWER: Absolutely. Okay. 5 Just back to the KPMG, which Council Member Restler 6 7 was asking about. Is KPMG both working on the 8 contracts to do with the migrants as well as the 9 borough-based jails? Is it different companies? COMMISSIONER STRAUBER: No. K2 is the 10 11 monitor for the borough-based jails. I know there's 12 some similarity in the name, but that's a separate 13 entity. KPMG is just working on the asylum seeker 14 expenditures. 15 CHAIRPERSON BREWER: Got it. So, I assume 16 these contracts last as long as the asylum seekers 17 are here and in terms of the borough-based jails when 18 they get built, right? Is that how it works? 19 COMMISSIONER STRAUBER: There are 20 different answers for each one. The contract with K2 21 for the borough-based jails, which we entered into in 2.2 October of 2023, has a term of five years, and we'll 23 see if that gets us through the construction or not, but that's the idea. 24

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 66
2	The KPMG term, I know it's been extended.
3	Let me just see if I can get you a more precise
4	answer on that. So currently that goes until June of
5	2026.
6	CHAIRPERSON BREWER: Got it. Okay. Thank
7	you very much.
8	COMMISSIONER STRAUBER: Obviously to the
9	extent that that there are fewer funds being spent in
10	that way going forward, we'd be able to adjust that.
11	CHAIRPERSON BREWER: Oh, absolutely. And
12	it's good that they're doing it. And then you get
13	regular reports, obviously.
14	COMMISSIONER STRAUBER: We get regular
15	reports. We have regular meetings. They escalate to
16	us, you know, red flags that they identify when
17	they're looking at invoices, when they're doing site
18	visits. We are regularly in contact with them, and
19	that is a good model of our sharing out with other
20	City agencies problems that KPMG finds.
21	CHAIRPERSON BREWER: And then when it's
22	over, is there a public report? Because I know you
23	say correctly that an investigator, this isn't really
24	an investigation. It's like an ongoing observance.
25	

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS

2 COMMISSIONER STRAUBER: It's an ongoing 3 monitorship.

CHAIRPERSON BREWER: So how does the 4 monitorship get concluded with public information? 5 COMMISSIONER STRAUBER: Our plan is to 6 7 produce a public report at the conclusion of the monitorship that explains the work that KPMG did and 8 9 the findings and recommendations that we have for sort of future kind of crisis situations where the 10 11 City has to pull together, you know, a significant number of vendors to serve a need in short order, 12 13 which is certainly how the asylum seeker funding 14 process started.

15 CHAIRPERSON BREWER: Okay. It's something 16 to think about for the future because in our cases, 17 of course, we have tons of hearings on these 18 contracts, and it's more mundane like the food is 19 rotten and it gets thrown out, and that may not be a 20 budget issue in the interim, you know, like, okay, the food is being delivered, it's just not being 21 eaten because nobody wants to eat it so that's a 2.2 23 different kind of oversight perhaps because it's not, maybe you're getting your money's worth, but it's not 24 25 well-spent shall we say.

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS682COMMISSIONER STRAUBER: Those are issues3that KPMG flagged in connection with their site4visits too and particularly food that was spoiled,5things like that.

6 CHAIRPERSON BREWER: Okay. On the NYPD 7 OIG, I know we've had a hearing on this, so what's 8 the current budget and headcount of that particular 9 office and, again, attrition and recruitment, do they 10 differ for this office compared to the rest of the 11 Department?

12 COMMISSIONER STRAUBER: Okay, so the 13 current active headcount is nine. We had significant 14 attrition in the 2023 to 2024 period of 46.15 15 percent. You know, that's a significant amount. And I think we've talked about the ways in which we have 16 17 worked to support the unit so that even with the 18 lower number of staff, they are able to produce 19 reports. They've already produced, you know, they're 20 working on several reports right now that we hope to 21 produce this year. We had the social media report 2.2 already issued. We had the post act report. So they 23 are continuing to work at a productive rate, but staffing is definitely a challenge. 24

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2 CHAIRPERSON BREWER: Okay. And how are we 3 addressing the staffing issue there? That's just 4 based on needing the extra 13 or is there something 5 else for this particular office?

