

COMMITTEE ON EDUCATION

1

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON EDUCATION

----- X

January 30, 2026
Start: 10:08 a.m.
Recess: 12:01 p.m.

HELD AT: 250 BROADWAY - 8TH FLOOR - HEARING
ROOM 3

B E F O R E: Eric Dinowitz, Chairperson

COUNCIL MEMBERS:

Gale A. Brewer
Carmen N. De La Rosa
Amanda Farías
Jennifer Gutiérrez
Rita C. Joseph
Shekar Krishnan
Linda Lee
Farah N. Louis
Mercedes Narcisse
Lynn C. Schulman
Phil Wong
Susan Zhuang

A P P E A R A N C E S

Simone Hawkins, Deputy Chancellor for the Early Childhood Education Division at New York City Public Schools

Emma Gossett, Lead Budget and Policy Analyst at the New York City Independent Budget Office

Gregory Brender, Daycare Council of New York

Olena Knyzhnyk-Olsen, child care provider

Kate Hoy, Vice President of Children's Services at the Interagency Council of Developmental Disabilities Agencies

Kevin Kung, child care provider

Terry Stewart, Director of the Early Childhood Center at Lenox Hill Neighborhood House

Rebecca Schneider-Kaplan, child care provider

Paula Magnus, Deputy Director of Northside Center for Child Development

2 SERGEANT-AT-ARMS: This is a microphone
3 check for the Committee on Education located in
4 Hearing Room 3, recorded on January 30th, 2026, by
5 Pat Kurzyna. Check, check.

6 SERGEANT-AT-ARMS: Good morning, and
7 welcome to today's New York City Council hearing from
8 the Committee on Education.

9 At this point, I'd like to remind
10 everyone to please silence their electronic devices,
11 and at no point is anyone to approach the dais or the
12 witness table unless invited to testify.

13 If you would like to testify and have not
14 signed up to testify at this point, you can do so by
15 filling out a form located on the reception desk with
16 the Sergeant-at-Arms.

17 Chair, we're ready to begin.

18 CHAIRPERSON DINOWITZ: [GAVEL] Good
19 morning, everyone. I'm Council Member Eric Dinowitz,
20 proud graduate of our New York City Public Schools,
21 proud former teacher in our New York City Public
22 Schools, and now Chair of the Education Committee,
23 and I'm pleased to welcome you all here today at our
24 first hearing of the City Council's '26 to '29
25 legislative session.

2 Today, we're holding a hearing on
3 Introduction 203, sponsored by Council Member
4 Jennifer Gutiérrez, a local law in relation to
5 reporting on payments to early childhood care and
6 education providers. For several years, the Council
7 has required quarterly reporting through budget terms
8 and conditions to monitor whether early childhood
9 care and education providers are being paid in full
10 and on time. Those reports have offered some insight,
11 but they have also had clear limitations. They are
12 retrospective and aggregated, and by DOE's own
13 admission, have not always allowed the City to
14 reliably quantify outstanding invoice backlogs or
15 assess how long providers are waiting to be paid. At
16 prior hearings, this Committee has heard troubling
17 testimony from providers describing the real
18 consequences of delayed or partial payments.
19 Providers have reported draining operating reserves
20 just to meet payroll, taking out loans or lines of
21 credit to stay afloat, and facing uncertainty about
22 whether and when they will be paid for work already
23 performed under City contracts. In some cases,
24 providers have described waiting months or even

2 longer for reimbursement without clear information
3 about where their invoices stood in the system.

4 At the same time, the Council has heard
5 from the Administration that system transitions and
6 internal process challenges have made it difficult to
7 consistently track invoices or provide real-time
8 answers to basic questions about what is owed, to
9 whom, and for how long. These payment delays do not
10 exist in a vacuum. The early childhood care and
11 education workforce is overwhelmingly made up of
12 women and disproportionately women of color. Many of
13 these workers earn modest wages while providing
14 essential care and education to some of the city's
15 youngest New Yorkers. When providers are not paid on
16 time, it is these workers, teachers, aides, and staff
17 who bear the immediate consequences. And it's the
18 families who depend on stable child care who
19 ultimately feel the impact through staff turnover,
20 program instability, and even closures.

21 The issue takes on even greater urgency
22 as Mayor Mamdani has pledged to advance universal
23 child care across the city. Ensuring that providers
24 are paid fully and promptly is a foundational
25 concern. A system that cannot reliably pay providers

2 for existing programs cannot sustainably support
3 expansion.

4 Intro. 203 is intended to replace
5 existing quarterly reporting condition with more
6 frequent invoice-based reporting framework. By
7 requiring monthly reporting on the number and value
8 of invoices paid in full, paid partially, or unpaid,
9 and by requiring disclosure of average processing
10 time, the bill seeks to shift oversight from periodic
11 snapshots to ongoing real-time monitoring. If
12 enacted, this legislation will demand greater
13 visibility, consistency, and accountability in how
14 the City pays providers for work they have already
15 performed under contract. The goal is
16 straightforward. To ensure that early childhood care
17 and education providers are paid fully and on time,
18 to protect the workforce that delivers these
19 essential services, and to give the City the tools it
20 needs to identify problems early, address them
21 systematically, and avoid repeating past failures.

22 I look forward to hearing from the
23 Administration today and thank the witnesses for
24 appearing today.

2 Thank you to my own Staff and the
3 Education Committee staff, including Counsel
4 Alejandro Carvajal; Senior Policy Analyst Chloë
5 Rivera; Policy Analyst Katie Salina; and Finance
6 Analysts Andrew Lane-Lawless and Grace Amato for
7 their work at today's hearing.

8 And thank you to my Colleagues who are
9 present today, Council Members Louis, Joseph, Lee,
10 Zhuang, Wong, and on Zoom we have joining us Council
11 Members Farías, Narcisse, and Schulman.

12 Finally, I would like to remind everyone
13 who wishes to testify in person today that you must
14 fill out a witness slip, which you can find on the
15 desk of the Sergeant-at-Arms at the entrance of the
16 room. Please fill out this slip even if you have
17 already registered in advance that you will be
18 testifying in person today.

19 If you wish to testify on Introduction
20 203, please indicate on the witness slip whether you
21 are here to testify in favor or in opposition to the
22 legislation. I want to point out that we will not be
23 voting on legislation today.

24 To allow as many people as possible to
25 testify, testimony will be limited to three minutes

2 per person, whether you are testifying in person or
3 on Zoom. I am also going to ask my Colleagues to
4 limit their questions and comments to five minutes.

5 Please note that witnesses who are here
6 in person will testify before those who are signed on
7 to Zoom.

8 I'd like to note we've also been joined
9 by Council Member De La Rosa.

10 As a reminder to all of our witnesses,
11 please state your name prior to your testimony for
12 the record.

13 If anyone here today requires an
14 accessible version of a presentation, give it at
15 today's hearing. Please email
16 testimony@council.nyc.gov.

17 I will now administer the oath in
18 accordance with the rules of the Council. Please
19 raise your right hand.

20 Do you affirm to tell the truth, the
21 whole truth, and nothing but the truth before this
22 committee, and to respond honestly to Council Member
23 questions?

24 DEPUTY CHANCELLOR HAWKINS: I do.

2 CHAIRPERSON DINOWITZ: Thank you, and you
3 may begin your testimony.

4 DEPUTY CHANCELLOR HAWKINS: Thank you.

5 It's bringing me a sense of nostalgia to be back in a
6 building I once worked in, so thank you for having me
7 today.

8 Good morning, Chair Dinowitz and Members
9 of the City Council Committee on Education. My name
10 is Simone Hawkins, and I serve as Deputy Chancellor
11 for the Early Childhood Education Division at New
12 York City Public Schools. Thank you for the
13 opportunity to be here and for your continued
14 partnership in supporting New York City's youngest
15 learners and the early childhood providers who serve
16 them.

17 New York City Public Schools shares the
18 Council's commitment to transparency, accountability,
19 and timely payments to early care and education
20 providers. Our contracted provider partners, who
21 comprise about 60 percent of our portfolio of seats,
22 play a critical role in delivering high-quality early
23 learning experiences to thousands of children across
24 New York City. Ensuring predictable and sustainable
25 funding to them is essential to the stability of the

2 system. We also share the Council's goal of
3 supporting high-quality early childhood care and
4 learning across the city, and look forward to
5 continued partnership on policies and investments
6 that strengthen providers and improve outcomes for
7 children and families. I know this to be true not
8 only as the Deputy Chancellor, but as a parent who
9 relied on this very system for my daughter.

10 I would like to briefly share with you
11 information about early childhood provider payments,
12 our ongoing efforts to improve that support, and our
13 thoughts about the proposed legislation. New York
14 City Public Schools contracts with early childhood
15 providers through a flat rate funding model designed
16 to promote stability and equity across programs. In
17 most cases, this model provides funding above
18 enrollment levels and includes advanced payments at
19 the start of the program year. Where registered
20 contracts exist, these advances are intended to
21 support providers with upfront operating costs and
22 reduce financial volatility. While specific payment
23 processes vary across early childhood program
24 modalities and contract types, the overarching
25 funding structure is designed to promote stability,

2 equity, and fiscal accountability throughout the
3 system. Invoices submitted by providers are
4 reconciled against these advances, enrollment,
5 allocable costs, and approved operating budgets. In
6 many cases, invoice submission appropriately occurs
7 after required documentation is complete or after
8 reconciliation with advances is necessary. As a
9 result, invoices are not always submitted or
10 processed on a uniform monthly schedule. This timing
11 reflects the structure of the funding model and the
12 need to ensure accuracy and fiscal responsibility.
13 New York City Public Schools works closely with
14 providers throughout this process and remains
15 committed to addressing concerns, resolving issues,
16 and ensuring that payments are made fairly and
17 properly.

18 Although progress in responding to those
19 provider concerns has been achieved over the past two
20 years, we recognize that we must make additional
21 refinements. New York City Public Schools, with
22 support from the City Council, has undertaken a range
23 of efforts to strengthen payment processes and
24 improve the provider experience, focused on
25 modernizing systems and processes that support

2 contract management, documentation, and payment
3 tracking for early childhood providers. At the same
4 time, we recognize that some early childhood
5 providers continue to face challenges navigating the
6 administrative requirements associated with
7 contracting with the City of New York. These
8 requirements are essential for accountability and
9 stewardship of public funds, but they can be
10 difficult to manage without sufficient support. New
11 York City Public Schools continues to offer technical
12 assistance to providers to help them navigate these
13 administrative requirements.

14 I will now turn to the proposed
15 legislation, Intro. 203, which requires reporting on
16 payments to early childhood early care and education
17 providers. New York City Public Schools shares the
18 goal, again, of strengthening transparency and
19 accountability connected to provider payments and
20 welcomes continued partnership with the Council to
21 advance that high priority. We look forward to
22 working with you on the following adjustments to the
23 reporting requirements.

24 At the same time, as drafted, the bill
25 raises several concerns that we believe should be

2 addressed to ensure it is effective and aligned with
3 how payments function and practice. First, quarterly
4 reporting more accurately reflects payment activity.
5 Given the use of advanced payments, budget approvals,
6 and reconciliation processes, quarterly invoice data
7 would give the most complete picture and provide the
8 clarity the Council seeks.

9 Second, we look forward to working with
10 you to clarify certain definitions in the proposed
11 legislation to ensure clear and meaningful
12 accountability.

13 Finally, we believe with the proposed
14 changes that this report could align and enhance
15 other existing public reporting like the Terms and
16 Conditions Report.

17 New York City Public Schools remains
18 committed to working with the Council to improve
19 transparency and accountability. We would welcome the
20 opportunity to collaborate on amendments that align
21 reporting requirements with existing systems and
22 ensure that any new obligations advance shared goals.
23 Thank you again for the opportunity to be here today.
24 I look forward to continued partnership with the

2 Council on behalf of New York City's children,
3 families, and early care and education providers.

4 CHAIRPERSON DINOWITZ: Thank you for your
5 testimony.

6 We've been joined by the sponsor of this
7 legislation, Council Member Gutiérrez, and she would
8 like to ask some questions about the bill. Thank you.

9 COUNCIL MEMBER GUTIÉRREZ: Thank you,
10 Chair. Good to see you, DC. How you doing?

11 DEPUTY CHANCELLOR HAWKINS: Good. Good
12 morning.

13 COUNCIL MEMBER GUTIÉRREZ: My apologies
14 for missing a good chunk of your testimony, so if
15 you've covered it, my apologies, and thank you so
16 much for wanting to hear this bill. I do want to
17 acknowledge that as part of two budget negotiations
18 ago, as part of like the Council and the
19 Administration's Roundtable, a big part of our
20 discussions were related to reporting and on-time
21 payments, and I just want to acknowledge that we
22 spent a lot of time on it. I know it's not perfect,
23 but I know that there's been tremendous headway.

24 So, I'm really interested today in
25 understanding the way that you were able to provide

2 reports. I know that those were already agreed into
3 Terms and Conditions. We obviously want to fine-tune
4 the reporting, but I'm interested if you could just
5 explain a little bit the journey before 2023, 2023
6 and now, how to get, you know, everything back on
7 track. And I think for many of us that represent
8 providers who are very vocal, I know Council Member
9 Joseph definitely has heard from folks, has just been
10 kind of like the ebbs and flows of being able to be
11 paid, being paid, being paid on time, what's required
12 of them. So, just walk me through kind of like since
13 you kind of took this on, what are some of the things
14 that you have improved and what are some of the areas
15 that you still, that you need support in to be able
16 to report. I think this Council is interested in
17 ensuring while we think this industry may grow
18 obviously with the Mayor's priorities, I want to make
19 sure that you have everything you need, but at the
20 end of the day, we want everyone to get paid on time.
21 So, it's a big question, but just kind of walk me
22 through. What are you asking people for? What are
23 some of the challenges still? Where do you see in the
24 next, you know, the rest, the remaining of the budget
25 cycle, things that providers can do? And where do you

2 see any space for opportunity to tighten this bill?