COMMISSIONER STRAUBER: Well, I mean, I 6 7 think we are thinking about as we post for, you know, new positions, we have to make decisions about where 8 9 they're going to be allocated. We also have the option, you know, of going back to OMB and seeking 10 11 exceptions from the two-for-one hiring for certain, 12 you know, positions, and so we're thinking about all 13 of those things in terms of ways to build up their 14 staffing.

15 CHAIRPERSON BREWER: Okay. In terms of the 16 loan, I know you heard earlier, Council Member 17 Restler, but how many investigators in terms of loan 18 are from NYPD, and I guess what they don't do is 19 oversee NYPD, but what do they do?

20 COMMISSIONER STRAUBER: Oh, so now you're 21 talking about our Detective Squad, right? We have a 22 Detective Squad at DOI that is currently, we have a 23 lieutenant and a sergeant and I believe 10 detectives 24 for a total of 12 people. Just checking that I had 25 that right. And they support all of our

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 70
2	investigations. You know, first of all, they're great
3	sort of guides and mentors to younger investigators
4	who don't have experience with things like doing
5	surveillance, and they help run down information for
6	us. They help us with the execution of search
7	warrants, which is not something that we can do on
8	our own without other law enforcement officers. They
9	help with arrests and other operations, and they are
10	working with squads across the agency. We have a
11	whole group of new folks who came in really at the
12	beginning of this year, and that's been working very
13	well. And they don't oversee the Police Department,
14	as you say, but they do everything else.
15	CHAIRPERSON BREWER: Okay. Just in terms
16	of background, because I think the public, when I say
17	public, I mean City agencies and staff, they probably
18	hear about Department of Investigation in terms of
19	how they can get onboarded in terms of that's one
20	way. So I wanted to hear again how you've been able

to deal with the background and how long it takes now. I think you're down to 109 days, if I remember correctly. So again, that's a great number, but should it be less? It takes time. I think what you do now is you have an initial investigation. This person

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 71
2	looks okay. They haven't committed any immediate
3	crimes, and they can go onboard and then do further
4	investigation. But perhaps if they're high-level or
5	sensitive position, then they have to wait until they
6	get actually investigated. So, I just want to hear a
7	little bit more about the background check currently
8	and the backlog.

9 COMMISSIONER STRAUBER: Sure. So, you know, one thing that our Background Unit has 10 accomplished, which is quite significant, is we used 11 12 to have this extensive backlog right in 2019. We had 6,500 backlogs investigations. We now have 164 13 remaining. So, it's barely a backlog anymore, and we 14 15 expect that those remaining investigations will be 16 completed by the end of the year.

17 Now, as you know, there are criteria for who should receive a background investigation, 18 19 management, folks who have a salary of above 125,000, folks who have certain authority to enter into 20 particular financial arrangements or to negotiate and 21 approve contracts. But fundamentally, it is the 2.2 23 hiring agency, or City Hall if they are the hiring agency, that sends us the request to do a background, 24 25 and the completed background form that their

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 72
2	candidate has filled out, and whether or not to start
3	a City employee before their background is fully
4	completed is, therefore, to some extent obviously up
5	to the hiring agency. So, there are plenty of
6	examples including of senior-level government
7	employees who are hired and in place while their
8	background is still being completed. We also do
9	regularly what's called pre-vetting, where we do,
10	like you said, a sort of quick vet to make sure that
11	there are no serious sort of obvious issues so that a
12	promotion can be made or a person can be put in place
13	while we complete the rest of the background.
14	CHAIRPERSON BREWER: Okay. The other
15	question I have about the public, as I call it, is we
16	all take, I think most of us, we take a I guess it's
17	an online course about whether or not we are learning
18	how to be honest brokers as City employees. And the
19	question is, how many people take it? Is there any
20	kind of an evaluation about whether it's effective?

You know, I have always known that in today's world it has to be online. Years ago, because I've been working for the government for a very long time, we had to do it in person, and obviously that was much more impactful. I can't remember a damn thing about

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 73 2 whatever you asked when I've taken it recently, to be honest with you. Well, I try to be an honest person, 3 so, you know, I don't tend to break the law, but some 4 people do so I quess my question is, is it impactful, 5 is it the way to go? I don't know. 6 7 COMMISSIONER STRAUBER: Well, first, so I want to emphasize that we agree with you that in-8 9 person training on these issues that is specifically directed to particular agencies and tailored to their 10 11 needs and interests is the best way to reach City 12 employees. And over the past, for Fiscal Year '24, we 13 conducted 273 of those in-person and, at times, 14 virtual corruption prevention lectures. That was a 44 15 percent increase over 2023. That is not the kind of 16 training you're talking about, which I'll get to in a minute, but I just wanted to emphasize that it is 17 18 really a critical service that we provide to the City 19 and also a way of making connections to City 20 employees who then see, like, okay, there is a real 21 person who understands my agency who I can call if I 2.2 have a complaint or a concern so I agree with you 23 that that kind of more bespoke training is very important. 24

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 74
2	CHAIRPERSON BREWER: How do people get the
3	in-person versus the virtual? Is it just a request?
4	COMMISSIONER STRAUBER: You know, it
5	really depends on the agency relationship, the
6	availability of staffing, and certainly the need. If
7	there is ever a request, we are certainly going to do
8	it. We're also doing proactive trainings, but again,
9	that depends on the availability of staff to do them.
10	In terms of the online sort of standard
11	training that more employees get, 36,150 City
12	employees had viewed that corruption prevention
13	module. That is down from the numbers in 2023. That
14	is given, I think, every other year. It's not an
15	annual requirement, and I don't have sort of precise
16	data on who it's reaching and who it's not reaching.
17	But there is a robust process in place to try to get
18	City employees both kind of generally, more globally,
19	sensitized to the important anti-corruption issues
20	that they might face or corruption issues that they
21	might face as well as a more bespoke kind of
22	training.
23	CHAIRPERSON BREWER: I mean, just because
24	I've been around so long, in the old days, every time
25	you got your paycheck, remember we used to have

COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 1 75 2 checks? Young people don't even know that we did, but 3 we did, and then there would be a little information 4 about how to be an honest employee in almost every check. Now, of course, it's directly deposited, so 5 you have no idea how to be an honest employee unless 6 7 you go to one of these trainings. I'm just saying 8 that little check had some positive aspects to it. No 9 longer. The other question is the Department has 10 11 been operating a policy and procedure recommendation

12 portal that helps inform the public on the 13 recommendations. How often is the portal updated? 14 When was the last update? I should know this, I 15 should've looked at it, but I have not.

16 COMMISSIONER STRAUBER: The portal is 17 updated every quarter. I don't know that I have, 18 unless someone else has it, I don't have the specific 19 last date that it was updated, but every quarter it's 20 updated. We had some sort of a backlog last year with 21 updating, which I think we are now up to date. Our 2.2 number of policy and procedure recommendations went 23 up significantly this year compared to last year. I had that number. I think it may have been in my 24 25 testimony, but we went up by a significant magnitude,

1COMMITTEE ON OVERSIGHT AND INVESTIGATIONS762and it's been reports and recommendations, as you3know, has also been a focus for us over the last few4years. We had, I think, 15 reports last year and over5200, maybe close to 300, recommendations.

CHAIRPERSON BREWER: Okay. Marshals. The 6 7 fees and just more information about the marshals. I 8 know they're appointed by the Mayor, so one of the 9 questions is are they fully appointed? They obviously enforce orders from civil court cases. They carry out 10 11 evictions, which is how we know them. They collect 12 their judgments, and I think the City collected 1.2 13 million from fees last year, and they also have 14 207,000 from uncollected funds from marshals in '23. 15 So the Fiscal '26 projected revenue is 2.3 million in 16 fees. Now, of course, we wish, in some cases, they 17 didn't have to collect all this, because these are 18 people who have broken the law. So, what is driving 19 the anticipated increase in revenue? We worry that 20 it's evictions, to be honest with you. And what is 21 the current guidance by DOI to marshals for commercial and residential evictions? And of course, 2.2 23 what are the vacancies? COMMISSIONER STRAUBER: Okay. So, why 24