3 Because we want to hold you accountable, you want to
4 hold the providers accountable, and that's really the
5 spirit of this bill.

6 DEPUTY CHANCELLOR HAWKINS: That's right.

7 COUNCIL MEMBER GUTIÉRREZ: So yeah, that's
8 the main question.

9 DEPUTY CHANCELLOR HAWKINS: Thank you.

10 I'll do my best to cover all of that. And it's very
11 nice to see you.

12 And so, what I'll first begin with is
13 understanding that we're talking about invoicing, but
14 it's really difficult to talk about that in the silo
15 without first addressing the entire process, which
16 includes contracting, budgeting, and the billing
17 component, which this bill focuses on. And so there
18 has been a lot of work in prior years, and I, again,
19 I started in 2024 in this role, and so I'll do my
20 best to raise up the concerns that I heard from
21 community as well as my team, and I think a lot of it
22 centered around capacity. Clearly, we need lots of
23 improvement around systems and technology, but prior
24 to that, it's my understanding that there was changes
25 in process and flow around how providers were

2 expected to bill us. And some of that is not just the
3 monthly invoicing, but there are two very big
4 expenditure reports that providers are required to
5 submit that allows my team to go more deeply, again,
6 stewarding the funds to determine the allocability of
7 the items that they are expensing against that
8 contract and budget. There has also been a few annual
9 contract renewals over the past few years, which has
10 also delayed the provider's ability to invoice us
11 more timely. You cannot submit a budget, you cannot
12 have an approved budget, nor can you bill us against
13 a budget if you do not have a registered contract.
14 And so having programs on annual renewal cycles,
15 although the intent, right, is to make sure that they
16 continue to remain solvent, care continues without
17 any disruption to families, does delay the process in
18 which a provider can bill us. And so since then, and
19 I cannot take credit for this, there has been
20 significant, to the Council Member's point, progress
21 made. And so, there was some very focused efforts, I
22 think the word that comes to mind is kind of a blitz
23 strategy, where folks were pulled across the agency
24 to really focus efforts and support the Division of
25 Early Childhood Education to process a backlog of

2 payments that happened, I believe, a few years ago.

3 That was able to get us caught up. But since then, we
4 improved, and we are still improving, the way we
5 provide customer service and technical assistance.

6 Many of our providers, they started just because they
7 wanted to love on the littles. And we understand that
8 that has grown to managing a really big back office
9 operation. And again, some of that is necessary
10 because these are tax dollars. And so, we understand
11 that they may need to build that muscle around
12 managing the budgeting process, navigating the
13 contract process, which actually goes through several
14 agencies and not just New York City Public Schools,
15 and the billing component, and so we are trying to be
16 more readily available to providers to help them
17 navigate that. There is also a component as part of
18 the billing function that requires attendance and
19 enrollment to be registered, and so we are also
20 working to process registrations more quickly.

21 We have also improved some of our
22 technology and have worked really closely with the
23 Office of Management and Budget and our Central
24 Finance Team to ensure that funding is in the right

2 budget structure so we can more quickly, again,
3 process payments for invoices.

4 Moving forward, thank you to the support
5 of the Council, we have gotten funding to release a
6 new early childhood management system, which I am
7 incredibly excited about. Not only would it allow us
8 to more comprehensively capture the inner workings of
9 our provider community, not just on the operations
10 side but also instructional, it will also allow our
11 providers to have transparency into where their bill
12 and invoice is in the queue every step of the way.
13 And so, if there's any concerns about a rejected
14 invoice, because that does happen, an advance
15 payment, which can only happen if they have a
16 registered contract, they will be able to see that in
17 this new system.

18 And then lastly, more trainings. Again,
19 providing technical assistance is one part of it, but
20 we need to also support them with trainings. And so,
21 the team is building out a training framework so we
22 can allow that and engage with providers in that way
23 as well.

24 COUNCIL MEMBER GUTIÉRREZ: Thank you. This
25 obviously sounds really positive, how important it is

2 that we support the providers. And like you said,
3 many of them did not set out on these career paths to
4 be millionaires. They simply want to be able to
5 support their families and do the job that they love,
6 and they're raising our children, and so we want to
7 support them. I know that I've heard from various
8 facilities that oftentimes they are encouraged to
9 consider bridge loans, which I think that system is
10 backwards, and I don't think it's helpful overall.
11 And so as much as we can do to move them away from
12 the bridge loan process, because it's scary.
13 Oftentimes, they're taking out bridge loans because
14 they have nothing else. And then understanding that
15 providers have family child care networks that are
16 different payment streams. And so just being mindful
17 of that. But for me, we would love to move away from
18 this reliance on bridge loans.

19 I'm encouraged by hearing a lot of this
20 towards the end of your remarks. The trainings I
21 think will be helpful. Are you all engaging with
22 providers on the new system? What does it need to
23 look like for it to feel like this is a more
24 seamless, more efficient process?

2 DEPUTY CHANCELLOR HAWKINS: Yes. So, we
3 are planning to include family child care networks,
4 family providers to some degree, because we don't
5 contract directly with them, and our center-based
6 programs on user acceptance testing.

7 COUNCIL MEMBER GUTIÉRREZ: Love it.

8 DEPUTY CHANCELLOR HAWKINS: So, we want
9 them to play with the system, beat it up, let us know
10 if it actually functions in the way we intended. We
11 are not there yet. We are still working with the
12 vendor to create the framework and that
13 functionality. It is Prutech (phonetic).

14 COUNCIL MEMBER GUTIÉRREZ: What is it? I'm
15 so sorry.

16 DEPUTY CHANCELLOR HAWKINS: Prutech.

17 COUNCIL MEMBER GUTIÉRREZ: Okay. Thank
18 you. That's great. I think that's awesome.

19 And when do you all anticipate being able
20 to launch this officially?

21 DEPUTY CHANCELLOR HAWKINS: So, we're
22 hoping for an end of year launch, which is very
23 ambitious.

24 COUNCIL MEMBER GUTIÉRREZ: End of calendar
25 year?

2 DEPUTY CHANCELLOR HAWKINS: End of
3 calendar year.

4 COUNCIL MEMBER GUTIÉRREZ: Oh, no.

5 DEPUTY CHANCELLOR HAWKINS: Oh, yes.

6 COUNCIL MEMBER GUTIÉRREZ: That seems like
7 a long time.

8 DEPUTY CHANCELLOR HAWKINS: No, no, no.
9 It's not a long time. It's a long time coming, but
10 it's not a long time if we want to be thoughtful
11 about how we iterate on the functionality. We do not
12 want to put the cart before the horse and release a
13 system that doesn't work. I think we've all been on
14 the receiving end of that, and I do not want to sit
15 in this chair to get questions about a system that
16 doesn't work. And so we want to be thoughtful that
17 the diverse settings in which we support, which are
18 charter schools, which are family child care, center-
19 based providers, they all have the opportunity to
20 test the system, but we also need to go through our
21 internal partners too, right? Because it's not just
22 my division. There are other divisions who have to.

23 COUNCIL MEMBER GUTIÉRREZ: Okay.

24 I just have a couple more questions,
25 Chair.

2 CHAIRPERSON DINOWITZ: It's your bill.

3 COUNCIL MEMBER GUTIÉRREZ: Thank you.

4 Can you share with me currently how many
5 members of your staff are dedicated to this process
6 and where you think you'll need to be by the end of
7 the year in 2027?

8 DEPUTY CHANCELLOR HAWKINS: So, right now
9 we have specifically for the operations analysts, and
10 those are the staff that they actually sit across
11 borough offices, and they are the first contact for
12 our center-based providers specifically. And so, we
13 have about 45 of those OAs, as we call them. They
14 have very high caseloads, which prohibits us from
15 going more deeply and also providing that more
16 targeted and tailored customer service. We would love
17 at least another 30 minimally positions, and that
18 will allow caseloads to go down to maybe about 25 to
19 30 budgets and sites per analyst.

20 COUNCIL MEMBER GUTIÉRREZ: Okay.

21 DEPUTY CHANCELLOR HAWKINS: That does not
22 include our enrollment specialists who manage the
23 enrollment processing, our eligibility specialists
24 who manages the eligibility process and child care

2 eligibility. They too support this process, and I can
3 get you the numbers of staff at a later time.

4 COUNCIL MEMBER GUTIÉRREZ: Okay. Okay.

5 Thank you.

6 Can you just clarify, when we were
7 looking at Fiscal Year '25, quarter one, there are
8 costs that are paid out to many of the providers. Can
9 you clarify if this is a 20 percent upfront payment
10 and/or the portion of the 60 percent guarantee on the
11 contract? I guess I'm just trying to understand,
12 because I know that there was past practices of like
13 advance... I don't know if that's the right
14 terminology, but like advance payments. So, I just
15 want to understand that for FY25, if that's still a
16 practice and what needs to happen for an advance
17 payment to happen? Because my understanding was it
18 was an advance payment to hold them down while all
19 the paperwork needed to be in and everything needed
20 to be approved. Is that still a practice? And just
21 clarity on that FY25.

22 DEPUTY CHANCELLOR HAWKINS: Yes, yes, yes.

23 So, that practice is still very much in action.

24 COUNCIL MEMBER GUTIÉRREZ: Is that a
25 policy or is that...

2 DEPUTY CHANCELLOR HAWKINS: So, it's
3 actually the citywide policy, and so the Mayor's
4 Office of Contract Services actually allows human
5 services, social service agencies, and also the
6 Education Department to issue advances against active
7 contracts that are registered, and so the contract
8 must be registered in order for a provider to get an
9 advance payment. They range between 25 percent to 35
10 percent based on the contract model. As you know, our
11 extended year and extended day programs actually
12 start in July, unlike our school day year, which
13 start in September, and so we issue those advances
14 first because they really don't have a lull in the
15 year. And so last year as well, those providers on
16 the City transitional contract, and I'm sorry if I'm
17 getting in the weeds, but I really want to be
18 thoughtful about answering your question, who were
19 formerly Head Start and Early Head Start delegates,
20 because their contracts were going through a
21 different process, and won't go into those details,
22 where they had another contract with us, we actually
23 gave them an additional 15 percent of an advance
24 payment this current fiscal year, and so the Q1
25 payments will include those, and it does require a

2 registered contract and a submitted budget. The
3 budget does not need to be approved, but we need you
4 to submit the budget.

5 COUNCIL MEMBER GUTIÉRREZ: And I'm sure
6 one of my Colleagues will ask about the registered
7 contract piece, but very quickly, is that something
8 that lies solely within your Department? Can you
9 just, what are the top line?

10 DEPUTY CHANCELLOR HAWKINS: No. And so
11 several divisions across the agency supports that,
12 contracts and purchasing, finance, others, and then
13 we work with the Comptroller's Office, the Mayor's
14 Office of Contract Services, and all the acronyms
15 that exist.

16 COUNCIL MEMBER GUTIÉRREZ: All right.

17 I just have one more question and then
18 I'll yield, because you've been so gracious. Thank
19 you.

20 Can you tell me on the reporting piece?
21 And I was reviewing the last two reports before the
22 hearing. We, obviously, the Speaker is very
23 committed. This is obviously a priority. This is one
24 piece of the pathway towards universal childcare, is
25 kind of really understanding the work that you all

2 are doing to support providers. Are there areas right
3 now where you think that the agency could include
4 more on their reporting? Are there feedback that
5 you're getting from providers right now, where you
6 think this is good information from providers?
7 There's no real place for me to put this. Just kind
8 of seeking what are some of the areas where, I know
9 you said in your testimony, you're open to
10 amendments. Thank you. And we want to continue to
11 work on that. But do you, right now, feel that there
12 are some areas where this is important for me to
13 report on and this is not agreed upon in the Terms
14 and Conditions? That's kind of where I would like to...

15 DEPUTY CHANCELLOR HAWKINS: Yeah. I think
16 some of the components included in the bill are
17 definitely items we can incorporate. I think we
18 definitely have dollar amounts in the Terms and
19 Conditions, but I think quantity of invoices, but
20 also the processing times are good components. I
21 think it's important to know around discernment of if
22 it is an invoicable bill. It's good to know where
23 they are in kind of the contracting queue.

24 COUNCIL MEMBER GUTIÉRREZ: (INAUDIBLE)

2 DEPUTY CHANCELLOR HAWKINS: Correct. But I
3 will say, and I do have to put a plug in for my team,
4 we process invoices on average of a two-week
5 turnaround, which I would say, if we compare that to
6 many other places, is a great job. Looking in the
7 data yesterday, the invoices that could be processed,
8 none of them are above the 30-day time frame. Some of
9 them are above two weeks. They are less than a fourth
10 of the invoices or reasons why an invoice has not
11 been submitted, meaning it's the contract, right? It
12 needs to be registered. We have not received a budget
13 from the provider or we have not received an invoice
14 against a budget. What I would say is continue
15 partnership with you all around building that
16 bandwidth. I think letting you know why an invoice is
17 not submitted I think will be most useful. However, I
18 am not a proponent of reporting and sacrifice of
19 actually doing the task. And so just asking for some
20 type of happy medium to support the team. Again, just
21 calling out that there are very few people doing many
22 of the same things and so happy to provide
23 information, but wanting to build the capacity so we
24 can process the actual payments.

2 COUNCIL MEMBER GUTIÉRREZ: Thank you.

3 Thank you so much.

4 Thank you, Chair.

5 CHAIRPERSON DINOWITZ: Thank you, Council
6 Member Gutiérrez.

7 Thank you. I appreciate your testimony in
8 answering all those questions. And you spoke a number
9 of times about staffing. When we met with some of our
10 early childhood providers and a previous Deputy
11 Chancellor, it was very interesting to hear that a
12 lot of the basic questions they had, she couldn't
13 answer because she said, oh, that's in a different
14 department, that's in a different division. And I
15 think part of that does have to relate to the
16 reporting and how important reporting is. You know,
17 because it shouldn't take reaching out to your
18 Council Member for a provider to get paid, and I know
19 improvements have been made since we've had those
20 meetings, so I appreciate that. But I do want to dig
21 in a little more to two things and then turn over to
22 some of my Colleagues.

23 Just can you talk a little more about why
24 quarterly reporting? You went back and told us all
25 the processes. Why is quarterly reporting, as you

2 think, more appropriate than monthly reporting, which
3 the bill calls for?

4 DEPUTY CHANCELLOR HAWKINS: Yeah. I
5 appreciate that question, Chair. So, like I
6 mentioned, there are programs that get an advance
7 payment at the start of the year. And so, in many
8 instances, we do not receive invoices for certain
9 months as they exhaust. We should encourage it, but
10 we do not. And in those circumstances, we get batch
11 submissions. And so previously, providers were only
12 able to submit one invoice at a time. We have since
13 changed that. They are now able to submit multiple
14 invoices at a time, but that also means that we, in
15 any one month's timeframe, can have additional
16 invoices, and so the flow and the monthly numbers may
17 be skewed if we are required to submit a monthly
18 report. Quarterly allows us a lot more time, and in
19 our experience, a sufficient time to capture the rate
20 of submissions and the advance payment schedule,
21 along with recruitments that happens around Q2, Q3 of
22 the fiscal year. We want to be sure that you have
23 that information, because that all dictates how
24 payments are made.

2 CHAIRPERSON DINOWITZ: Well, I would think
3 as part of your other, your I think second, is to
4 clarify the definitions. I would think that some of
5 those concerns could be laid by clarifying the
6 definitions of batch reporting. You know, I think for
7 us, you know, waiting three months to know what's
8 going on in our system, and because we have the same
9 goals, we want a thriving early childhood system, and
10 this reporting would help that. I would think that
11 it's better to clarify the definitions than to just
12 simply say, well, let's do it quarterly. Because you
13 may run into those problems as well, even if it's
14 quarterly. You can have the same argument and say,
15 well, if it's over the course of a year, then it's in
16 the aggregate, then you see the whole picture. So, I
17 would just, you know, I would just share that.

18 And you also mentioned the additional 30
19 analysts. How many of the additional 30 analysts that
20 you mentioned are already budgeted for and just need
21 to be hired?

22 DEPUTY CHANCELLOR HAWKINS: So, I believe
23 maybe half of those... I stand corrected, two of the 30
24 are currently in existing budgeted vacancy.

2 CHAIRPERSON DINOWITZ: I want you to
3 repeat that. Two...

4 DEPUTY CHANCELLOR HAWKINS: Of the 30.

5 CHAIRPERSON DINOWITZ: Of the 30 are
6 hired?

7 DEPUTY CHANCELLOR HAWKINS: No, no.
8 Budgeted for.

9 CHAIRPERSON DINOWITZ: Are budgeted for.

10 DEPUTY CHANCELLOR HAWKINS: Correct.

11 CHAIRPERSON DINOWITZ: So, that means you
12 need an additional 28 to be budgeted for?

13 DEPUTY CHANCELLOR HAWKINS: Correct.

14 COUNCIL MEMBER GUTIÉRREZ: In her dream
15 world.

16 DEPUTY CHANCELLOR HAWKINS: In my dream
17 scenario, we would have an additional 30.

18 CHAIRPERSON DINOWITZ: Well, I would think
19 New York City would want to make your dreams come
20 true, right, to have a working early childhood
21 system, right?

22 CHAIRPERSON DINOWITZ: And I think under
23 the current Mayor, that might be likely. Not
24 overcommitting, but understanding his plans and
25 intentions for a more comprehensive and expansive

2 early care and education system. I'm hopeful. I'm
3 very hopeful.

4 CHAIRPERSON DINOWITZ: Great. I'm going to
5 turn it over to Council Member Lee for some
6 questions.

7 CHAIRPERSON DINOWITZ: Thank you.

8 COUNCIL MEMBER LEE: Good morning,
9 everyone.

10 So, I love talking about contracts and
11 procurement processes. Just really, so I had a few
12 questions, but in order to understand those
13 questions, I need to take two steps back, which is to
14 understand the DOE system. Because my understanding
15 is that it's not PASSPort, it's not HHS Accelerator,
16 correct?

17 DEPUTY CHANCELLOR HAWKINS: So, we utilize
18 PASSPort for certain contract actions.

19 COUNCIL MEMBER LEE: Okay.

20 DEPUTY CHANCELLOR HAWKINS: Accelerator is
21 used for our family child care network contracts.
22 PASSPort is used for our family child care network
23 contracts. And then we use Pre-Kids for our center-
24 based programs and charter schools.

2 COUNCIL MEMBER LEE: Okay. The reason why
3 I ask that, and I'm putting my former provider hat
4 on, because we had to submit multiple, multiple,
5 especially within even one agency, multiple, multiple
6 documents per contract. And so, I'm just wondering
7 what it looks like in terms of how those systems
8 coordinate and communicate with each other. Because
9 as a provider, it's redundant, but also frustrating
10 when you have to work with so many different systems
11 where you're already uploading the same documents,
12 especially the ones that are more universal across
13 the different provider groups. So, I'm just wondering
14 what the coordination looks like. And the reason why
15 I ask that also just as a background story is that we
16 got a couple calls from principals last year in our
17 District because they said that they had SCA projects
18 and the construction companies were walking off the
19 jobs, and the reason was, was because they were not
20 getting paid. So, when we reached out to our DOE
21 representatives, they said it was a system-wide
22 issue. It's not just the SCA contracts, but it was a
23 system-wide issue. And so, I guess my question is,
24 you know, would it be beneficial, or in your picture
25 and in mine, do you think it's beneficial to have the

2 systems coordinate and talk to each other more so
3 that there's less delays in payments? So, I'll stop
4 there.

5 DEPUTY CHANCELLOR HAWKINS: Definitely,
6 definitely a proponent of system integration where it
7 makes sense. And so, you know, from my understanding,
8 there is no duplication of reporting as it pertains
9 to the billing component of the process. There will
10 be a requirement to submit information for contracts.

11 COUNCIL MEMBER LEE: Reporting.

12 DEPUTY CHANCELLOR HAWKINS: Correct. And
13 that's, that's separate and apart and managed by a
14 host of different agencies. I'm hesitant in
15 integrating all of the systems, Council Member,
16 because, as I mentioned, for invoices from center-
17 based providers and just focusing on them for this
18 particular bit, they are required to submit
19 attendance. We would not want that information to be
20 shared with external parties from the division.

21 COUNCIL MEMBER LEE: Yes. So, for certain
22 reporting elements, obviously, that would be
23 confidential and remaining with you. But I guess I'm
24 just wondering, you know, only because I think that
25 there is a level of frustration from the provider

2 side when you're doing multiple social services,
3 which many of these providers do, that there is a lot
4 of duplication there, and so just wanted to put that
5 out there.

6 DEPUTY CHANCELLOR HAWKINS: We'll take
7 that back. Thank you.

8 COUNCIL MEMBER LEE: Yes. And then, also,
9 I know that way back in the day when PASSPort first
10 came out and when Michael Owh was the Director of
11 MOCS, and I've been having conversations currently
12 with the MOCS Director, Kim Yu, and I know that there
13 is a desire, as you said, which I'm happy to hear, to
14 use technology to upgrade a lot of the systems. And I
15 think some of it is, to your point, it's the
16 registration. The registration of the contracts is
17 key because if it's not registered and your contract
18 is not registered, you are not getting paid even if
19 you submit things, right? There's just no way of
20 getting it. So, really quickly going back, what's the
21 average timeline for a lot of the early childhood
22 providers to get their contracts registered? And
23 where has the bottleneck been? Because I know that
24 when I used to ask, the Mayor's Office would say, oh,
25 it's with the Comptroller's Office, and then we would

2 reach out to the Comptroller's Office and they're
3 like, oh, no, we threw it back to the Mayor's Office,
4 and, you know, I don't think there's really a lot of
5 transparency and clarity with where things are in the
6 process, and so if you could speak to that a little
7 bit, too.

8 DEPUTY CHANCELLOR HAWKINS: I will have to
9 get back to you on the average turnaround for
10 contracts. That, I don't have right now. And I will
11 say, we actually have a wonderful working
12 relationship with MOCS and the Comptroller's Office.
13 We actually met the other day this week and we are
14 really trying to streamline the process. So, no
15 blaming for me what will be happening today.

16 But what I will say is, I won't
17 categorize it as a bottleneck. Providers have to go
18 through sometimes a very exhaustive background check,
19 which requires information from them, us to check
20 things, we check public records. The timing of that
21 can take a long time.

22 COUNCIL MEMBER LEE: Also... sorry.

23 DEPUTY CHANCELLOR HAWKINS: No, no, no.

24

25

2 COUNCIL MEMBER LEE: But there's a
3 component there also with DOHMH and the
4 certifications as well, right?

5 DEPUTY CHANCELLOR HAWKINS: The permit?

6 COUNCIL MEMBER LEE: Right.

7 DEPUTY CHANCELLOR HAWKINS: The permit
8 verifications. We also do a health and safety check.

9 COUNCIL MEMBER LEE: Right.

10 DEPUTY CHANCELLOR HAWKINS: So, we look at
11 violation data. And so, we can round back to you to
12 give specifics on where those are in the queue, but I
13 would say it varies, and I know that's a non-answer,
14 but I think it's a fair assessment. Sorry.

15 COUNCIL MEMBER LEE: I just have one more
16 question.

17 Okay. And then also, I know that in the
18 past, previous MOCS Directors, for example, a lot of
19 the laws, regulations, bureaucracy, red tape that we
20 have is due to previous situations that have
21 happened, and I know a lot of them come from the
22 1970s when there was a financial crisis, and a lot of
23 those laws and policies have not been looked at. And
24 one of the things that a couple of the previous MOCS
25 Directors have tried to do, which was to look at

2 those previous laws to see what can be amended to
3 streamline that process. And so, I was just curious
4 to hear from DOE's perspective, using the systems
5 that you have all in place, are there conversations
6 happening with both MOCS as well as the Comptroller's
7 Office to take a big picture look at some of these
8 previous laws and whether they're still relevant?

9 DEPUTY CHANCELLOR HAWKINS: Yes. And so,
10 our Chief Non-Profit Officer at the agency has
11 actually taken the lead on that. To your point, it's
12 not just about my division, but it's about
13 coordinating across the agency. So, figuring out
14 where we can streamline and improve process. Yes,
15 those conversations are happening with our agency
16 partners.

17 COUNCIL MEMBER LEE: Okay. Perfect.

18 CHAIRPERSON DINOWITZ: Thank you, Council
19 Member Lee.

20 I'm going to turn it over to Council
21 Member Narcisse on Zoom for questions.

22 COUNCIL MEMBER NARCISSE: Oh, shit.

23 CHAIRPERSON DINOWITZ: You are unmuted,
24 Council Member. We're ready for your questions.

2 COUNCIL MEMBER NARCISSE: Thank you. Can
3 you hear me?

4 CHAIRPERSON DINOWITZ: We sure can. We
5 could. We can hear it all.

6 COUNCIL MEMBER NARCISSE: Sorry. Sorry.
7 Sorry. Sorry. I apologize. Something went up.

8 So, first, I want to say thank you, Chair
9 Dinowitz, thank you, Ms. Hawkins, and thank you to
10 all my Colleagues that have been present for our
11 children in New York City.

12 And I'm going to do like my Colleague,
13 Chair Lee, wearing my provider's hat when I used to
14 have contracts in New York City. So, my question is,
15 I want to understand why delayed payments, because I
16 used to have so much delay. What are the most common
17 reasons, if you can summarize that for me, what are
18 the most common reasons invoices are held up?
19 Registration issues, missing documentation, system
20 backlogs, or interagency sign-off? Which one of them
21 are holding us?

22 DEPUTY CHANCELLOR HAWKINS: So, the way I
23 stratify it is across those four. And hi, Council
24 Member, it's nice to hear from you. Those four
25 categories, right? And so, at the top of that, which

2 I would say is the plurality, is contracts pending
3 registration. Again, no one's fault. It's just
4 undergoing the process, and we are moving through
5 things as quickly as possible, including the
6 providers themselves. They are doing their best to be
7 very responsive to our requests, which can be many.
8 And then the second one would be, which is about a
9 quarter, providers who have registered contracts but
10 have not submitted a budget for the fiscal year. And
11 as I mentioned, we need a submitted budget in order
12 for us to process an invoice. And then the third is
13 we have not received a submitted invoice for a
14 specific service month, and that would be the third
15 category. And the last is just process that have been
16 submitted, undergoing our review, and we are in the
17 process. But that is kind of the order in which the
18 delays are happening.

19 COUNCIL MEMBER NARCISSE: I'm going to
20 assume that you're going to do everything in your
21 power from listening to you that we're going to have
22 a better system in place where people can get paid.