25 don't we start with vacancies. There can be up to 83

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 77
2	marshals appointed by state law. There are currently
3	28 marshals appointed. The appointment process is
4	sort of ongoing, but that is where we're currently at
5	28. So obviously, there are many more spaces to fill.
6	You know, the number of evictions are increasing. In
7	2024, there were 16,850 evictions in New York City,
8	still lower than pre-pandemic levels, but evictions,
9	obviously during the pandemic, there was a
10	moratorium, so evictions were way down. And so far in
11	2025, there have been approximately 2,500 evictions,
12	which is expected to climb at an increased rate as
13	civil courts are resolving their backlog in warrants
14	pending issuance. So, you know, that's where we are
15	in terms of anticipated evictions.
16	CHAIRPERSON BREWER: Revenue?
17	COMMISSIONER STRAUBER: So in terms of
18	revenue, you know, the marshals pay an assessment of
19	1,500 dollars and 4.5 percent of their gross income.
20	The most recent numbers I have on that are 1.68
21	million and change for what the City has received
22	from the marshals. That was in 2023. So it sounds
23	like you have more updated numbers than I do.
24	CHAIRPERSON BREWER: It's about the same,
25	though. It's about the same.
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 78
2	COMMISSIONER STRAUBER: Okay.
3	CHAIRPERSON BREWER: So I guess, you know,
4	and I know we had a hearing on this, and we're still
5	working with the State to discuss the future of the
6	marshals. I assume the large number for, you know,
7	'23 and '24 was because they were "catching up from
8	pandemic" when there were no evictions and yet the
9	courts were processing and all of that. So that was,
10	you know, the more we can do to keep the number down
11	if, in fact, you know, we're trying to keep people in
12	their homes with one-shots and other aspects of
13	paying the rent. I'm very good at one-shots, just
14	FYI.
15	Following up on complaints, and this is
16	just one of the few questions left, you get a lot of
17	them. How do you determine the level of importance of
18	each complaint, and how do you work through it to
19	turn it into an investigation if that's appropriate?
20	Because you get a lot.
21	COMMISSIONER STRAUBER: Yes, yes, we do.
22	In Calendar Year '24, we got 14,816, to be precise, a
23	little bit up from Calendar Year '23 where we had
24	14,000 and something. Look, this is really where our
25	investigators' and our squads' expertise come in. So,
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1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 79 2 complaints are routed to the squad that oversees the 3 agency to which they pertain so we don't have someone 4 who's an expert in corrections reviewing a NYCHA complaint. 5 CHAIRPERSON BREWER: That's what I have to 6 7 do all day long. Go ahead. 8 COMMISSIONER STRAUBER: So, it's really 9 through their knowledge and expertise and sort of investigative sense that we decide what do we pursue, 10 11 what do we not pursue, what's important, what's not. 12 Obviously in situations where we have fewer 13 resources, if a complaint seems on its face to be not 14 of particular significance, we may kick the tires 15 less than we would if we had more staffing, right? I mean, that just sort of stands to reason. Like I 16 17 said, there's no complaint that I'm aware of that 18 we've received that we thought was significant that 19 we had to put to the side. But at the same time, 20 there are things that we may not probe as deeply if 21 on their face they seem to be not particularly significant. 2.2 23 CHAIRPERSON BREWER: And then you get back to that person or that entity to say, what, how do 24 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 80 2 you handle a complaint that is kicked to the side, so 3 to speak?

COMMISSIONER STRAUBER: Well, you know, it 4 depends. So, I mean, when I say things that we don't 5 follow up on, let's say we get an anonymous complaint 6 7 with very little detail. That might be an example of something that, like, we file away so that if we 8 9 continue to get complaints that raise that same issue, even if they're vague and anonymous, we can 10 11 then attend to that. Sometimes, you know, we have 12 people who call and leave a message. We'll call them 13 back. We'll take their information. Depending on 14 whether we need to speak to them again or not, they 15 may learn more about what we're doing, but it's not 16 our process to kind of update them about the status 17 of any investigation that might arise from their 18 complaint.