23 Do you have data showing that payment
24 timelines for early childhood providers have
25 improved? If so, what led to this improvement? If

2 not, what are the struggles? Because I know so many
3 providers are providing great services. We would like
4 for them to stay in business, not to get discouraged?
5 Because I have folks coming to me say they want to
6 give up because the system is just tiring them.

7 DEPUTY CHANCELLOR HAWKINS: Yeah. And we
8 empathize with that, which is why we are really
9 looking to shift to a new technological system
10 altogether. We have heard that too. Our Pre-Kids
11 system is a great system. It doesn't have reporting
12 functionality. But it started with this kind of
13 intended goal when we were just a little department.
14 Now we are a division with thousands of contracts and
15 thousands of budgets, and so it is now for us to
16 iterate to something more user-friendly. But what I
17 would say is at the core of it, I think, again, it's
18 just managing the administrative requirements that
19 are key to getting the contract registered and also a
20 budget submitted. We are doing better at more
21 proactively reaching out to providers who have not
22 submitted a budget to understand the why and help
23 them along the way. And that is also folks who may
24 have submitted a budget but have since amended it so
25 that has to undergo a different review process. And

2 those who have not submitted an invoice, we are also
3 reaching out to them. Again, a lot more improvement
4 must be made, but trying to reach out to them to see
5 how we can support them to get the invoice submitted.

6 COUNCIL MEMBER NARCISSE: Now you just say
7 something that I'm very much interested in. Are you
8 providing support internally to help those providers
9 understand the steps? Because sometimes they thought
10 they finished completely with all the paperwork and
11 they're waiting for money, and after months and
12 they're trying to contact and they keep on putting
13 them in the loop and saying this department, that
14 department, and no one knows what is the last
15 paperwork that's supposed to be put in for them to
16 get that payment.

17 So, my last question, when they submit
18 all the paperwork, so how long it takes to get the
19 advancement, the 25 percent, whatever that you would
20 give?

21 DEPUTY CHANCELLOR HAWKINS: And I didn't
22 answer your prior question about a timeline. So yes,
23 we have data that shows that we've improved our
24 payment processing times, and that's how I can

2 confidently say right now, the average is about a
3 two-week turnaround.

4 COUNCIL MEMBER NARCISSE: Two weeks?

5 DEPUTY CHANCELLOR HAWKINS: Yep. Yeah,
6 about two weeks. We would like to do it sooner. In
7 some cases, it's not always two weeks. That's why I
8 said average. But we have significantly improved, but
9 not to diminish the fact that we have a ways to go.

10 And then, sorry, Council Member, can you
11 just ask your last question again? I'm so sorry.

12 COUNCIL MEMBER NARCISSE: No. I said,
13 with the paperwork I was talking about, and I said,
14 are you giving them, providing support...

15 DEPUTY CHANCELLOR HAWKINS: Oh, yes.

16 COUNCIL MEMBER NARCISSE: For the
17 providers at all time to understand when, if there's
18 paper missing, they should not be waiting for months
19 and months to get the check.

20 DEPUTY CHANCELLOR HAWKINS: Yes, correct.
21 We are reaching out to providers to let them know if
22 something's missing. We are working with them to
23 submit it as quickly as possible. And if we don't
24 hear from them following back to encourage them to

1 COMMITTEE ON EDUCATION

45

2 submit any missing documentation, yes, we are
3 providing those supports.

4 COUNCIL MEMBER NARCISSE: The workshop and
5 contacting them to give them the workshop support
6 they need so they can understand how the process
7 works and what they can do to streamline the process.

8 DEPUTY CHANCELLOR HAWKINS: Correct.

9 SERGEANT-AT-ARMS: Time expired. Thank
10 you.

11 COUNCIL MEMBER NARCISSE: Thank you,
12 Chair.

13 CHAIRPERSON DINOWITZ: Thank you, Council
14 Member Narcisse.

15 COUNCIL MEMBER NARCISSE: And thank you,
16 Jen, CM, for this great bill. Thank you.

17 CHAIRPERSON DINOWITZ: Thank you. I'd like
18 to note we've been joined by Council Member Krishnan
19 and Council Member Brewer.

20 And I'd now like to turn it over to
21 Council Member De La Rosa for questions.

22 COUNCIL MEMBER DE LA ROSA: Thank you so
23 much. I want to thank the Chair. This is a wonderful
24 first hearing and all of you for being here and, of
25 course, Jen for her leadership.

2 I guess my Colleagues have pretty much
3 asked my questions about support. The one thing that
4 I did want to point out, and I know you know this and
5 I know you all are trying your best, but like
6 language access is a huge thing. In my community,
7 most of these women are immigrant women providing
8 this really generational service, right? The lady who
9 lives upstairs from me, she took care of my brother.
10 He's 40. So, you know, she's still at it. And so, I
11 feel like it's important for language access to be
12 something that is centered because sometimes it's not
13 that they don't know how to do the paperwork or fill
14 it out properly. It's just that English is not their
15 first language. And, you know, we at the Council have
16 really been trying to shine a light on how we support
17 communities that don't speak English, and so I'm
18 wondering what the process and protocols look for
19 those communities.

20 DEPUTY CHANCELLOR HAWKINS: I love that
21 question. Thank you.

22 First things first, our operations
23 analysts, for one, we believe in cultural
24 responsiveness, not just in the classroom, but also
25 with our staff. And so as best as possible, like I

2 mentioned, they are borough-based and we have a very
3 diverse team of representatives to provide support.
4 In absence of that, we also have the Language Line,
5 which I know folks have opinions about that.

6 COUNCIL MEMBER DE LA ROSA: I know, I
7 know.

8 DEPUTY CHANCELLOR HAWKINS: But it is
9 something that we have available, but open to any
10 recommendations on how we can improve. And actually,
11 I'm going to take it back to my team for us to
12 incorporate this in some of our provider engagement
13 conversations on how we can improve our practices.

14 COUNCIL MEMBER DE LA ROSA: Great. I would
15 love to invite you uptown. I have actually a group of
16 providers that I've been working with for the past
17 few years, and they're interested, especially as we
18 scale this conversation around child care, you know,
19 they don't want to be left out of the conversation.
20 And, you know, especially as we get younger and
21 younger, I can't say that word, universal child care
22 conversation. It's important that they're in the
23 rooms and that they're able to sort of walk us
24 through what they've seen, because they have been the
25 ones that we've been dependent on for so long. And I

2 know that Chair Gutiérrez is going to have the new
3 Committee on Universal Child Care, and I'm looking
4 forward to that work. But I think it's important that
5 we're not working in silos when it comes to scaling
6 these programs, because they work, and our families
7 depend on them. And in working child care
8 communities, our families have even more a dependency
9 on these programs to work. And for us, I think, and
10 especially for my Colleagues that have been educators
11 on the panel, the quality of (INAUDIBLE)

12 DEPUTY CHANCELLOR HAWKINS: Thank you so
13 much. I welcome the invitation, and thank you for
14 raising up quality, because that is often lost when
15 we talk about quantity of anything so thank you.

16 CHAIRPERSON DINOWITZ: Thank you, Council
17 Member De La Rosa.

18 Are we going to fix the sound before we,
19 are we working on a fix?

20 I'll turn it over to Council Member Wong.

21 COUNCIL MEMBER WONG: Hello. I was
22 Councilman Holden's Budget Director, so I can sit
23 here all day to talk about, like, technical issues
24 involving PASSPort, and now I'm hearing that
25 providers potentially may deal with three systems,

2 and PASSPort alone can be a very demanding system to
3 learn to navigate, and then quite often I hear times
4 that paperwork get uploaded, and then somehow they
5 either vanish, or it was never received, and then
6 they have to do it again and again. So, actually, my
7 concern is support. Is there adequate support that
8 the DOE is providing? Because a lot of times the
9 service providers, they only worry about teaching and
10 worry about the kids, and they may not have the
11 technical know-how to navigate the system, and
12 actually, I'm ready to testify in a technology
13 meeting on the bugs and shortcomings of the system.
14 My question to you is that, can you talk about the
15 support that you're providing to service providers so
16 they can know how to navigate the system, and is it
17 necessary to integrate? Because it's difficult, it's
18 messy to handle three systems in one agency. I just
19 find that to be very demanding and very challenging.
20 Please talk about that.

21 DEPUTY CHANCELLOR HAWKINS: No, I
22 appreciate that. And so, wanting to clarify that,
23 depending on your contract type, you may only be
24 required to manage and handle one system at a time.
25 It's not necessarily required for you to manage

2 multiple systems. Understanding that if you do have a
3 network contract with a CBO contract, it can get a
4 bit more nuanced. And so, one of the things, as I
5 mentioned, we are planning to shift to a new system
6 where all of our contractor providers will be
7 required to use, and so they won't be required to use
8 multiple systems if they have different contracts
9 with us. And again, hoping to do that by the end of
10 this year, which is a very, very ambitious timeline.

11 But in regards to training, the team
12 provides a lot of training around how to manage
13 through Pre-Kids, and that's the system that was
14 developed in-house, and that is our primary source
15 for our center-based providers, which have the
16 majority of our contracts. We are improving supports
17 around giving TA for PASSPort and other systems. I
18 will be honest, Council Member, we are not there yet.
19 But if a provider reaches out to us and me directly,
20 we will help them navigate the system, understanding
21 the direction in which that should come from. It
22 should not be that direction. And so, we are trying
23 to be more proactive and help them upfront.

24 COUNCIL MEMBER WONG: Regarding payment,
25 delay payments, do you think, I think what I want to

2 ask a similar question that was raised by
3 Councilwoman Lee, that is the delay from the
4 Comptroller's Office or something else is holding up
5 the payments? What is your interpretation?

6 DEPUTY CHANCELLOR HAWKINS: The
7 Comptroller's Office, they're really good partners,
8 and I cannot say that they are holding up any
9 payments. It can be, as you know very intimately,
10 it's a multifaceted process. And so, if someone owes
11 taxes, that can delay the processing of a contract.
12 And so, it does vary. Actually, looking at my data,
13 about half of our contracts right now are already
14 registered. Now, the rest of them are going, they are
15 across different, you know, parts of the process.
16 Some of them are with us, right? We're working with
17 the provider to get their operating budget document.
18 Some of it is pending background. It could be a
19 contract that is with our Division of Contracts and
20 Purchasing going through background check. And so, it
21 does vary. So, I can't say here irrefutably that any
22 particular part of the queue is the holdup. Of
23 course.

24 CHAIRPERSON DINOWITZ: Thank you, Council
25 Member Wong.

2 I will turn over to Zoom for Council
3 Member Schulman.

4 COUNCIL MEMBER SCHULMAN: Thank you very
5 much. And I want to, first, I want to congratulate
6 our new Chair, Council Member Dinowitz, who's going
7 to be amazing, already is amazing.

8 And Deputy Chancellor, I wanted to ask
9 you, I know Council Member Lee talked about the
10 bottlenecks. If you could just give us a timeline of
11 how the process works in terms of, especially on the
12 child care side, because I'm the Chair of the Health
13 Committee, and so, the child care contracts come
14 through there, and since I've been a member of the
15 Council, it's always been an issue. And so, you know,
16 I want to see what we can do to facilitate that. I
17 know there's different kinds of checking and
18 background, all of this stuff. And so, from the
19 perspective of DOE, I want to see, you know, I want
20 to ask you what you think we can do better there.

21 DEPUTY CHANCELLOR HAWKINS: I appreciate
22 that question. I think, like, the schoolhouse rocks.
23 Remember that series on how a bill becomes a law?

24 COUNCIL MEMBER SCHULMAN: Yes.

2 DEPUTY CHANCELLOR HAWKINS: Yeah. It's
3 coming to mind. And so, the journey of an invoice
4 really starts with, right, the solicitation process.
5 If we identify you for an award, we'll give you an
6 award. You have to undergo the process of now getting
7 into getting a contract. That requires several
8 agencies. That requires us. And the timeline around
9 that, Council Member, varies, and so, unfortunately,
10 I can't give you specifics. And as I mentioned, there
11 are a lot of components, as you know, that goes into
12 getting the contract. Once that contract is
13 registered, we work with, and actually, while the
14 contract is undergoing registration, we have actually
15 started a pre-approved budget process. I failed to
16 mention that. And so, providers can get their budget
17 pre-approved while undergoing contract registration.
18 So, once it is registered, we can shift the status to
19 approved, and they can start billing us more quickly.
20 And then, once they get the contract registered, they
21 submit a budget, they are able to get an advance
22 payment against that contract. While a contract is
23 being registered, they can also get a bridge loan,
24 which is no interest. And then, once the budget is
25 submitted and approved, they can begin billing us on

2 a monthly payment schedule. And so, happy to sit with
3 you and maybe develop a more deep and detailed
4 briefing to go through the specific steps. But at a
5 very high level, that is the general process. And
6 again, I can't really say where the holdup is, but do
7 think that there can be a lot more support in just
8 helping providers navigate the process, because there
9 are many steps and a lot of different cooks in the
10 kitchen.

11 COUNCIL MEMBER SCHULMAN: I've met with
12 the providers. I appreciate that. What I'd actually
13 like to ask is once, because I know DOHMH, you know,
14 I just want to see what happens in terms of whether
15 they're keeping the current commissioner or they're
16 going to have somebody else or whatever. I would like
17 to set up a meeting with myself and you and folks at
18 DOHMH to go through this and see where the
19 bottlenecks are and then see how we can pull it
20 apart. Because I know this Administration, I believe,
21 wants to do something about that and it's obviously a
22 priority so, if you would be willing to do that, that
23 would be great.