19 CHAIRPERSON BREWER: Okay. Arrests by 20 local enforcement can occur as a result of an 21 investigation. You mentioned that. The figure has 22 increased in recent years, to your credit, from 288 23 in '22 to 344 in '24, and I think up even in '25. So, 24 to the credit I think of what your investigations are 25 showing, but what's the reason for the recent years, 1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 2 and are there certain types of investigations that 3 lead to more arrests?

COMMISSIONER STRAUBER: Sure. I mean, if 4 5 you think about the NYCHA case, that was an unusually large case where we were able to obtain evidence of 6 7 illegal conduct that was guite widespread in an 8 organization, so when you have an investigation that 9 can do that, you're going to have more arrests. You know, I think how much time an investigation takes, 10 11 and even how significant it is, may not necessarily 12 be reflected in how many arrests it generates. You 13 can envision, for example, like an arrest of a senior official is a very significant one, but that's only 14 15 one arrest, and so we really try to be more focused on doing impactful cases than sort of being stat 16 17 driven. I think the arrests have increased, certainly 18 because we've been quite busy, we've had a lot of 19 complaints. You know, our folks have done efficient 20 and excellent work. Prosecutors also, I think, were 21 slower coming out of the pandemic than they are now. 2.2 I think they are bringing more cases than they were a 23 couple years ago so it's sort of a lot of factors that go into having an increased number in any one 24 25 particular year.

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2	CHAIRPERSON BREWER: Okay. The issue of
3	referring, obviously now you refer to state or feds,
4	depending on the situation. Have you had the
5	opportunity to refer to the feds? Is that going to
6	change? Hopefully that agency, at least at the staff
7	level, will continue to be professional.
8	COMMISSIONER STRAUBER: I certainly hope
9	it doesn't change. We are continuing to make
10	referrals and work with our federal prosecutorial
11	partners with whom we have strong relationships. I
12	certainly hope that the appetite and interest in the
13	kind of work that we do will continue to be a
14	priority for the federal government as well.
15	CHAIRPERSON BREWER: Okay. And then just
16	finally, because we're all concerned about
17	onboarding, just the training of investigators, when
18	you hire, I don't know if it's a class or if they
19	start at the same time. Given how hard it is to hire,
20	maybe they start at different times. What kind of
21	training is offered? How long does it take for the
22	onboarding? Has the training changed over time?
23	Because that's obviously, as we say, the meat and
24	potatoes of the agency.
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1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 83
2	COMMISSIONER STRAUBER: Yeah. We have an
3	extensive, very well-developed investigative training
4	program where our new investigators learn everything
5	from how to do a surveillance, to how to write a
6	memo, to how to manage testimony and cross-
7	examination. It's a very comprehensive program. There
8	is also, after that initial training program, a
9	portion for those who are interested in being
10	qualified as peace officers. That includes more
11	physical training, obviously, handling of weapons,
12	defensive tactics, that kind of thing. Our hope is to
13	always offer that training to a group of
14	investigators when they start because that's the most
15	efficient way to do it, and I had mentioned that with
16	the four new investigators that we posted for, from
17	the new positions we received and some additional
18	vacancies that we have, we're hoping to have a class
19	of at least eight. What we've done in the interim,
20	because there is a lot of interest in this program
21	and not every investigator had the opportunity to
22	take it, because in its current form, it hasn't been
23	in existence for more than a few years, we offered it
24	when we were, you know, subject to the true freezes
25	and doing much less hiring, we offered it within the