24 DEPUTY CHANCELLOR HAWKINS: Absolutely
25 willing. Also worked there for many years and am very

2 aware of the permitting process. And so, there could
3 be holdups there. We can definitely talk about those
4 specifics, because when a permit is modified for
5 capacity reasons, Council Member, that could lead to
6 a required contract amendment. But so, we'll be happy
7 to sit with you and others to discuss how the DOHMH
8 processes might be impacting this, if at all.

9 COUNCIL MEMBER SCHULMAN: That would be
10 great, because I know you have a master's in non-
11 profit leadership, so you can be very helpful to this
12 process.

13 DEPUTY CHANCELLOR HAWKINS: I'm here at
14 your service.

15 DEPUTY CHANCELLOR HAWKINS: Thank you, and
16 thank you, Chair, and thank you, Council Member
17 Gutiérrez, for your bill.

18 CHAIRPERSON DINOWITZ: Thank you, Council
19 Member Schulman.

20 You know, I would like to talk more about
21 Schoolhouse Rock, and I was told you would sing the
22 song for us.

23 DEPUTY CHANCELLOR HAWKINS: I would never
24 do that to you all. I can't even hum nicely.

2 CHAIRPERSON DINOWITZ: Okay. Well, I hope
3 that's true, because you're under oath so if I find..

4 DEPUTY CHANCELLOR HAWKINS: Very true.

5 CHAIRPERSON DINOWITZ: You at a karaoke
6 bar and it's not the case, we'll be very upset.

7 DEPUTY CHANCELLOR HAWKINS: It would
8 validate it.

9 CHAIRPERSON DINOWITZ: I'd like to turn it
10 over to Council Member Brewer for some questions.

11 COUNCIL MEMBER BREWER: Thank you very
12 much.

13 Obviously, in District 3, we're very
14 pleased with the Chancellor, Kamar Samuels, but he's
15 lucky to have you, I would say.

16 Two things. One is about the tech. I
17 don't know. I've been doing this work for about 30
18 years now, and the issue has always been the
19 hardware, even, at the centers. Is that something
20 that's pretty much addressed? We all talked about
21 software. I chaired technology in the past. I know a
22 lot about tech so how has that improved?

23 DEPUTY CHANCELLOR HAWKINS: Yeah. That's a
24 great point, and thank you for the compliment.

2 Providers can include funding for
3 hardware technology in their budget, but one of the
4 things that has been definitely raised up by many of
5 the providers is that this flat rate contract has
6 been the same rate for five years, and so they don't
7 have as much wiggle room within their budget to add
8 in any new costs. And so, because they are
9 independent businesses, we don't cover them in the
10 way that we cover our district schools, but it is an
11 allowable expense that they can charge.

12 COUNCIL MEMBER BREWER: Okay. But is there
13 anything we're doing to help either group them
14 together, better prices, information? I mean, just
15 having an owl is a whole drama.

16 DEPUTY CHANCELLOR HAWKINS: Yeah. No, but
17 that is definitely something we can look into.

18 COUNCIL MEMBER BREWER: Okay. Second, you
19 know my next question. It's called 1972 Broadway.
20 Okay, so we're up on, Kamar made sure that 1972 is
21 filled, or I would have killed him. So, now the
22 question is, how many other 1972 Broadway's are? Do
23 you know what they are? For those who don't know the
24 story, I found a center that the DOE didn't know
25 anything about, 24,000 dollars a month, two years

2 paid, vacant. Now filled, thank you, with wonderful
3 children from District 79, and soon to be for all
4 floors to be filled. Got it. Did it. But now, are all
5 the other centers found, populated, etc.? These are
6 all early childhood. It's called Josh Wallach, in
7 disguise.

8 DEPUTY CHANCELLOR HAWKINS: So, happy
9 about 1972, happy that our District 75 community's in
10 there, and we are hoping to put our littles and
11 cutest, as the Chancellor says, in there very soon as
12 well.

13 And so, yes, Councilwoman, we have a list
14 of vacant sites that were previously built, not
15 necessarily put online, or may have since been
16 unoccupied. And one of the things on my first day
17 with my team has been looking at those sites to
18 determine if we can bring them online and how, right?
19 We understand that many of them were intended for the
20 littles. Community needs have changed. And so, where
21 our children with disabilities could potentially use
22 the space, we have given them over to the Division of
23 Inclusive and Accessible Learning. But again, knowing
24 that the Mayor's intention is to expand care in unmet
25 communities, we are hoping to really bring many of

2 them online to support the littles. So, we are
3 looking, we are having a plan to support them. We
4 don't want to oversaturate communities with seats
5 that they don't need. But absolutely, we don't want
6 buildings sitting vacant.

7 COUNCIL MEMBER BREWER: Can you, at some
8 point, give the Chair the list of the places and what
9 you're considering?

10 DEPUTY CHANCELLOR HAWKINS: Definitely the
11 former. The latter might not be in full development
12 yet.

13 COUNCIL MEMBER BREWER: I just suggest,
14 having spent quite a lot of time on 1972, it's hard
15 to convert. Because what happened was the gym is
16 tiny, etc. But they even have wastebaskets, you know.
17 They have marionettes. They have everything. So, a
18 lot has gone in. And just, I don't know if you need
19 this, but back to the Department of Health issue, I
20 walked around. Three of the classrooms in 1972 are
21 for infants. I'm not sure we're going to do that. But
22 my issue, and they're on the second floor. So, they
23 are allowed in certain circumstances.

24 DEPUTY CHANCELLOR HAWKINS: So, I'm not
25 aware of that having a group usage...

2 COUNCIL MEMBER BREWER: I am.

3 DEPUTY CHANCELLOR HAWKINS: So, I will
4 look into that.

5 COUNCIL MEMBER BREWER: I am. So, my
6 question to you is, do you need legislation to help,
7 I would call it the second floor issue, for the
8 infants? You let us know.

9 DEPUTY CHANCELLOR HAWKINS: I will let you
10 know. I will say this with my old assistant
11 commissioner hat at the Bureau of Child Care, I am
12 very sensitive to putting infants above the ground
13 floor because I have read and seen horrific things.

14 COUNCIL MEMBER BREWER: No, I agree. The
15 gentleman from Health who went around with me felt
16 the same way, but he couldn't identify all
17 classrooms, but there were three that met his
18 criteria.

19 DEPUTY CHANCELLOR HAWKINS: Okay.

20 COUNCIL MEMBER BREWER: So, I don't know
21 if you need more assistance with that. But if the
22 Mayor's talking about infants, I hate to say, you
23 might have to...

24 DEPUTY CHANCELLOR HAWKINS: No, you're
25 absolutely right. And that's something we will have

2 to work with the Board of Health and the Health
3 Commissioner.

4 COUNCIL MEMBER BREWER: Well, I'd love to
5 know if there are instances where you need some
6 changes based on safety, obviously.

7 DEPUTY CHANCELLOR HAWKINS: Of course.

8 COUNCIL MEMBER BREWER: All right. Thank
9 you. Thank you.

10 You have no idea about this story,
11 everybody. Just let me know. I could write a book.
12 Thank you.

13 DEPUTY CHANCELLOR HAWKINS: Thank you.

14 CHAIRPERSON DINOWITZ: That you haven't
15 written a book yet is the most astounding thing I've
16 heard yet.

17 Thank you, Council Member Brewer.

18 Thank you, Deputy Chancellor Hawkins. I
19 want to thank you for your testimony today, and we
20 look forward to working with you on this legislation
21 to making sure there's transparency and
22 accountability all in a way that works for our City,
23 especially as we expand early childhood care. And of
24 course, I want to thank again, Council Member
25 Gutiérrez for this legislation.

2 DEPUTY CHANCELLOR HAWKINS: Thank you all
3 so much. Please reach out to me and my team. We are
4 responsive. Thank you.

5 CHAIRPERSON DINOWITZ: Thank you.

6 We're going to call the next panel is the
7 Independent Budget Office, Emma Gossett from the IBO.

8 You may begin and just state your name
9 for the record.

10 POLICY ANALYST GOSSETT: My name is Emma
11 Gossett.

12 CHAIRPERSON DINOWITZ: Thank you.

13 POLICY ANALYST GOSSETT: Good morning,
14 Chair Dinowitz and Members of the Education
15 Committee. My name is Emma Gossett, Lead Budget and
16 Policy Analyst at the New York City Independent
17 Budget Office. IBO's mission is to enhance public
18 understanding of New York City's budget, public
19 policy, and economy through independent analysis. In
20 2009, the New York State Legislature amended State
21 education law to authorize IBO to provide analysis
22 and publish reports based on detailed data and
23 information obtained from NYCPS. This section of law
24 is tied to the reauthorization of mayoral control and
25 has been in place for 15 years. As a result of IBO's

2 unique position in New York City government and
3 access to NYCPS data, IBO has published many reports,
4 including student, school, and system-level
5 information. These are included in the written
6 testimony.

7 Thank you for the opportunity to testify
8 today at this hearing on Intro. 327, which would
9 require additional reporting on invoices for early
10 childhood education providers. In my testimony, I
11 will describe the landscape of early childhood
12 education contracts, discuss challenges within the
13 procurement process, and discuss the proposed bill
14 that could provide greater transparency. Based on the
15 City Council Terms and Conditions Report for Fiscal
16 Year 2025, which is also School Year '24 - '25, there
17 were approximately 900 early childhood vendors that
18 had contracts in place, with a total annual contract
19 cost of 1.7 billion dollars. Vendor contracts
20 individually ranged from as small as 70,000 dollars
21 to as large as 62 million. There was an average
22 contract amount of about 1.9 million dollars. For
23 example, one vendor in 2025 held a 22-million-dollar
24 contract. This contract provided for six center-based
25 programs, including 64 staff members and a capacity

2 to serve over 300 students. Importantly, FCCs and
3 Head Start programs are not included in this data. In
4 Fiscal Year 2025, these contracted programs
5 represented 58 percent or 70,000 seats out of the
6 total 122,000 3K and pre-K seats citywide.

7 As the City seeks to expand early
8 childhood education opportunities to the younger
9 students for a two-care pilot, NYCPS has said it will
10 seek contracts with early childhood contractors to
11 build that capacity. But there are current challenges
12 within the contracting process faced by existing
13 providers that may impact this expansion. IBO has
14 spoken with ECE providers about contracting with
15 NYCPS and has identified some of the largest
16 challenges. The first major challenge is contract
17 registration, which is often significantly delayed.
18 Based on IBO's analysis of data from prior years in
19 Checkbook NYC, IBO found that the number of contracts
20 registered after the contract's start date has
21 increased over time, from an average of 83 days late
22 in 2021 to an average of 247 days late in 2024. This
23 means that providers whose contracts were registered
24 in 2024 would have had to front costs for up to eight
25 months before receiving any payments, including

2 advances. The fact that registrations are happening
3 later over time compounds this problem.

4 The second is advances. After
5 registration, a provider submits a budget and then
6 programs are eligible for advances between 25 and 35
7 percent of that annual contract based on program
8 type. While providers say that payment timing has
9 improved over the past few years, they noted that
10 these advances are crucial to their ability to
11 operate programs and maintain staffing levels.

12 Another challenge is invoice timing.
13 Providers are unable to submit invoices until the
14 first day of the next service month. In other words,
15 once invoices are submitted, providers may have
16 already been in nearly a month past when the invoice
17 expense was occurred. Providers have shared that the
18 schedule of payment and invoicing limits their
19 ability to fund unexpected expenses.

20 Yet another challenge is recoupment.
21 NYCPS recoups the advance that was provided at the
22 start of the fiscal year by subtracting an eighth of
23 the advance in every month from any payment sent to
24 providers across the eight service months for SDY
25 programs. Providers have shared that recoupment has

2 made it so that they have, at times, had to reduce
3 their own personal pay to make up for funding
4 shortfalls.

5 The final challenge identified is funding
6 dependence on enrollment and attendance. Changes in
7 enrollment lead to changes in monthly payments.
8 Depending on what that month's enrollment and
9 certified attendance is, NYCPS will pay out only a
10 share of the awarded contract based on a tiered
11 system. This is challenging for fixed costs, like
12 rent and staffing, and for smaller providers with
13 fewer students initially enrolled.

14 I will now turn to the NYCPS process.
15 First, there are disconnected systems. NYCPS staff
16 navigate multiple systems for invoicing and payment.
17 FCC providers use the city's procurement system,
18 PASSPort, while CBO providers use Pre-Kids, an
19 internal NYCPS system, to submit invoices and
20 maintain enrollment. For staff, Pre-Kids does not
21 communicate with the City's financial management
22 system, FMS, through which all payments are made by
23 the City. This requires NYCPS staff to perform manual
24 checks between FMS and Pre-Kids using a third
25 internal NYCPS system, Famous. This increases time

2 between invoice and payment. Finding a system that
3 allows a direct line from FMS to NYCPS staff may
4 improve this process and increase administrative
5 capacity.

6 Next, the approval process. There are
7 differing processes for invoice approval based on the
8 type of seat. And if NYCPS staff have questions or
9 concerns about an invoice, they will return that
10 invoice to the vendor. This crucial step in the
11 process is not reflected anywhere within public data.
12 As a result, it is unclear how frequently this occurs
13 and what the documented reason for each invoice
14 return is.