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 84
2	agency to investigators who had some experience but
3	felt that their skills could benefit from it. It's a
4	very popular program. If it is new investigators who
5	don't yet have a caseload, it's more intense over a
6	shorter period of time. If it is investigators who
7	are carrying an active caseload, we creatively sort
8	of expanded it so that our team could do their
9	casework while still getting trained so it's an
10	excellent program. It's really, you know, a model, I
11	think, for how to take folks who may have no law
12	enforcement background and sort of get them ready to,
13	you know, actually do all the work that we do, and
14	it's a real credit to our training program who have
15	worked to really refine and develop it over the last
16	few years.
17	CHAIRPERSON BREWER: Thank you very much,
18	Commissioner, for your testimony, and we look forward
19	to working with you during the budget process and
20	beyond.
21	COMMISSIONER STRAUBER: Thank you, as
22	always, for your support.
23	CHAIRPERSON BREWER: Thank you very much.
24	Now we open the hearing for public
25	testimony.

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 85 2 I remind members of the public that this 3 is a government proceeding. Decorum shall be observed at all times. Members of the public shall remain 4 silent at all times. 5 The witness table is reserved for people 6 7 who wish to testify. No video recording or photography is allowed. Members of the public may not 8 9 present audio or video recordings as testimony, but may submit transcripts as such to the Sergeant-at-10 11 Arms for inclusion in the hearing record. 12 I assume that you have already filled out 13 an appearance card with the Sergeant if you want to 14 be recognized. When recognized, you will have two 15 minutes to speak on today's hearing, which is the 16 Budget of Oversight and Investigations and the 17 Department of Investigation. 18 If you have a written statement or 19 additional testimony you wish to submit for the 20 record, please provide a copy to the Sergeant-at-21 Arms. You may also email it to testimony@council.nyc.gov within 72 hours of the 2.2 23 close of this hearing. Audio and video recordings will not be accepted at that time. 24 25

1 COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 86 2 For in-person panelists, please step up 3 to the table once your name has been called. I'm 4 calling Christopher Leon Johnson. 5 CHRISTOPHER LEON JOHNSON: Hello, my name is Christopher Leon Johnson and I'm calling on the 6 7 DOI to start investigating Brad Lander. I want to 8 know, like, why does Brad Lander campaign for Mayor 9 on government time, and I want to know why does Brad Lander use a social media account to advocate for his 10 11 run for Mayor while he's polling at 6 percent on 12 government time? The DOI has never, ever put an 13 investigation out for Brad Lander. I want to know why does this Committee never, ever ask the DOI like, 14 15 what's up with Brad Lander campaigning for Mayor for 16 the past three and a half years on government time 17 and using a social media account on government time? 18 Now, one thing I want to bring up is that yesterday 19 Comptroller Brad Lander was campaigning on government 20 time using a non-profit, which is illegal against the 21 New York State law and the federal government, where 2.2 a non-profit, the Worker Justice Project, cannot 23 campaign for a political candidate while on nonprofit time. 24

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2 And at the same time, the Speaker of the 3 City Council, Adrienne Adams, the Speaker of the City 4 Council needs to be looked into by the DOI, because there's a big thing that's going on with her, that 5 she's intimidating Council Members, she's threatening 6 7 Council Members, she's intimidating non-profits, she's intimidating leaders in the political spectrum 8 9 to support her for Mayor, and this is budget time. Why she's running for Mayor and campaigning for 10 11 Mayor, doing budget talks, where everybody knows that she has discretion of what gets funded and what 12 13 doesn't get funded via Schedule C funding and 14 discretionary funding so there's a big, big feeling 15 that she is weaponizing the budget with Justin 16 Brannan and Keith Powers to make everybody in the 17 political spectrum endorse her for Mayor, and if they 18 don't, they won't get government funding. 19 And I'm calling on, if the Worker Justice 20 Project and Street Vendor Project doesn't get the 21 funding they deserve, I will file a (TIMER CHIME) 2.2 complaint with the Department of Investigation and 23 she will be arrested. Thank you. And free Mahmoud

24 Khalil. Thank you.

1	COMMITTEE ON OVERSIGHT AND INVESTIGATIONS 88
2	CHAIRPERSON BREWER: There's no other in-
3	person and nobody on Zoom. This hearing is concluded.
4	Thank you. [GAVEL]
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CERTIFICATE

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 April 9, 2025