15 I will now turn to the current Terms and
16 Conditions report. IBO assumes that the invoices
17 reflected in the data are only invoices that have
18 been approved by NYCPS, not the full amount of
19 invoices that have been submitted and are awaiting
20 full approval. Across all of Fiscal Year 2025,
21 providers invoiced 779 million dollars, which is less
22 than half of the total amount of awarded contracts
23 that year. In the first fiscal quarter, providers
24 invoiced a total of 9 million dollars, a much smaller
25 amount than the following three quarters. This

2 discrepancy may reflect the timing of the school
3 year, but it also may indicate a delay in contract
4 registration and subsequently a program's ability to
5 invoice expenses. An opportunity for future data
6 collection would be to provide a record of any
7 invoices that are submitted by providers but returned
8 by NYCPS for resubmission.

9 Partial payments. It is IBO's
10 understanding that NYCPS, consistent with other City
11 agencies, does not issue partial payments. As IBO has
12 stated in prior testimony, agencies could be required
13 to pay a majority percentage, for example, 80 percent
14 of every invoice submitted by human service vendors
15 in good standing and complete the rest of the
16 approval for the invoice in a reasonable time frame,
17 such as 30 or 60 days. IBO supports the spirit of
18 Intro. 327 to require NYCPS to report monthly initial
19 invoices as compared with final approved initial
20 invoice amounts.

21 NYCPS payments. NYCPS paid 1.1 billion
22 dollars to providers in Fiscal Year 2025, which was
23 66 percent of that total awarded contracts. Total
24 payments exceeded what was invoiced by providers by
25 340 million dollars. Further data on the amount of

2 invoices submitted that are still awaiting approval
3 may provide additional insight into these
4 discrepancies. Having invoices disaggregated monthly
5 rather than by fiscal quarter would also provide
6 further details on timing.

7 Thank you for the opportunity to testify,
8 and I'm happy to answer any questions.

9 CHAIRPERSON DINOWITZ: Thank you so much.
10 Always, IBO's testimony is always very, very
11 thorough. Yeah. I need a thesaurus next to me. I was
12 going to say good. Thorough. Well researched.

13 So, just specific to the legislation, I'm
14 interested to hear more specific ways to improve the
15 legislation. So, for example, you had said in your
16 testimony, an opportunity for future data collection
17 would be to provide a record of any invoices that are
18 submitted by providers, but returned to New York City
19 Public Schools for resubmission. Are there other
20 specific recommendations IBO has as to improve the
21 proposed legislation?

22 POLICY ANALYST GOSSETT: While IBO doesn't
23 offer specific recommendations, I think invoices is a
24 great way to look. Monthly disaggregation would be
25 helpful looking month over month rather than quarter

2 over quarter for more specifics. And just more
3 transparency around the process and getting data on
4 the timelines for each step in the process would also
5 be helpful.

6 CHAIRPERSON DINOWITZ: Okay. And you've
7 outlined some of those steps and the, I still call
8 them DOE. I probably will until I die. I'll never get
9 to New York City Public School. And DOE outlined some
10 of those processes in their testimony as well.

11 And you think that if those are also
12 highlighted in any reporting that they do for the
13 legislation, that would help, right?

14 POLICY ANALYST GOSSETT: I do think more
15 clarity around timing for submission of invoices and
16 resubmission of invoices would be helpful.

17 CHAIRPERSON DINOWITZ: All right. Thank
18 you so much for your testimony today.

19 I'm terribly sorry. We have a question.
20 Council Member Wong.

21 POLICY ANALYST GOSSETT: No worries.

22 COUNCIL MEMBER WONG: Yes. You said that
23 back in 2021, contracts take about 83 days to
24 register and then three years later now it takes 247
25 days for a contract to be registered. I just want to

2 hear because we have these systems that previously
3 promised it will accelerate the process, you know,
4 and obviously it's not the case. What's your theory
5 on why the delay has been so much longer?

6 POLICY ANALYST GOSSETT: I think this is,
7 so this one specifically is on contract registration,
8 which is separate from the payment timelines. I do
9 know, I've heard from providers that payment
10 timelines have improved so getting paid more quickly
11 has improved. I have not heard the same about the
12 timeline for contract registration, and so I think
13 this data reflects that.

14 COUNCIL MEMBER WONG: What seemed to be
15 the delay on contracts that's not being registered?
16 What's the primary reason? Are not filed tax returns,
17 unpaid taxes, or just they're not familiar with the
18 system?

19 POLICY ANALYST GOSSETT: We are unable to
20 see that in the data that we were using, but we would
21 love more information on the process of contract
22 registration and what are the processes that do delay
23 that.

24 COUNCIL MEMBER WONG: All right. Thank
25 you.

2 POLICY ANALYST GOSSETT: Thank you.

3 COUNCIL MEMBER WONG: Thank you, Chair.

4 CHAIRPERSON DINOWITZ: Thank you, Council
5 Member Wong.

6 Council Member Brewer.

7 COUNCIL MEMBER BREWER: Thank you for
8 excellent testimony.

9 Two questions. One is the technical
10 assistance for providers. We talked about language. I
11 know that the DOE is trying to do more of that. What
12 would you suggest, or is that an issue, number one?
13 And then second, back to my question, which you may
14 not know, but I do hear that the technology hardware
15 that the centers have is not sufficient to handle
16 what they need. So, those are my two questions. What,
17 and if you could help.

18 POLICY ANALYST GOSSETT: Yeah. I have
19 heard from providers that technical assistance is
20 difficult, or the technology is difficult to use, and
21 that technical assistance is beneficial. I have heard
22 from providers that language access has improved.
23 There are more systems that are available in
24 alternate languages, although that's not reflected in
25 the data for me to analyze.

2 COUNCIL MEMBER BREWER: It's more like,
3 what kind of technical assistance is needed? Is there
4 enough of it? And is the hardware an issue? I know
5 the software, but I just was concerned. I hear about
6 the hardware.

7 POLICY ANALYST GOSSETT: Yeah. I think,
8 honestly, more detailed information on contracts
9 would give us that information looking potentially at
10 percentage of a contract used for hardware or for
11 technical assistance would give us some kind of
12 indication.

13 COUNCIL MEMBER BREWER: Thank you.

14 POLICY ANALYST GOSSETT: Thank you.

15 CHAIRPERSON DINOWITZ: Thank you, Council
16 Member Brewer, and thank you so much for your
17 testimony today.

18 POLICY ANALYST GOSSETT: Thank you.

19 CHAIRPERSON DINOWITZ: All right. I will
20 now call the next panel, Gregory Brender from Daycare
21 Council of New York.

22 You may begin when ready, and please
23 state your name for the record.

24 GREGORY BRENDRER: (INAUDIBLE)

25 Make sure your microphone's on?

2 GREGORY BRENDER: Thanks. Hi. I'm Gregory
3 Brender. I'm here from the Daycare Council of New
4 York. We are the membership organization of New York
5 City's early childhood education providers, and thank
6 you so much, Chair Dinowitz and Chair Gutiérrez, for
7 the opportunity to testify and for this hearing, and
8 really also all the Members of the City Council that
9 this has been an issue who have continually worked on
10 and continually pressured us and NYCPS to work on,
11 and we really appreciate it as it is incredibly
12 important to providers.

13 As you know, the Governor and the Mayor
14 have proposed historic expansions that we're
15 incredibly excited about for early childhood
16 education, including the launch of 2Care and
17 investment in the Child Care Assistance Program, but
18 we know that all these investments will only succeed
19 if early childhood providers and the workforce that
20 supports them have the infrastructure they need to
21 support and operate sustainably. On-time payments to
22 contracted child care providers are a crucial part of
23 this infrastructure, and we look forward to working
24 with the Administration and the City Council to
25 strengthen these payment systems.

2 And while NYCPS has taken many steps to
3 improve invoice processing, late payment payments do
4 remain a significant challenge to providers. In 2023,
5 we surveyed over 250 early care and education
6 providers. Of those respondents, 64 percent of
7 providers remained unpaid for the previous month's
8 services, and many rely on personal or business loans
9 to continue to operate. In interviews with our member
10 organizations, providers consistently described the
11 financial strain caused by late payments,
12 particularly the burden of interest and late fees
13 incurred while awaiting NYCPS payments. Among
14 providers forced to bridge payment gaps, 25 percent
15 obtained a business loan, 26 percent took out
16 personal loans, others relied on external grants or
17 private funds. In some cases, the financial pressure
18 caused by late or chronic payments has forced
19 programs to shut their doors. When loans are used to
20 cover payroll for even one month of interest,
21 payments can be devastating for already resource-
22 constrained early care providers. Late payments have
23 caused missed payroll, leading even the most
24 dedicated staff to seek new or additional employment

2 or struggle financially, missed payments to vendors,
3 and missed payments for employee benefits.

4 We support the legislation the Council is
5 considering to provide public information about the
6 number of invoices submitted, the number of invoices
7 paid in full and the numbers partially paid, average
8 processing time, and the number of outstanding
9 invoices. This transparency will provide critical
10 information to providers and the public, help
11 identify systemic issues, and support improvements to
12 payment processes.

13 In addition, we urge the City to increase
14 advances to 75 percent of contract value. Providers
15 are guaranteed 75 percent of contract value in their
16 contracts. Advancing the guaranteed portion would
17 improve cash flow and allow for more effective
18 planning and budgeting, and holding providers
19 harmless from enrollment-based penalties while NYCPS
20 controls enrollment. As long as enrollment is managed
21 through a centralized system, providers should not be
22 penalized for under-enrollment, consistent with
23 protections afforded to early childhood programs
24 operating in public schools.

2 Thank you again, and then also to the
3 Administration for all your work on this issue, and
4 thanks for the opportunity to testify.

5 CHAIRPERSON DINOWITZ: Thank you so much
6 for your testimony.

7 I'm going to turn it over to Council
8 Member Gutiérrez for her questions.

9 COUNCIL MEMBER GUTIÉRREZ: Thank you,
10 Chair. Good to see you, Gregory. Thank you for your
11 testimony.

12 Two questions. One is, can you share, of
13 DC Hawkins' testimony this morning, and just her
14 responses, what are your initial thoughts on this new
15 system? I think it's great that they're doing testing
16 for providers now. Have some of those providers that
17 are testing it out engaged with you all? Do you think
18 this is going to be helpful? Is there an additional
19 layer now for folks?

20 GREGORY BRENDER: I haven't heard directly
21 from providers who are testing this out, but I think
22 it's really exciting to know that NYCPS is engaging
23 on this issue, particularly as we're looking at a
24 time of expansion, and certainly we know they know
25 and have acknowledged that there's a lot of systems

2 design work that needs to happen, so we're glad to
3 see that there's progress moving forward.

4 COUNCIL MEMBER GUTIÉRREZ: And from the
5 providers that you all work with, would you say that
6 there is an agreement that payments have been coming
7 in more consistently, more on time, in the last 12,
8 24 months even?

9 GREGORY BRENDER: Yeah. There's definitely
10 been a decrease in the late payments issues. The
11 issues really came to a head, I think, in 2022, 2023,
12 and there continue to be issues. They've been less
13 consistent. There was a period where we really saw
14 many, if not most, providers facing late payment
15 issues. It's now continued to face many centers, but
16 it's not been as consistent a problem.

17 COUNCIL MEMBER GUTIÉRREZ: And are there
18 geographical areas where some of these centers that
19 are still facing these challenges, is it like in
20 particular neighborhoods, in particular boroughs, or
21 would you say it's kind of scattered all over?

22 GREGORY BRENDER: I think it's been more
23 scattered.

24 COUNCIL MEMBER GUTIÉRREZ: Okay.

2 GREGORY BRENDER: I haven't seen a sort of
3 geographic, like one neighborhood being particularly
4 impacted.

5 COUNCIL MEMBER GUTIÉRREZ: And then I
6 think you pointed to this in your testimony. It's my
7 last question, on providers having to rely on loans.
8 Are there instances where, I mean, is there a max
9 amount that a facility can request in a loan month to
10 month? Because I have seen different daycares kind of
11 try to be as creative as possible. No one wants to
12 miss that payroll. No one wants to make that payment.
13 I know of directors that will personally skip a
14 payment to ensure that providers are getting paid.
15 Kind of what does that look like for providers when
16 they have not gotten paid and payroll is due?

17 GREGORY BRENDER: Yeah. It means a bunch
18 of things. One of the things we saw during the heart
19 of the crisis was really a lot of centers actually
20 missing payroll, and that's just devastating, right?
21 That means people who are already underpaid, people
22 who are basically in jobs that they're leaving
23 because in many cases they can't afford, are then
24 waiting for their salaries for weeks. And these are
25 folks who their landlords aren't waiting for their

2 rent, right? So, it really caused a crisis for a lot
3 of folks. I don't necessarily see a statutory limit
4 on loans, but the more loans you take, the worse your
5 credit, the worse your ability to operate, either in
6 some cases for an organization and a non-profit, but
7 then in many cases, a lot of the contracted providers
8 are small businesses so people are actually putting
9 their personal credit at risk. And then of course,
10 it's the more interest you spend so it means in the
11 future when payments do come in, instead of that
12 funding going back into the program and going into
13 sustaining program quality, it goes to paying
14 interest because you don't get interest payments for
15 late payments.

16 COUNCIL MEMBER GUTIÉRREZ: Just one last
17 question. I'm so sorry, Chair.

18 Are you all tracking or is there a system
19 to track some of these educators and providers that
20 are in fact leaving because they're not getting paid?
21 Or is it something that you have from the past? I
22 know it's gotten better.

23 GREGORY BRENDER: We have. Yeah. And I
24 think it's something that continues to happen, right?
25 You know, we had periods where it happened, like

2 particularly with the expansion of pre-K in 2014,
3 where you really saw mass exodus of folks from the
4 community-based system, and it's something we want to
5 make sure doesn't happen. When we launched 2Care,
6 when we launched expanded 3K, we need to make sure
7 that in any community-based organization, whether
8 it's 2Care, 3K, pre-K, extended day, that people
9 continue to stay in these roles. And we've seen in
10 the past, the most common place people are leaving
11 for is to work in other places in the New York City
12 Public Schools, and it means that the early childhood
13 programs that are in many cases the only ones serving
14 low-income working families, because they're the only
15 ones that have extended day programs, are losing
16 their long-term staff. We've also seen, particularly
17 among a lot of the support staff, is people leave
18 because they're waiting for their background
19 clearance to go through, or, you know, as there
20 haven't been increases for some of the roles in early
21 childhood programs, you actually see people just
22 leaving the field overall. They might find that they
23 could do equal or better at, you know, working in
24 retail or working even in fast food. Thank you so
25 much.

2 CHAIRPERSON DINOWITZ: Thank you. And I
3 think there's a great importance of your testimony
4 about interests, where, you know, you can say, oh,
5 just take out a bridge loan to, you know, bridge that
6 gap, but there's still a cost to that for the
7 provider. So that is, you know, that is causing harm
8 certainly to our providers.

9 Turn it over to Council Member Brewer for
10 her questions.

11 COUNCIL MEMBER BREWER: Thank you.

12 I just have a question. Of those that are
13 part of Day Care Council, do you have non-profit and
14 for-profit?

15 GREGORY BRENDER: We do, yes.

16 COUNCIL MEMBER BREWER: I have both in my
17 District, and I have some concerns sometimes. So, my
18 question is, do they both have the same problems that
19 you outlined? The non-profit and the for-profit? I
20 don't know what the percentage of for-profit is. I
21 don't actually know.

22 GREGORY BRENDER: Within our network, I
23 actually don't know the numbers off the top of my
24 head, but our network is probably majority non-

2 profit. And I think the system still is probably more
3 heavily non-profit, though there's been...

4 COUNCIL MEMBER BREWER: That's good, in my
5 opinion.

6 GREGORY BRENDER: Yeah. A greater number
7 of for-profits. And also, you know, a lot of the for-
8 profits are maybe not the for-profits that you sort
9 of would conjure up. Like it's often a, you know,
10 someone starting their own home business that sort of
11 maybe it started even as a home-based program and
12 expanded. But we've really seen the problems with
13 late payments affecting equally both non-profit and
14 for-profit.

15 COUNCIL MEMBER BREWER: Okay.

16 GREGORY BRENDER: And yeah, I don't think
17 there's necessarily been a difference in that.

18 COUNCIL MEMBER BREWER: Okay. And the
19 other question is, do you have in your network, is it
20 also sometimes a rent issue and space issue? Or is
21 it, you know, you outlined clearly all the City
22 government challenges, but are there also some in
23 terms of being able to stay where they are in a space
24 issue?

2 GREGORY BRENDER: Oh, absolutely. We have
3 a member services team who is almost always dealing
4 with folks who are trying to stay in neighborhoods
5 where unfortunately, you know, landlords are trying
6 to get more rent. And, yeah, we know it's incredibly
7 important, particularly as we're looking at expanding
8 that the City invest in making sure that community-
9 based early childhood providers can continue to
10 afford to stay in quality spaces.

11 COUNCIL MEMBER BREWER: All right. So,
12 that's also an issue.

13 GREGORY BRENDER: Absolutely.

14 COUNCIL MEMBER BREWER: Thank you. Thank
15 you, Mr. Chair.

16 CHAIRPERSON DINOWITZ: Thank you, Council
17 Member Brewer.

18 Council Member Wong.

19 COUNCIL MEMBER WONG: Yes. Hi. Thank you
20 for testifying. I just have a question on what's your
21 percentage of providers that actually needs a bridge
22 loan?

23 GREGORY BRENDER: So, the bridge loans are
24 usually only available during the period of contract
25 registration. More of the contracts are registered

2 now because the RFP was a while back. We expect that
3 there'll be new RFPs for new programs. So, at that
4 point, the bridge loans will become available again.
5 Most of the loans that folks, I think, took out for
6 when there were issues with late payments actually
7 kind of came after, sometimes before contract
8 registration when they could get bridge loans from
9 the Fund for the City of New York or then after
10 registration where they were looking to other places,
11 whether it was just a bank or even a credit card.

12 COUNCIL MEMBER WONG: My second question
13 is, you urge the City to hold providers harmless from
14 enrollment-based penalties. Now, the way the
15 contracts are paid is based on enrollment, isn't it?
16 And you're saying that this should no longer be the
17 case because why should we pay a provider if they
18 under-enroll if we pay them by the number of kids in
19 the program?

20 GREGORY BRENDER: Well, we want every seat
21 to be filled, and we know the City does as well, so I
22 think part of it is making the process easier for
23 families to enroll so that we do ensure that every
24 seat is filled. But right now, providers don't have
25 the ability to enroll seats. The enrollment goes

2 through the centralized enrollment system within
3 NYCPS so providers should be held harmless when they
4 basically don't get the children that they would need
5 to fill their slots.

6 CHAIRPERSON DINOWITZ: All right. Thank
7 you so much for your testimony today. Thank you.

8 That concludes our in-person portion of
9 our public testimony. We will now move to remote
10 testimony.

11 If you are testifying remotely, please
12 listen for your name to be called. Once your name is
13 called, a Member of our Staff will unmute you. You
14 may then start your testimony once the Sergeant-at-
15 Arms sets the clock and cues you to begin.

16 Our first witness on Zoom is Olena
17 Knyzhnyk-Olsen.

18 SERGEANT-AT-ARMS: You may begin.

19 OLENA KNYZHNYK-OLSEN: Hello. Hello,
20 everybody. I'm going to be very, very short. Speaking
21 of the budget, I want to tell you how shocked all of
22 us were when...

23 CHAIRPERSON DINOWITZ: I'm sorry to
24 interrupt you. Can you please just state your name
25 for the record?

2 OLENA KNYZHNYK-OLSEN: My name is Olena
3 Knyzhnyk-Olsen, and I'm joining you from Brooklyn.

4 CHAIRPERSON DINOWITZ: Thank you. You may
5 begin.

6 OLENA KNYZHNYK-OLSEN: I want to tell you
7 first, since we're talking about the budget, how
8 shocked all of us were when in September providers
9 meeting with DOE, we were announced in... I still can't
10 get over it. Some of you may be happy, but some of
11 you might not be happy. We are giving you extension
12 of your contract for two more years, and those
13 numbers are the same. All of you know how much prices
14 had changed for everything, for rent, for insurance.
15 Just paying the bills became astronomical. If there's
16 anybody who can look into this and take this issue
17 close to heart, all providers would be thankful for
18 that.

19 About the contracts, my personal
20 situation or situation of our school, we were
21 amending our contract, and this is the data from my
22 place. We found out about us needing to amend the
23 contract sometime at the beginning of September in
24 2025. It took a lot of people to reach out and asking
25 for help, and our amendment contract just went

2 through, if I'm not mistaken, two weeks ago. So, can
3 there be better systems in place, people who are
4 responsible for these kind of issues who we providers
5 can reach out?

6 And lastly, the biggest issue for all of
7 us providers is the pay parity, the salary of our
8 teachers who work in early childhood education. I
9 know you guys always are thankful for us doing the
10 job. It's time for the City to start paying the
11 people who are doing the job well, on par with public
12 schools. Thank you very much.

13 CHAIRPERSON DINOWITZ: Thank you so much
14 for your testimony.

15 Okay. We have Council Member Wong who
16 wants to ask you a question.

17 COUNCIL MEMBER WONG: How much of an
18 increase are you asking?

19 CHAIRPERSON DINOWITZ: Can you please
20 unmute her again?

21 OLENA KNYZHNYK-OLSEN: So, for example, in
22 my personal situation, well for my staff right now, I
23 don't know if you guys know the numbers, but my
24 licensed experienced pre-k teacher is getting the
25 salary of around 69,000 dollars a year. That's just

2 talking about the teachers. When the public schools
3 are currently hiring not experienced teachers with
4 bachelor's degree certified, and they're offering
5 70,000 dollars a year. And the money goes higher if
6 you have master's degree, if you have work
7 experience. So, you need to do something about that.
8 Either pay us the money that these people deserve for
9 doing their job, or make the requirements for
10 staffing so low but then not expect the high-quality
11 care. In my personal program expense, it's the salary
12 that went up. It's the insurance that went up. And
13 also, we are renting in the building where all of a
14 sudden, not all of a sudden, but for me all of a
15 sudden, because I'm not the executive operational
16 person in the preschool, our property taxes on the
17 building because it was a new building, they went up.
18 So, just that is currently adding 3,000 dollars this
19 year on top of more. But it's not budgeted in my
20 budget, and there will not be an opportunity to
21 budget that into years. But I think within another
22 three years, that number will go up to 7,000 dollars
23 a year, and it's a lot.

24 CHAIRPERSON DINOWITZ: Thank you for your
25 testimony.

2 I will now call on Kate Hoy to deliver
3 her remarks and please state your name for the
4 record.

5 KATE HOY: Hi there. My name is Kate Hoy.
6 I am the Vice President of Children's Services at the
7 Interagency Council of Developmental Disabilities
8 Agencies. Thank you so much for the opportunity to
9 testify, Chair Dinowitz and Members of the Education
10 Committee. IAC represents a diverse coalition of 200
11 member agencies, including non-profit specialized
12 4410 and 853 special education schools, also early
13 intervention, family groups, independent
14 practitioners. But our entire mission is to support
15 children and adults with intellectual and
16 developmental disabilities.

17 While our 4410 special education
18 providers are deeply grateful to the DOE and City for
19 the preschool enhancement contracts, the current
20 invoicing and approval process is threatening the
21 very existence of some of these vital programs. I've
22 spoken with providers across the city, and their
23 experiences reveal a volatile system. One provider in
24 Queens was encouraged to start an extended day
25 program this past September. They hired staff and

2 excited their families, only to be told funding would
3 begin in November. It is now the end of January, and
4 they have received zero funding and zero
5 communication. As they put it, the staff is receiving
6 extra pay for longer hours, and we are trying to
7 stretch dollars we don't have. I'm not sure how much
8 longer we can support this. Another is owed over
9 400,000 dollars at a single site. Despite having an
10 approved budget, they were denied standard startup
11 funds and are now facing significant pushback from
12 lending sources. The lack of consistent guidance is a
13 recurring theme. Providers described shifting
14 goalposts, where an expense approved one year is
15 rejected the next without explanation. We have
16 schools reconfiguring classrooms for accessibility,
17 only to be denied without explanation while others
18 are approved for identical projects. One reported
19 running a program for 13 months without a single
20 dollar of reimbursement, stating that DOE analysts
21 were stalling so long they pushed us to the brink
22 financially. This administrative bottleneck has a
23 domino effect. Delayed invoices prevent the filing of
24 consolidated fiscal reports, which in turn
25 jeopardizes future rate setting and audits. The

2 current rules are needlessly rigid. If a provider
3 identifies an October expense after they've billed
4 for that month, they're currently prohibited from
5 going back to claim it, leading to forced
6 underspending. We cannot tell families their children
7 with autism and other disabilities are a priority
8 while treating the schools that serve them as an
9 afterthought.

10 Perhaps most distressing is the lack of a
11 consistent point of contact. Providers describe being
12 passed around between departments, even finding their
13 contracts suddenly listed as closed in the system
14 with no one to explain why. We cannot improve staff
15 retention or enhance programs when we're spending
16 down reserves just to float the City's obligations
17 for 10 months of the school year. If these were
18 traditional DOE classrooms, the lights would stay on
19 and teachers would be paid. Our 4410 providers
20 deserve the same stability.

21 As a side note, providers are still
22 waiting for clarity on salary increases for contract
23 enhancement providers. Salaries haven't moved since
24 the original enhancement in 2021, leaving one program
25 to enter union negotiations unable to predictably

2 bargain or offer the competitive wages our teachers
3 deserve. We cannot achieve parity for students if we
4 don't have salary certainty for the teachers who
5 serve them. In addition to endorsing recommendations
6 made by the IBO earlier today regarding data on
7 contract registration and return invoices, we support
8 the Intro. 327 and ask the Council to mandate a
9 streamlined, transparent invoicing timeline and
10 ensure that the enhancement of a contract doesn't
11 become a financial breaking point for the agencies
12 providing care. Thank you for the opportunity to
13 testify today.

14 CHAIRPERSON DINOWITZ: Thank you so much
15 for your testimony and, of course, for your work too.
16 I will share as a former special education teacher,
17 I'm deeply grateful for the work you're doing for our
18 kids.

19 And I want to point out for you and for
20 the previous witness that Council Members Lee and
21 Morano introduced a local law to amend the
22 Administrative Code of the City of New York in
23 relation to compensation for contracted Pre-k
24 education services. In other words, pay parity. And

2 that's Intro. 281 so I encourage you to look at that
3 bill and support that bill.

4 KATE HOY: I'm writing it down now.

5 CHAIRPERSON DINOWITZ: Write it down, 281.

6 I will now call the next witness over
7 Zoom, Kevin Kung.

8 KEVIN KUNG: Hello. Am I on?

9 CHAIRPERSON DINOWITZ: Yes. We can hear
10 you.

11 KEVIN KUNG: Hi. Thank you so much.

12 Good morning, Chairman Dinowitz and
13 Members of this Committee. My name is Kevin Kung and
14 I'm an early childhood provider operating multiple
15 community-based programs in New York City and
16 multiple boroughs. Thank you for the opportunity to
17 testify on 203-2026, which relates to reporting
18 payments of early childhood education providers.

19 I want to begin by acknowledging that the
20 intent behind this bill, transparency matters and the
21 payment delays experienced in 2022, are real and
22 destabilizing for many providers. Efforts to prevent
23 a repeat of this situation are important.

24 That said, I would like to offer a
25 provider-level perspective that I believe is

2 important for the Committee to hear. In my own
3 experience as an operator, I have not experienced
4 prolonged invoice delays when all required
5 documentation, receipts and supporting materials are
6 submitted accurately and on time. When providers
7 reach out to me for assistance with invoicing issues,
8 the challenges I most often see stem from difficulty
9 navigating complex documentation requirements and
10 manual review processes, rather than from intentional
11 delay. Reporting on invoice timeliness may tell us
12 what is happening, but it does not meaningfully
13 address why challenges occur or how to prevent them.
14 The goal of this Committee is to stabilize providers
15 and strengthen the early childhood system. I would
16 respectfully urge consideration of three additional
17 areas.

18 First, cost pressures and administrative
19 burdens. Beyond rising labor, insurance, food and
20 utility costs, providers are under layered City and
21 State federal documentation requirements, many of
22 which overlap or duplicate one another. These
23 requirements consume significant administrative time
24 and resources, particularly for community-based
25 organization without large back office staff. I

2 believe it's worth examining whether current
3 documentation requirements are meaningful, improving
4 accountability and outcomes, or whether certain
5 requirements can be streamlined, standardized or
6 eliminated without compromising oversight. Reducing
7 unnecessary administrative burden is in itself a
8 meaningful form of cost relief. In addition, New York
9 City Public School Early Childhood contracts lack
10 built-in cost of living adjustments. Providers are
11 expected to absorb inflation year after year, which
12 is not sustainable and undermines long-term program
13 stability.

14 Second, provider voice and cross-agency
15 coordination. Early childhood education in New York
16 City does not operate under a single system.
17 Providers must navigate multiple agencies across
18 different levels of government, including OCFS at the
19 State level, ACS for child care vouchers, New York
20 City Public Schools for birth to pre-K, and
21 regulatory oversight from the Department of Health.
22 And when opening and expanding centers, providers
23 must also coordinate with FDNY and the Department of
24 Buildings. These agencies often operate different
25 timelines, requirements, interpretation of policy.

2 CHAIRPERSON DINOWITZ: Kevin, please
3 finish up your last sentence.

4 KEVIN KUNG: Oh, okay. When systems are
5 not aligned, it creates unnecessary conflict with
6 friction.

7 So, in closing, transparency alone does
8 not stabilize providers, predicting funding and
9 streamline administrative requirements, meaningful
10 provider engagement, and sufficient administrative
11 capacity does.

12 CHAIRPERSON DINOWITZ: Thank you so much.
13 And if you have other testimony, you can email it at
14 testimony@council.nyc.gov. Thank you for your
15 testimony again.

16 I would now call on Rebecca Schneider-
17 Kaplan.

18 SERGEANT-AT-ARMS: You may begin.

19 CHAIRPERSON DINOWITZ: We will go to the
20 next person and come back to Rebecca.

21 The next person to testify is Terry
22 Stewart.

23 SERGEANT-AT-ARMS: You may begin.

24 TERRY STEWART: Good morning, Chair
25 Dinowitz and esteemed Members of the Committee on

2 Education. My name is Terry Stewart, and I'm the
3 Director of the Early Childhood Center at Lenox Hill
4 Neighborhood House. I will submit a full copy of my
5 remarks separately to the Committee.

6 Lenox Hill Neighborhood House was
7 originally founded in 1894 as a pre-kindergarten for
8 immigrants and is among one of the oldest settlement
9 houses in the nation. At its core, the work has not
10 changed since our founding, as we remain dedicated to
11 improving the lives of New Yorkers through education,
12 nutrition, and wellness, and mental health services.
13 Among our variety of community needs programs,
14 providing education and care for the children in New
15 York remains a key part of our mission 132 years
16 later through our Early Childhood Center. The program
17 addresses the whole child and family, from their
18 health and nutrition to family dynamics to their
19 successful transition to kindergarten. Children and
20 families benefit from our wonderful teaching team,
21 social workers, and other Lenox Hill Neighborhood
22 House services, including visual and performing arts,
23 farm-to-table nutritious meals, products, and much
24 more. We are a Head Start provider and serve the
25 neediest families in New York City and provide a

2 high-quality program to achieve the best outcomes for
3 our students and for our families. As a program
4 funded partially by the City Department of Education,
5 we are in support of amending the Administrative Code
6 of the City of New York in relation to reporting on
7 payments to early childhood care and education
8 providers across the city. In addition to DOE, you
9 are familiar with how payments made across City
10 agencies can adversely affect service providers.
11 Improvements to transparency are only one way to keep
12 agencies on track to making non-profit partners
13 financially whole. As Council Member Guti rrez can
14 attest, having visited our program last year, we are
15 a model provider and we have a wealth of experience
16 providing educational services to young families. In
17 this time of uncertainty, on-time payments and
18 greater transparency are essential to ensuring that
19 we can continue providing high-quality care to the
20 children and families that we service at our Early
21 Childhood Center. Thank you for your consideration of
22 this legislation.

23 CHAIRPERSON DINOWITZ: Thank you.

24 Is Rebecca Schneider-Kaplan on?

25 SERGEANT-AT-ARMS: You may begin.

2 REBECCA SCHNEIDER-KAPLAN: Hello. Thank
3 you. Can you hear me?

4 CHAIRPERSON DINOWITZ: We sure can.

5 REBECCA SCHNEIDER-KAPLAN: I apologize.
6 Hi. My name is Rebecca Schneider-Kaplan. I'm proudly
7 a UPK 4 teacher in Stepping Stones Preschool in
8 Staten Island, New York. Being an early childhood
9 provider is truly a passion of mine and there's no
10 greater joy than working in the classroom. I'm
11 speaking today because my colleagues and I are very
12 concerned after hearing about the universal child
13 care expansion when there's so many issues in the
14 current system in place. There's been no cost-of-
15 living increase for school and also for the staff
16 members. And then the delays are constantly affecting
17 the staff and the students as well. Our school is
18 still awaiting the December payment that they have
19 not yet received. And also, when we have a student
20 that is leaving the classroom that drops from the
21 program, it affects our classroom ratio as well. What
22 happens is because there's issues in that regard, so
23 issues of funding, it creates more stress in the
24 classroom because you're changing our ratio so,
25 instead of having maybe three providers to a certain

2 amount of children, now we're having two. And also,
3 another issue that we're having is significant
4 teacher turnover. There's no more incentive to stay
5 in the classroom when providers are making around
6 30,000 dollars a year. And thankfully, right now, I'm
7 making 68,500 dollars, and then I'll get an increase,
8 but it's a huge difference from the brick-and-mortar
9 DOE schools and our insurance as well. There's no
10 incentive. And again, we're a cornerstone in the
11 community, and I feel like we're not being valued and
12 respected because the City couldn't run without us.
13 And I feel like over time, the constant stress and
14 scrutiny that we're facing is going to lead to a less
15 quality early childhood community in our city. And
16 it's just very disheartening as a mother because I'm
17 faced with also insurance issues with my own
18 children, and I put my heart and soul into the
19 community, and I feel like I'm being disrespected.
20 And two weeks ago, I struggled to find adequate care
21 for my child. My son had an ear injury, and nobody
22 would accept MetroPlus as an ear, nose, and throat
23 provider on the island, and we had to go into the
24 city. So, it's just very frustrating all around to
25 have the constant layers of stress now affecting us

2 in the classrooms, and it's a constant struggle we're
3 seeing. And, especially with the significant increase
4 for children with special needs, we need more
5 support, and we need to have more people available in
6 the classroom, but that's just something that has to
7 be taken into effect. Also, how the constant delays
8 and issues with financing affects not only the
9 teachers, but also the students in the classroom as
10 well.

11 CHAIRPERSON DINOWITZ: Rebecca, thank you
12 so much for your testimony, and I think you've heard
13 people say it or allude to it. None of us educators
14 get into the business to make a ton of money to
15 become rich, but that doesn't mean we should be
16 disrespected and our quality of life should suffer so
17 we could do this. And the City has to kind of step up
18 and make sure that our educators are given the
19 support that they need in order to do what you said,
20 which is to incentivize them to stay, you know,
21 because the things you want to do and contribute to
22 the community can only go so far if you're unable to
23 make a living from it so I appreciate your testimony.

24 REBECCA SCHNEIDER-KAPLAN: Thank you. I
25 appreciate you.

2 CHAIRPERSON DINOWITZ: I'm going to ask if
3 there's anyone else on Zoom to please raise your
4 hand, raise hand function.

5 If there's anyone else present in the
6 room who has not had the opportunity to testify but
7 wishes to do so, please raise your hand.

8 Okay. I want to turn it over to Council
9 Member Gutiérrez.

10 COUNCIL MEMBER GUTIÉRREZ: Thank you so
11 much, Chair, and I agree, this is a great topic for
12 our first hearing. Congratulations.

13 I want to thank everybody who testified.
14 There was a ton of thoughtful remarks here and we're
15 really committed to working with this administration
16 to do all the things that we know will create huge
17 impact for our young people.

18 Is there a hand up?

19 CHAIRPERSON DINOWITZ: Keep going.

20 COUNCIL MEMBER GUTIÉRREZ: And so just to
21 conclude, I also just, I should have started with
22 this. I want to thank Speaker Julie Menin. This was
23 actually her original bill from last term, and so I
24 just want to thank her for trusting me to make this a
25 reality. And thank you again. That's all.

2 CHAIRPERSON DINOWITZ: Is there anyone
3 raising their hand on Zoom? Paula.

4 Unmute Paula for a testimony.

5 SERGEANT-AT-ARMS: You may begin.

6 PAULA MAGNUS: Good morning. Are you able
7 to hear me?

8 CHAIRPERSON DINOWITZ: Yes. You may begin.
9 Please state your name for the record.

10 PAULA MAGNUS: Good morning. I'm Paula
11 Magnus, Deputy Director of Northside Center for Child
12 Development.

13 Good morning, Chairperson and the Members
14 of the Committee of Education. My name is Paula
15 Magnus, Deputy Director of Northside Center for Child
16 Development. Northside strongly support the
17 legislation requiring DOE to report on payments to
18 early childhood and so forth. We congratulate you
19 too, Chair, on your appointment. We would be honored
20 also to have you come to Northside to visit us to see
21 our early childhood program in action.

22 So just to give you a little history,
23 we've been in operation over 30 years. We serve
24 Northside City's most vulnerable children, currently
25 more than 5,500 children annually through Head Start,

2 Early Head Start, and our Therapeutic Early Childhood
3 Center and our mental health clinic. Payment delays,
4 always an issue. You've heard that. Paperwork delays,
5 always an issue. The families cannot afford their
6 services to be interrupted because they're mostly at
7 the federal poverty level. And if our financial
8 funding is not provided, it causes us to always be in
9 jeopardy. Sometimes our contract dollar amounts are
10 removed because of the attendance of children doesn't
11 meet a certain percentage, which seriously
12 financially impacts the organization. There's fixed
13 costs. Having a teacher present, whether there's 30
14 students or 10 students, it can't be a bearable cost
15 that's eliminated. So, the process of reducing the
16 funding on certain contracts should be reviewed and
17 adjusted to ensure the financial stability of our
18 much-needed child care and educational services.
19 Also, to increase universal child care, as was stated
20 earlier, we have organizations out there doing that.
21 What we need to do is to make sure they're
22 financially stable. 92 percent of our Head Start
23 students meet or exceed development expectation, and
24 95 percent of our students in our school also meet
25 their expectations. So, the jeopardy of unpredictable

2 payment cycles, reducing our contract amount is such
3 a problem. So again, we appreciate the opportunity to
4 testify. We will submit a written one online, and we
5 thank you for your time and, again, congratulations.

6 CHAIRPERSON DINOWITZ: Thank you for your
7 testimony. And importantly, I accept your invitation.
8 Here with Council Member Gutiérrez, we would love to...

9 PAULA MAGNUS: Absolutely.

10 CHAIRPERSON DINOWITZ: Can you say again
11 where your site is?

12 PAULA MAGNUS: Our site is Northside
13 Center for Child Development. We're located at 108th
14 and Park Avenue. But we're also clinics and schools
15 in 23 schools throughout Bronx, Brooklyn, and so
16 forth. But we will definitely make sure we follow up
17 with a written invitation.

18 CHAIRPERSON DINOWITZ: Please do. I don't
19 think she was on the mic, but in typical Council
20 Member Brewer fashion, she goes I know exactly where
21 it is. Do you want the address?

22 PAULA MAGNUS: Yes. We know her well.

23 CHAIRPERSON DINOWITZ: She'll be there
24 with us.

2 PAULA MAGNUS: Let me tell you. She has
3 supported us for over 30 years so she definitely
4 knows where we are. Thank you, Council Member Brewer.

5 CHAIRPERSON DINOWITZ: Thank you, Paula,
6 for your testimony and for the invitation. We'll be
7 there.

8 If there's anyone who is here who wants
9 to testify, please raise your hand.

10 Anyone on Zoom, please raise your hand.

11 I want to thank everyone who came to
12 testify today, including the IBO, the New York City
13 Public Schools, and all the witnesses.

14 And with that, our hearing is adjourned.

15 [GAVEL]

16

17

18

19

20

21

22

23

24

25

C E R T I F I C A T E

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



Date February 10, 2026